

**68.180 Occupational license tax in counties containing 300,000 population -- Exemptions from local fees and taxes -- Regulation of ministers.**

- (1) The fiscal court of each county having a population of three hundred thousand (300,000) or more may by order or resolution impose license fees on franchises, provide for licensing any business, trade, occupation, or profession, and the using, holding, or exhibiting of any animal, article, or other thing.
- (2) License fees on such business, trade, occupation, or profession for revenue purposes, except those of the common schools, shall be imposed at a percentage rate not to exceed one and one-fourth percent (1.25%) of:
  - (a) Salaries, wages, commissions, and other compensation earned by persons within the county for work done and services performed or rendered in the county; and
  - (b) The net profits of businesses, trades, professions, or occupations from activities conducted in the county.
- (3)
  - (a) No public service company that pays an ad valorem tax shall be required to pay a license tax.
  - (b)
    1. It is the intent of the General Assembly to continue the exemption from local license fees and occupational taxes that existed on January 1, 2006, for providers of multichannel video programming services or communications services as defined in KRS 136.602 that were taxed under KRS 136.120 prior to January 1, 2006.
    2. To further this intent, no company providing multichannel video programming services or communications services as defined in KRS 136.602 shall be required to pay a license tax. If only a portion of an entity's business is providing multichannel video programming services or communications services, including products or services that are related to and provided in support of the multichannel video programming services or communications services, this exclusion applies only to that portion of the business that provides multichannel video programming services or communications services, including products or services that are related to and provided in support of the multichannel video programming services or communications services.
  - (c) No license tax shall be imposed upon or collected from any bank, trust company, combined bank and trust company, combined trust, banking and title business in this state, any savings and loan association, whether state or federally chartered.
  - (d) No license tax shall be imposed upon income received by members of the Kentucky National Guard for active duty training, unit training assemblies, and annual field training.
  - (e) No license tax shall be imposed upon income received by precinct workers for election training or work at election booths in state, county, and local primary, regular, or special elections.

- (f) No license tax shall be imposed upon any profits, earnings, or distributions of an investment fund which would qualify under KRS 154.20-250 to 154.20-284 to the extent any profits, earnings, or distributions would not be taxable to an individual investor, or in other cases where the county is prohibited by law from imposing a license tax.
- (4) The provisions and limitations of subsection (2) of this section shall not apply to license fees imposed for regulatory purposes as to form and amount, or to the license fees authorized by KRS 160.482 to 160.488.
- (5) Pursuant to this section, no fiscal court shall regulate any aspect of the manner in which any duly ordained, commissioned, or denominationally licensed minister of religion may perform his or her duties and activities as a minister of religion. Duly ordained, commissioned, or denominationally licensed ministers of religion shall be subject to the same license fees imposed on others in the county on salaries, wages, commissions, and other compensation earned for work done and services performed or rendered.

**Effective:** January 1, 2006

**History:** Amended 2005 Ky. Acts ch. 167, sec. 1, effective July 1, 2005; and ch. 168, sec. 121, effective January 1, 2006. -- Amended 2003 Ky. Acts ch. 117, sec. 18, effective June 24, 2003. -- Amended 2002 Ky. Acts ch. 230, sec. 1, effective July 15, 2002. -- Amended 1998 Ky. Acts ch. 509, sec. 1, effective July 15, 1998. -- Amended 1990 Ky. Acts ch. 476, Pt. IV, sec. 120, effective July 13, 1990. -- Amended 1976 Ky. Acts ch. 104, sec. 1; and ch. 301, sec. 2. -- Amended 1965 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 23. -- Created 1960 Ky. Acts ch. 80, sec. 1.

**Legislative Research Commission Note** (1/1/2006). This section was amended by 2005 Ky. Acts chs. 167 and 168, which do not appear to be in conflict and have been codified together.