

**154.24-150 Approval of application by local jurisdiction under service and technology agreement -- Alternative inducements offered -- Assessment fees.**

- (1) Before any agreement as prescribed in KRS 154.24-120 shall become effective, the legislative body of any local jurisdiction which may lose revenue as a result of the inducements offered pursuant to KRS 154.24-010 to 154.24-150 and which assesses a local occupational license fee shall approve by official action the granting of inducements to the approved company. If a local jurisdiction which satisfies the requirements of the previous sentence of this subsection does not approve the granting of the inducements or does not elect to provide in lieu of credits as described in subsection (2) of this section, then an approved company shall not be permitted to impose assessments against the wages of its employees.
- (2) Subject to the prior written approval of the authority of any proposed in lieu of credits, the local government may elect, by vote of its legislative body, to provide for in lieu of credits for the approved company and its economic development project.
- (3) If the local government elects to provide in lieu of credits as described in subsection (2) of this section, the assessment authorized by KRS 154.24-110 shall be four percent (4%), one hundred percent (100%) of which shall be permitted as a credit against Kentucky income tax withheld pursuant to KRS 141.350.
- (4) If a local jurisdiction in which the economic development project is to be located does not assess a local occupational license fee and does not elect to provide in lieu of credits as described in subsection (2) of this section, the assessment authorized by KRS 154.24-110 shall be four percent (4%), one hundred percent (100%) of which shall be permitted as a credit against Kentucky income tax withheld pursuant to KRS to KRS 141.350.
- (5) If a local jurisdiction in which the economic development project is to be located, approves the inducements in accordance with subsection (1) of this section, assesses less than a one percent (1%) local occupational license fee, and does not elect to provide in lieu of credits as described in subsection (2) of this section, then the approved company may require that each employee subject to state tax imposed by KRS 141.020, as a condition of employment, agree to pay a service and technology job creation assessment fee as prescribed in KRS 154.24-110(2) or (3), as applicable, provided that each employee paying the assessment shall only be entitled to credits against his Kentucky income tax as prescribed in KRS 154.24-110(2)(a) or (3), as applicable and to credits against his local occupational license fee to the extent of the local occupational license fee collected by the local jurisdiction.
- (6) If a local jurisdiction in which the economic development project is to be located does not assess a local occupational license fee and elects to provide in lieu of credits as described in subsection (2) of this section, then the assessment shall be in accordance with subsection (3) of this section.
- (7) Subsection (4) of this section shall apply only to those approved companies which enter into service and technology agreements with the authority after July 15, 1996.

**Effective:** July 14, 2000

**History:** Amended 2000 Ky. Acts ch. 300, sec. 21, effective July 14, 2000. -- Amended 1996 Ky. Acts ch. 194, secs. 42 and 43, effective July 15, 1996. -- Amended 1994 Ky. Acts ch. 450, sec. 20, effective July 15, 1994. -- Created 1992 Ky. Acts ch. 358, sec. 15, effective July 14, 1992.