



1 FINANCE AND ADMINISTRATION CABINET

2 Department of Revenue

3 (Amendment)

4 103 KAR 16:240. Nexus standard for corporations and pass-through entities.

5 RELATES TO: KRS 141.010, 141.040, 141.206

6 STATUTORY AUTHORITY: KRS 131.130, 141.018, 141.050[(4)]

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 141.040(1) requires non-exempt

8 corporations doing business in Kentucky to pay corporation income tax and file the required tax

9 forms for that tax. KRS 141.206 requires pass-through entities doing business in Kentucky to file

10 tax forms to compute the distribution of income to the partners, members or shareholders. KRS

11 131.130(1) authorizes the Department of Revenue to promulgate administrative regulations for the

12 administration and enforcement of Kentucky's tax laws. KRS 141.018 requires the Department of

13 Revenue to promulgate administrative regulations necessary to implement the provisions of HB

14 272 from the 2005 regular session and HB 1 from the 2006 extraordinary session of the Kentucky

15 General Assembly.~~[2005 Ky. Acts ch. 168. KRS 141.010(25) defines "doing business in this~~

16 ~~state".]~~ This administrative regulation establishes what constitutes nexus in Kentucky under a

17 "doing business" standard and provides examples.

18 Section 1. Definitions. (1) "Business situs" means in relation to intangible personal property:

19 (a) The corporation's or pass-through entity's commercial domicile;

20 (b) The place where the intangible personal property is utilized by the corporation or pass-

21 through entity; or

1 (c) The state where the intangible personal property is located if possession and control of the  
2 intangible personal property is localized in connection with a trade or business so that substantial  
3 use or value attaches to the property.

4 (2) "Commercial domicile" means the principal place from which the trade or business of the  
5 corporation or pass-through entity is managed.

6 (3) "Corporation" is defined by KRS 141.010(4)~~[141.010(24)]~~.

7 (4) "Doing business in this state" is defined by KRS 141.010(7)~~[141.010(25)]~~.

8 (5) "Foreign corporation" means a corporation incorporated or formed under the authority of  
9 another state or country.

10 (6) "Foreign pass-through entity" means a pass-through entity organized under the laws of  
11 another state or country.

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12 (7) "Pass-through entity" is defined by KRS 141.010(21)~~[141.010(26)]~~.

13 (8) "Owning or leasing property in this state" means owning or leasing real or tangible personal  
14 property in Kentucky, including:

15 (a) Maintaining an office or other place of business in Kentucky;

16 (b) Maintaining in Kentucky an inventory of merchandise or material for sale, distribution or  
17 manufacture, or consigned goods, regardless of whether kept on the taxpayer's premises, in a  
18 public or rented warehouse, or otherwise; or

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19 (c) Owning computer software used in the business of a third party within Kentucky.

20 (9) "Qualified real estate investment trust subsidiary" is defined by Section 856(i)(2) of the  
21 Internal Revenue Code, 26 U.S.C. 856(i)(2).

22 (10) "Qualified subchapter S subsidiary" is defined by Section 1361(b)(3)(B) of the Internal  
23 Revenue Code, 26 U.S.C. 1361(b)(3)(B).

1 (11) "Related corporation" means a corporation in which another corporation or pass-through  
2 entity maintains an ownership interest of fifty (50) percent or more during any portion of the  
3 taxable year.

4 (12) "Single member limited liability company" means a limited liability company with one  
5 (1) member.

6 Section 2. In General; Rules of Construction. (1) For purposes of the corporation income tax  
7 imposed by KRS 141.040(1) and the filing requirement imposed on pass-through entities by KRS  
8 141.206(1)[141.206(2)], the term "doing business in this state" or "doing business" shall be used  
9 in a comprehensive sense concerning the operation of any profit-seeking enterprise or activity in  
10 Kentucky.

11 (2) In determining if a corporation or pass-through entity is doing business in Kentucky, it  
12 shall be immaterial whether the activities actually result in a profit or loss.

13 (3) Whether a corporation or pass-through entity is doing business in Kentucky shall be  
14 determined by the facts in each case.

15 (4) Whether the activities of a foreign corporation or pass-through entity fall within the scope  
16 of "solicitation" within the meaning of Pub. L. 86-272, codified as 15 U.S.C. 381 to 384, shall be  
17 a factual determination. The examples in Sections 3 and 4 of this administrative regulation shall  
18 be used as guidelines. In applying the guidelines to the particular circumstances and activities of a

19 foreign corporation or pass-through entity, the Department of Revenue shall employ the following  
20 rules of construction:

21 (a) The effect of the activities listed in Sections 3 and 4 of this administrative regulation shall  
22 be cumulative. In determining whether a taxpayer is doing business in Kentucky, all of these  
23 activities shall be considered as a whole.

1 (b) If the Department of Revenue determines that a taxpayer is doing business in Kentucky,  
2 the taxpayer shall carry the burden of substantiating any claim that these activities in Kentucky do  
3 not constitute doing business under either Pub. L. 86-272, codified as 15 U.S.C. 381 to 384, or the  
4 United States Constitution.

5 (c) Documentary evidence shall be given substantial weight in establishing the nature and  
6 extent of the taxpayer's activities. Affidavits or other evidence not contemporaneous with the  
7 events in question shall be given little weight.

8 (d) The term "solicitation" shall include only actual requests for purchases and activities that  
9 are entirely ancillary to requests for purchases. An activity shall be considered entirely ancillary  
10 to the requesting of purchases if it serves no independent business purpose apart from its  
11 connection to the soliciting of orders.

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12 (e) Activities conducted by a foreign corporation or pass-through entity with respect to a  
13 particular order shall not constitute "solicitation" if the activity occurs after the order has been  
14 placed.

15 (5) Pub. L. 86-272 does not afford immunity from the limited liability entity tax imposed by  
16 KRS 141.0401.

17 Section 3. Exception for Solicitation Activities Protected by Pub. L. 86-272, codified as 15  
18 U.S.C. 381 to 384. (1) General; preemption of state law. This administrative regulation adopts a  
19 narrow interpretation of the immunity afforded by Pub. L. 86-272, codified as 15 U.S.C. 381 to  
20 384, which precludes the imposition of Kentucky income tax upon a foreign corporation, or the  
21 filing requirement imposed on foreign pass-through entity, if the corporation's or pass-through  
22 entity's sole activity in Kentucky is the corporation's or pass-through entity's representatives  
23 soliciting orders for the sale of tangible personal property in the name of the corporation or pass-

1 through entity or in the name of a prospective customer if the orders are:

2 (a) Sent outside of Kentucky for approval or rejection; and

3 (b) Filled by shipment or delivery from a point outside of Kentucky regardless of the method  
4 of shipment or delivery.

5 (2) Scope of Pub. L. 86-272, codified as 15 U.S.C. 381 to 384.

6 (a) If a corporation or pass-through entity engages both in protected solicitation activities and  
7 in any other activity that is not a protected solicitation activity, it shall not claim the immunity  
8 granted by Pub. L. 86-272, codified as 15 U.S.C. 381 to 384.

9 (b) Solicitation of orders shall not be protected by Pub. L. 86-272, codified as 15 U.S.C. 381  
10 to 384, if the solicitation is for the:

11 1. Sale or provision of services; or

12 2. Sale, lease, rental, license, or other disposition of real property or intangibles.

13 (3) Activities normally considered to be solicitation. The activities listed in this subsection  
14 shall serve as examples of activities that ordinarily fall within the scope of "solicitation" under  
15 Pub. L. 86-272, codified as 15 U.S.C. 381 to 384:

16 (a) Soliciting orders through advertising;

17 (b) Carrying samples and promotional materials only for display or distribution without charge  
18 or other consideration;

19 (c) Soliciting orders by an in-state resident employee or representative of the company, if that  
20 person does not maintain or use any office or other place of business in the state other than an "in-  
21 home" office as described in subsection (4) of this section;

22 (d) Furnishing and setting up display racks and advising customers on the display of the  
23 company's products without charge or other consideration;

1 (e) Checking customer inventories for reorder without a charge therefore, but not for other  
2 purposes such as quality control;

3 (f) Recruiting, training or evaluating sales personnel, including occasionally using homes,  
4 hotels, or similar places for meetings with sales personnel;

5 (g) Conducting solicitation activities from an employee's in-home work space, if the use of  
6 the space is not paid for by the company;

7 (h) Performing missionary sales activities, including the solicitation of indirect customers for  
8 the company's goods. For example, a manufacturer's solicitation of retailers to buy the  
9 manufacturer's goods from the manufacturer's wholesale customers would be protected if the  
10 solicitation activities were[~~are~~] otherwise immune;

11 (i) Coordinating shipment or delivery without payment or other consideration and providing  
12 information relating thereto either prior or subsequent to the placement of an order;

13 (j) Maintaining a sample or display area for an aggregate of fourteen (14) calendar days or  
14 less at any one (1) location within Kentucky during the tax year, if no other activities inconsistent  
15 with solicitation take place;

16 (k) Mediating direct customer complaints if the purposes are solely to ingratiate sales  
17 personnel with the customer and facilitate requests for orders;

18 (l) Passing orders, inquiries, and complaints on to the home office;

19 (m) Providing automobiles to sales personnel for use solely in solicitation activities; and

20 (n) Owning, leasing, using, or maintaining personal property for use in the employee or  
21 representative's "in-home" office or automobile that is solely limited to the conducting of  
22 solicitation activities. The use of personal property, such as a cellular telephone, facsimile  
23 machine, duplicating equipment, personal computer, or computer software that is limited to the

1 carrying on of protected solicitation and activity entirely ancillary to solicitation or permitted by  
2 this section shall not, by itself, remove the protection.

3 (4) Activities that are not solicitation. The activities listed in this subsection shall serve as  
4 examples of activities in this state that fall outside the scope of "solicitation" and are not protected  
5 by Pub. L. 86-272, codified as 15 U.S.C. 381 to 384 unless the activity is de minimis within the  
6 meaning of Wisconsin Dept. of Revenue v. William Wrigley, Jr., Co., 112 S.Ct. 2447 (1992):

7 (a) Making repairs or providing maintenance or service to the property sold or to be sold;

8 (b) Installing or supervising installation at or after shipment or delivery;

9 (c) Collecting current or delinquent accounts, whether directly or by third parties, through  
10 assignment or otherwise;

11 (d) Investigating credit;

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12 (e) Repossessing property;

13 (f) Conducting training courses, seminars, or lectures for personnel other than personnel  
14 involved only in solicitation;

15 (g) Investigating, handling, or otherwise assisting in resolving customer complaints, other than  
16 mediating direct customer complaints if the sole purpose of the mediation is to ingratiate the sales  
17 personnel with the customer;

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18 (h) Approving or accepting orders;

19 (i) Securing deposits on sales;

20 (j) Picking up or replacing damaged or returned property, including stale or unsaleable  
21 property;

22 (k) Maintaining a sample or display area for an aggregate of fifteen (15) days or more at any  
23 one location within Kentucky during the tax year;

- 1 (l) Providing technical assistance or service, including engineering assistance or design  
2 service, if one (1) of the purposes of it is other than the facilitation of the solicitation of orders;
- 3 (m) Hiring, training, or supervising personnel for activities other than solicitation;
- 4 (n) Using agency stock checks or any other instrument or process by which sales are made  
5 within this state by sales personnel;
- 6 (o) Carrying samples for sale, exchange, or distribution in any manner for consideration or  
7 other value;
- 8 (p) Providing shipping information and coordinating deliveries;
- 9 (q) Supervising the operations of a franchisee or similar party;
- 10 (r) Monitoring, inspecting, or approving work performed by an independent contractor under  
11 a warranty or similar contractual arrangement;
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- 12 (s) Consigning stock of goods or other tangible personal property for sale to any person,  
13 including an independent contractor;
- 14 (t) Fulfilling sales orders by shipment or delivery from a point within Kentucky;
- 15 (u) Owning, leasing, maintaining, or otherwise using as part of the business operations in  
16 Kentucky any of the following facilities or property:
- 17 1. Repair shop;
- 18 2. Parts department;
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- 19 3. Warehouse;
- 20 4. Meeting place for directors, officers, or employees;
- 21 5. Stock of goods other than samples for sales personnel or that are used entirely ancillary to  
22 solicitation; or
- 23 6. Telephone answering service that is publicly attributed to the company or to an employee



1 or agent of the company in their representative status;

2 (v) Maintaining, by any employee or other representative, an office or place of business of any  
3 kind other than an in-home office. For the purpose of this subsection, it shall not be relevant  
4 whether the company pays directly, indirectly, or not at all for the cost of maintaining the in-home  
5 office. An office shall be considered in-home if it is located within the residence of the employee  
6 or representative, and:

7 1. Is not publicly attributed to the company or to the employee or representative of the  
8 company in an employee or representative capacity. Factors considered in determining if an office  
9 is publicly attributed to the company or to the employee or representative of the company in an  
10 employee or representative capacity shall include:

11 a. A telephone listing or other public listing within the state for the company, or for an  
12 employee or representative of the company in that capacity, or other indications through  
13 advertising or business literature that the company or its employee or representative can be  
14 contacted at a specific address within the state;

15 b. The normal distribution and use of business cards and stationery identifying the employee's  
16 or representative's name, address, telephone and fax numbers, and affiliation with the company  
17 shall not, by itself, be considered as advertising or otherwise publicly attributing an office to the  
18 company or its employee or representative; or

19 c. The maintenance of any office or other place of business in this state that does not strictly  
20 qualify as an "in-home" office as described in this paragraph shall, by itself, cause the loss of  
21 protection under this subsection;

22 2. The use of the office is limited to:

23 a. Soliciting and receiving orders from customers;

1 b. Transmitting orders outside the state for acceptance or rejection by the company; or

2 c. Other activities that are protected under Pub. L. 86-272, codified as 15 U.S.C.A. 381 to  
3 384 or under this administrative regulation;

4 (w) Entering into franchising or licensing agreements, selling or otherwise disposing of  
5 franchises and licenses, or selling or otherwise transferring tangible personal property pursuant to  
6 the franchise or license by the franchisor or licensor to its franchisee or licensee within the state;

7 or

8 (x) Conducting any other activity, which is not entirely ancillary to the solicitation of orders,  
9 even if the activity helps to increase purchases.

10 Section 4. "Doing Business". An analysis to determine if a corporation or pass-through entity's  
11 activities fall within the provisions of KRS 141.010(7)~~[141.010(25)]~~ shall include the factors  
12 established in this section. (1) The activities listed in this subsection shall serve as examples of  
13 "doing business" under KRS 141.010(7)(f)~~[141.010(25)(f)]~~:

14 (a) Performing services in Kentucky, whether directly by the corporation or pass-through  
15 entity or indirectly by directing activity performed by a third party;

16 (b) Accepting orders in Kentucky;

17 (c) Operating a professional sports team, which engages in professional sports activities in  
18 Kentucky;

19 (d) Owning an interest in mineral rights in Kentucky, including interests in coal, oil, or natural  
20 gas;

21 (e) Leasing motion picture films to movie theaters and television stations in Kentucky;

22 (f) Being the member of a single member limited liability company that is doing business in  
23 Kentucky and is disregarded for federal income tax purposes;

1 (g) Being a member, partner, or shareholder in a pass-through entity doing business in  
2 Kentucky; or

3 (h) Receiving income from intangible personal property if the intangible personal property has  
4 acquired a Kentucky business situs.

5 (2) The activities listed in this subsection shall serve as examples of "doing business" under  
6 KRS 141.010(7)(g)~~[141.010(25)(g)]~~:

7 (a) Performing or soliciting orders for services in Kentucky, including those services  
8 performed in Kentucky by a third party on behalf of a corporation or pass-through entity;

9 (b) Selling or soliciting orders for real property;

10 (c) Selling or soliciting orders for intangible personal property;

11 (d) Selling tangible personal property; or

12 (e) Delivering merchandise inventory on consignment to its Kentucky distributors or dealers.

13 (3) A corporation or pass-through entity may be considered doing business under KRS  
14 141.010(7)(d)~~[141.010(25)(d)]~~ without having employees in Kentucky. If activities are performed  
15 in Kentucky by a third party on behalf of the corporation or pass-through entity, the corporation  
16 or pass-through entity shall be considered doing business in Kentucky.

17 (4)(a) General.

18 1. The activities in this paragraph shall not, in themselves, subject a corporation to Kentucky  
19 corporation income tax or a pass-through entity to a Kentucky filing requirement.

20 2. These exempted activities shall not relieve a corporation from Kentucky corporation  
21 income tax if the corporation is otherwise subject to Kentucky corporation income tax and shall  
22 not relieve a pass-through entity from a Kentucky income tax filing requirement if the pass-through  
23 entity is otherwise required to file a Kentucky return.

1        3. Mere ownership of a corporation that is doing business in Kentucky shall not subject the  
2 owner to the requirements. However, based on additional facts and circumstances, sufficient  
3 contacts with Kentucky may exist to establish that the corporation or pass-through entity is doing  
4 business in Kentucky. The activities listed in this subparagraph shall serve as examples of facts  
5 and circumstances that establish that the corporation or pass-through entity is doing business in  
6 Kentucky:

7        a. Being the parent corporation of a qualified real estate investment trust subsidiary that is  
8 doing business in Kentucky;

9        b. Being the parent corporation of a qualified subchapter s subsidiary that is doing business  
10 in Kentucky;

11       c. Being the member of a single member limited liability company that is doing business in  
12 Kentucky and is disregarded for federal income tax purposes;

13       d. Being a related corporation doing business in Kentucky, which is performing activities as  
14 the corporation's or pass-through entity's agent in Kentucky;

15       e. Receiving income from a contract between a corporation or pass-through entity and a  
16 related corporation doing business in Kentucky if the income is derived from the related  
17 corporation's activities in Kentucky;

18       f. Being a corporation that is essentially a shell corporation, or other facts indicate that an  
19 independent corporate existence is essentially disregarded; or

20       g. Entering into franchising or licensing agreements and receiving income from franchising  
21 or licensing agreements that have acquired a Kentucky business situs.

22       (b) Employee or independent agent activity. A foreign corporation or pass-through entity that  
23 is not otherwise doing business in Kentucky may be considered to not be doing business in

1 Kentucky, even if its employees or independent agents are performing certain de minimis activities  
2 in Kentucky. The following items shall serve as examples of de minimis activities:

3 1. A foreign corporation or pass-through entity sending various employees, e.g., legal staff  
4 and witnesses, to assist its independent legal counsel in defending a lawsuit in Kentucky. The law  
5 firm providing counsel shall be taxable in Kentucky;

6 2. A foreign corporation or pass-through entity sending its employees to Kentucky to  
7 purchase raw materials and inventory;

8 3. A foreign corporation or pass-through entity giving its highest performing sales person an  
9 expense paid vacation to Lake Barkley, Kentucky; or

10 4. A foreign corporation or pass-through entity sending its business records to Kentucky for  
11 use by its independent auditors.

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12 Section 5. This administrative regulation shall apply to taxable years beginning on or after  
13 January 1, 2005.

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103 KAR 16:240

APPROVED:

*Daniel Bork*  
DANIEL BORK, COMMISSIONER  
Department of Revenue  
Finance and Administration Cabinet

10-12-2018  
DATE APPROVED BY AGENCY

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## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation will be held on November 26, 2018 at 10:00 a.m. in Room 8A, State Office Building, 501 High Street, Frankfort, KY 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments will be accepted through November 30, 2018. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Lisa Swiger, Revenue Tax Policy/Research Consultant II, Department of Revenue, 501 High Street, Station 1, Frankfort, Kentucky, 40601, (502) 564-9526 (telephone), (502) 564-3875(fax), Lisa.Swiger@ky.gov(email).

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation Number: 103 KAR 16:240

Contact Person: Lisa Swiger  
Phone Number: (502)564-9526  
Email: Lisa.Swiger@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation amends 103 KAR 16:240 to update statutory references due to the passage of HB 487/GA2018 as well as clarify that: (1) the limited liability entity tax is not subject to the limitations imposed by Pub. L. 86-272, and (2) shipments into Kentucky are still afforded protection under Pub. L. 86-272 regardless of the method of delivery.

(b) The necessity of this administrative regulation: This regulation is necessary to provide guidance about the department's interpretation of nexus standards and the applicability of protection provided by Pub. L. 86-272 to out-of-state businesses and to conform to recent statutory changes per KRS 13A.

(c) How this administrative regulation conforms to the content of the authorizing statutes: The authorizing statutes require taxpayers with nexus in Kentucky to pay income and limited liability entity taxes. This regulation provides guidance about the applicability of nexus standards.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: Clear and unambiguous guidance will assist taxpayers comply with Kentucky statutes, and will assist the department to objectively apply nexus standards to all taxpayers equally.

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(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: See (1)(a).

(b) The necessity of the amendment to this administrative regulation: See (1)(b).

(c) How the amendment conforms to the content of the authorizing statutes: See (1)(c) above.

(d) How the amendment will assist in the effective administration of the statutes: See (1)(d) above.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Out-of-state business taxpayers conducting business in Kentucky will be affected by this regulation.

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(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: No substantive changes are included in this amendment that will require different action by regulated entities.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): None.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Taxpayers will benefit from accurate statutory references and clarity regarding the



applicability of Pub. L. 86-272 to the limited liability entity tax as well as clarity regarding the protection of Pub. L. 86-272 to shipments of goods into Kentucky.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: None.

(b) On a continuing basis: None.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The department's current budget covers compliance efforts related to nexus determinations and enforcement.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change, if it is an amendment: No increased fees or funding is necessary to implement this regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: No direct or indirect fees are established by this regulation.

(9) TIERING: Is tiering applied? Tiering was not applied, because nexus standards are applied equally to all taxpayers.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation Number: 103 KAR 16:240

Contact Person: Lisa Swiger  
Phone Number: (502)564-9526  
Email: Lisa.Swiger@ky.gov

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Department of Revenue is the only unit, part or division of state or local government impacted by this administrative regulation.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 131.130, 141.018, and 141.050(4)

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? No revenue will be generated by the changes made herein to conform to statutory updates.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? None.

(d) How much will it cost to administer this program for subsequent years? None.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): \$0

Expenditures (+/-): \$0

Other Explanation: