



Header: 2024 Legislative Session Begins

Sub-Header: KyCPA's Weekly Recap of the General Assembly

January 8, 2024

Questions, concerns or comments

Be sure to stay up to date on what's happening in Frankfort and Washington by reading the Society's Legislative Updates and joining discussions on Member Meetup.

Please do not hesitate to reach out regarding any questions, concerns, or comments to P. Anthony Allen at (859) 533-3340 or aallen@kycpa.org.

Note: To opt out of receiving Legislative Updates click [here](#) and uncheck Legislative Updates under the Communications section in your profile.

2024 Legislative Session Begins

With the start of the New Year, the 2024 Legislative Session began on January 2nd. Last week, hundreds of bills and resolutions were introduced to start off the Session. However, with the Governor's biennial budget proposal released early in December, the House of Representatives is expected to file its version of the budget in the coming weeks.

Last Wednesday, Governor Andy Beshear held his annual **State of the Commonwealth address** following his re-election to a second term. The Governor highlighted the Administration's top priorities outlined in his December [budget address](#), building upon the achievements of his first term in office. With an approximate \$136 billion proposal from the Governor, the official budget bill will be determined by the Republican majorities in both Chambers of the General Assembly. Their budget outline will likely take a more conservative approach, especially concerning reoccurring expenditures.

With the 2024 primary and general elections upcoming this May and November, the candidate filing deadline passed on Friday, January 5 at 4:00 P.M. All 100 Representatives in the House, 17 of the 38 Senate seats, U.S. House, and Presidential candidates will be up for election. With multiple state legislators deciding not to file for re-election, policy discussions this Session will likely be impacted by legislative retirements and new candidates seeking office.

CPA Day at the Capitol

Each Session, the Society hosts CPA Day at the Kentucky Capitol in Frankfort. This event provides members with the opportunity to meet, speak with, and hear from key policymakers impacting the business and accounting communities in Kentucky. You are welcome to register for [CPA Day 2024](#) and spend the morning with fellow professionals interested in making an impact on Kentucky's policy process.



Photo Caption: KyCPA's advocacy team speaks with attendees at the 2023 CPA Day at the Capitol in the Kentucky Senate Chambers.

Bills to keep an eye on

- [House Bill \(HB\)55](#): Amends KRS 141.0401 to sunset the limited liability entity tax for taxable years beginning on January 1, 2025.
- [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.
- [HB122](#): Amends KRS 131.020 to require the Kentucky Department of Revenue to publish administrative writings within 120 days of the issuance or finalization. "Administrative writings" is provided a statutory definition.

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

Beneficial Ownership Information (BOI) Reporting

With the start of the new year, 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 also published an [article](#) addressing additional concerns with reporting.

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.

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.