

# KENTUCKY

## Community Benefit Requirement

Kentucky law does not expressly require nonprofit hospitals to provide community benefits.

## Minimum Community Benefit Requirement

Kentucky law does not expressly require nonprofit hospitals to provide community benefits.

## Community Benefit Reporting Requirement

Kentucky does not require nonprofit hospitals to report community benefits.

## Community Health Needs Assessment

Kentucky does not require nonprofit hospitals to conduct community health needs assessments.

## Community Benefit Plan/Implementation Strategy

Kentucky does not require nonprofit hospitals to develop community benefit plans or implementation strategies.

## Financial Assistance Policy

Kentucky does not require nonprofit hospitals to adopt or implement financial assistance policies.

## Financial Assistance Policy Dissemination

Kentucky does not require nonprofit hospitals to adopt, implement, or disseminate financial assistance policies.



## Limitations on Charges, Billing, and Collections

Kentucky does not limit nonprofit hospital charges or billing and collection practices under most circumstances.

However, hospitals that receive reimbursement for patient care through Kentucky's Medical Assistance Revolving Trust Fund (disproportionate share hospital fund) may not bill patients for services submitted for reimbursement. [Ky. Rev. Stat. Ann. §205.640\(5\)](#).

## Income Tax Exemption

Kentucky law exempts nonprofit hospitals from state income tax.

Kentucky law exempts from state income tax the income of corporations and other entities that are exempt from federal income tax pursuant to Internal Revenue Code §501. [Ky. Rev. Stat. Ann. §141.040\(1\)\(f\)](#). Kentucky also exempts from state income tax the income of "religious, educational, charitable, or like corporations not organized or conducted for pecuniary profit." [Ky. Rev. Stat. Ann. §141.040\(1\)\(g\)](#).

## Property Tax Exemption

Kentucky law exempts from taxation the property of "institutions of purely public charity."

The Kentucky Constitution exempts from state property tax the real property owned and occupied by—and tangible and intangible personal property owned by—"institutions of purely public charity." [Ky. Const. §170](#).

## Sales Tax Exemption

Kentucky law exempts nonprofit hospitals from state sales tax.

Kentucky law exempts from state sales tax sales of tangible personal property, digital property, and services to be used solely within the charitable function of organizations that qualify for tax exemption under Internal Revenue Code §501(c)(3). [Ky. Rev. Stat. Ann. §139.495\(1\)](#).

