

RESOLUTION

Subject: Repeal the Kentucky Provider Tax on Cosmetic Procedures
Submitted by: Greater Louisville Medical Society
Referred to: Reference Committee

WHEREAS, the 2022 Kentucky Legislature passed a budget bill imposing a 6% provider tax on all cosmetic procedures, with subsequent override of the Governors' veto, to become law as of July 1, 2022; and

WHEREAS, a similar tax in New Jersey (2004-2014) brought disappointing revenue¹, and caused a net state revenue loss (3 times revenue lost over taxes collected), due to driving patients and practices to adjacent states², which led to repeal; and

WHEREAS, KMA policy opposes physician provider taxes of any kind; now, therefore, be it

RESOLVED, that KMA support legislation in the 2023 session that immediately and fully repeals the tax on cosmetic procedures, in order to prevent patient exodus to adjacent states for these services, with resultant net revenue loss.

References:

¹ <https://taxfoundation.org/new-jersey-reverses-cosmetics-tax/> accessed 6/10/2022

² <https://www.jjrothmd.com/blog/new-jersey-repeals-tax-on-cosmetic-surgery/> accessed 6/10/2022