



Header: CPA Day at the Capitol, January 31, 2024

**Sub-Header: KyCPA's Weekly Recap of the General Assembly
January 29, 2024**

CPA Day at the Capitol

The Society is hosting **CPA Day at the Kentucky Capitol this Wednesday, January 31, 2024, from 9:00-11:30 AM in Frankfort**. The event provides KyCPA members with the opportunity to meet, speak with, and hear from key policymakers impacting Kentucky's business community and accounting professionals. You are welcome to register for [CPA Day 2024](#), review our lineup of speakers, and spend the morning with fellow CPAs interested in impacting Kentucky's policy process.



Photo Caption: KyCPA members in the Kentucky Senate Chambers, CPA Day at the Capitol 2023.

CPA Day Speakers

- 10:00-10:10 AM: **Kentucky Auditor of Public Accounts**, Executive Director of State Audits, Matt Frey
 - 10:10-10:30 AM: **Kentucky House of Representatives, Majority Caucus Chair**, Representative Suzanne Miles (Daviess County)
 - 10:30-10:50 AM: **Kentucky Department of Revenue**, Commissioner Tom Miller
 - 10:50-11:10 AM: **TENTATIVE, Kentucky House Appropriations & Revenue Committee Chairs**
 - Representative Jason Petrie (Todd County)
 - Representative Josh Bray (Rockcastle County)
 - Representative Adam Bowling (Bell County)
 - 11:10-11:30 AM: **Kentucky Senate, Majority Leader**, Senator Damon Thayer (Scott County)
- **Invitations:**
- **Governor's Office**
 - **Senate Appropriations & Revenue Chairs**

Bills to keep an eye on

As we close out the first month of the 2024 Session, hundreds of bills have been introduced but few have made significant progress in the legislative process. Check out the priority bills and issues KyCPA is tracking below:

- [HB1](#) authorizes **one-time appropriations** of \$1.74 billion from the Budget Reserve Trust Fund, or the "Rainy Day Fund," towards the state's pension liabilities, infrastructure projects, economic development, and public safety initiatives.
 - Status: *Referred to the House Appropriations & Revenue Committee, 1/22/2024*
- [HB6](#) proposes the **operating budget** for the Executive Branch with a total of \$124.8 billion over the next two-year period. During his December budget address, Governor Andy Beshear proposed a \$136.6 billion budget.
 - Status: *Referred to the House Appropriations & Revenue Committee, 1/22/2024*
- [HB120](#): Amends KRS 141.0401 to prevent entities doing business in Kentucky with gross receipts of less than \$100,000 from paying the **limited liability entity tax** for taxable years beginning on or after January 1, 2025.

- Status: *Referred to the House Appropriations & Revenue Committee, 1/18/2024*
- [HCR38](#): A concurrent Resolution relating to the establishment of the **Artificial Intelligence Task Force** to study the impact of artificial intelligence on operation and procurement policies of Kentucky government agencies and consumer protection needed in private and public sectors.
 - Status: *Adopted by the House 93-0, referred to the Senate, 1/25/2024*

Review all priority legislation KyCPA is tracking [HERE](#).

KyCPA 2024 Policy Priorities



Beneficial Ownership Information (BOI) Reporting

On 1/1/2024, the U.S. Department of Treasury's Financial Crimes Enforcement Network's (FinCEN) new beneficial ownership information (BOI) reporting rules became effective. To prepare and inform members, the American Institute of CPAs (AICPA) has published a [risk alert](#) reviewing the professional liability implications of this new reporting requirement for CPAs. The Journal of Accountancy has published an [article](#) addressing additional concerns, including steep penalties and potential imprisonment for failure to comply with the new reporting requirements.

FinCEN has published a [Small Entity Compliance Guide](#) for review regarding what entities are subject to the new reporting requirements. FinCEN also [extended the BOI reporting deadline for certain companies](#) following a request for relief from the AICPA, KyCPA, and other state societies.

For questions regarding unauthorized practice of law (UPL), the Kentucky Bar Association's official guidance states attorneys and local bar associations may request advisory opinions if they are "*in doubt as to the propriety of any course of conduct or act of any person or entity which may constitute the unauthorized practice of law.*" This is not a UPL complaint, but it is an advisory opinion in response to a specific question. Additional guidance regarding UPL can be found on the [Kentucky Bar](#)'s website.

BOI Advocacy

The AICPA, KyCPA, and the majority of other state societies have requested Members of Congress pass [H.R.4035](#) and [S.2623](#), the *Protecting Small Business Information Act of 2023*, requesting a delay of the BOI reporting effective date.

In addition, our advocacy efforts have led to the passage of [H.R.5119](#), the *Protect Small Business and Prevent Illicit Financial Activity Act*, which extends the initial filing deadline for existing businesses to two years. New companies and updates will file reports and changes within 90 days following January 1, 2024. Current guidance requires new entities created after 1/1/2024 file initial reports within 90 days and any updates be reported within 30 days.

H.R.5119 passed the U.S. House on December 12, 2023, but needs additional action in the U.S. Senate. KyCPA will continue to advocate for relief and additional guidance for this reporting rule.

KyCPA-PAC, [Kentucky Counts on CPAs](#)

The KyCPA Political Action Committee (KyCPA-PAC) enables the CPA profession to elect business-minded legislators who support our position on issues related to tax, licensing, and client advisory services. By pooling our resources, together we can ensure the accounting profession continues to have a strong presence in Kentucky's legislative and regulatory activities.

For more information on KyCPA-PAC, what it is, why it is important, and how you can support, visit www.kycpa.org/advocacy/pac.