



GENERAL ASSEMBLY COMMONWEALTH OF KENTUCKY

2014 REGULAR SESSION

HOUSE BILL NO. 69

WEDNESDAY, JANUARY 22, 2014

The following bill was reported to the Senate from the House and ordered to be printed.

RECEIVED AND FILED
DATE March 25, 2014
4:46 pm

ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Adler

1 AN ACT relating to automated business record falsification devices.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 →SECTION 1. A NEW SECTION OF KRS CHAPTER 517 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) A person is guilty of possession of an automated business record falsification
6 device when he or she knowingly possesses any device or software program that
7 falsifies the business records created by a point-of-sale system, such as any
8 electronic device or computer system that keeps a register or supporting
9 documents designed to record retail sales transaction information, by eliminating
10 or manipulating true retail sales transaction information in order to represent a
11 false record of transactions. These devices may also be referred to as "zappers"
12 or "phantom-ware."

13 (2) Possession of an automated business record falsification device is a Class D
14 felony.

15 (3) In addition to any other penalty provided by law:

16 (a) Any person guilty of possession of an automated business record
17 falsification device shall forfeit all proceeds associated with its creation,
18 sale, or usage; and

19 (b) An automated business record falsification device, and any device
20 containing an automated business record falsification device, is contraband
21 and shall be seized and forfeited to the state to be disposed of as provided in
22 KRS 500.090.

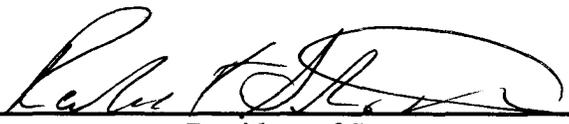
23 →Section 2. KRS 139.760 is amended to read as follows:

24 (1) Whenever any person fails to comply with any provisions of this chapter or any
25 administrative~~rule or~~ regulation of the department relating to the provisions of
26 this chapter, the department may revoke or suspend any one (1) or more of the
27 permits held by the person.

- 1 (2) Whenever any person uses an automated business record falsification device, as
2 described in Section 1 of this Act, to violate any provision of this chapter or any
3 administrative regulation of the department relating to the provisions of this
4 chapter, the department shall revoke each permit held by the person for a period
5 of ten (10) years.
- 6 (3) The department shall not issue a new permit after the revocation of a permit unless
7 it is satisfied that the former holder of the permit will comply with the provisions of
8 this chapter and the regulations relating thereto.
- 9 (4)~~(3)~~ No suit shall be maintained in any court to restrain or delay the collection or
10 payment of any tax levied by this chapter.



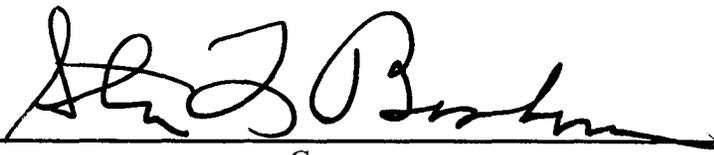
Speaker-House of Representatives



President of Senate

Attest: 

Chief Clerk of House of Representatives

Approved 

Governor

Date 3/25/14