

65.192 Alternate method of creating a taxing district in counties containing a consolidated local government or a city of the first class.

In counties containing a consolidated local government or city of the first class, the following method of creating a taxing district shall be an alternative to KRS 65.182 to 65.190:

- (1) Persons desiring to form a taxing district shall present a petition to the fiscal court clerk or clerk of the legislative council of a consolidated local government and to each member of the fiscal court or consolidated local government council, requesting that the question of establishing the special district be placed upon the ballot for the next general election. The petition shall be signed by at least one hundred (100) registered voters from each senatorial district, contained wholly or partially within the proposed taxing district. If one hundred (100) registered voters do not reside within a senatorial district and within the boundaries of the proposed taxing district, then the petition shall be signed by twenty-five percent (25%) of the registered voters within said senatorial district. At the time of its submission to the fiscal court or consolidated local government council each petition shall be accompanied by a plan of service, showing such of the following as may be germane to the purposes for which the taxing district is being formed:
 - (a) The statutory authority under which the district is created and under which the taxing district will operate;
 - (b) The method of creating and appointing the governing body of such district if it is to be different from the general statutory authority under which it will operate;
 - (c) Demographic characteristics of the area, including but not limited to population, density, projected growth, and assessed valuation;
 - (d) A description of the service area, including but not limited to the population to be served, a metes and bounds description of the area of the proposed taxing district, the anticipated date of beginning service, the nature and extent of the proposed service, the projected effect of providing service on the social and economic growth of the area, and projected growth in service demand or need;
 - (e) A three (3) year projection of cost versus revenue and the method chosen for raising such revenues as authorized in this section;
 - (f) Justification for formation of the taxing district, including but not limited to the location of nearby governmental and nongovernmental providers of like services; and
 - (g) Any additional information such as land use plans, existing land uses, drainage patterns, health problems, and other similar analyses which bear on the necessity and means of providing the proposed service.
- (2) The fiscal court clerk or the clerk of the legislative council of a consolidated local government shall notify all planning commissions, cities, and area development districts within whose jurisdiction the proposed service area is located and any state agencies required by law to be notified of the proposal for the creation of the taxing district.

- (3) The fiscal court clerk or the clerk of the legislative council of a consolidated local government shall review the petition, and if the fiscal court or consolidated local government council determines that the signatures are valid, the fiscal court or consolidated local government council shall schedule a hearing on the proposal for no earlier than thirty (30) nor later than sixty (60) days following receipt of the petition, charter, and plan of service, and shall, in accordance with the provisions of KRS Chapter 424, publish notice which includes the time and place of the public hearing, alerts the public that the issue discussed at the hearing will be placed upon the ballot, and includes an accurate map of the area or a description in layman's terms reasonably identifying the area.
- (4) At the public hearing, the fiscal court or the legislative council of a consolidated local government shall take testimony of interested parties and solicit the recommendations of any planning commission, city, area development district, or state agency meeting the criteria of subsection (2) of this section.
- (5) Following the public hearing, the fiscal court or the legislative council of a consolidated local government shall adopt a resolution submitting to the qualified voters of the county or the consolidated local government the question as to whether a taxing district should be established for the area and a special ad valorem tax or an occupational license fee imposed for the maintenance and operation of the district. A certified copy of the order of the fiscal court or the legislative council of a consolidated local government shall be filed with the county clerk not later than the second Tuesday in August prior to the next regular election and thereupon the clerk shall cause the question to be placed upon the ballot.
- (6) The question shall be stated so that the service to be provided by the district, the type of governing body, and the method of financing as allowed by this section are clearly outlined.
- (7) If a majority of those voting on the question favor the establishment of a special district with authorization to impose an ad valorem tax, then it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky. If a majority of those voting on the question favor the establishment of a special district with an increase in the occupational license fee as authorized by this section, it shall be so established and shall operate as set forth in the question on the ballot.
- (8) If an ad valorem tax is approved, the county clerk shall add the levy to the tax bills of the county or the consolidated local government. For taxing purposes, the effective date of the tax levy shall be January 1 of the year following the election. If an occupational license fee increase is approved, the appropriate legislative bodies shall add the levy to the occupational license fee as of January 1 of the year following the election. The tax or fee shall be collected in the same manner as are other county or consolidated local government ad valorem taxes or occupational license fees and shall be turned over to the governing body of the district. The special ad valorem tax or fee shall be in addition to all other ad valorem taxes or occupational license fees.

- (9) Nothing in this section shall be construed to enlarge upon or to restrict the powers granted a taxing district under the taxing district's specific authorizing statutes.
- (10) A special district created pursuant to this section may be financed either by a special ad valorem tax imposed by the governing body of the district, as authorized by the voters in an election on the question, of an amount not to exceed ten cents (\$0.10) per one hundred dollars (\$100) of assessed value of the property subject to local taxation of the district; or by a levy of occupational license fees by the public body or bodies with jurisdiction over the area served by the special district, if the levy has been approved by the voters in an election on the question. The special district shall not levy both an ad valorem tax and an occupational license fee. The occupational license fee shall not exceed one percent (1%) of:
- (a) Salaries, wages, commissions, and other compensation earned by persons for work done and services performed or rendered; and
 - (b) The net profits of businesses, trades, professions, or occupations from activities conducted in the district, except public service companies, banks, trust companies, combined banks and trust companies, combined trust, banking and title companies, any savings and loan association whether state or federally chartered, and in all other cases where a public body is prohibited by law from imposing a license fee.
- (11) The budget of any taxing district created pursuant to this section shall be approved by the fiscal court or legislative council of a consolidated local government if financed by an ad valorem tax, or by the fiscal court or the legislative council of a consolidated local government and the legislative body levying the fee, if funded by an occupational license fee increase. The board of the district shall submit its estimate of revenue and proposed budget to the appropriate approving body or bodies by May 1 of each year, and such body or bodies shall approve or amend the budget by June 1.

Effective: July 15, 2002

History: Amended 2002 Ky. Acts ch. 346, sec. 26, effective July 15, 2002. -- Amended 1996 Ky. Acts ch. 195, sec. 29, effective July 15, 1996. -- Created 1986 Ky. Acts ch. 484, sec. 1, effective July 15, 1986.