

**155.140 Required earned surplus.**

Each year the corporation shall set apart as earned surplus not less than ten percent (10%) of its net earnings for the preceding fiscal year until such surplus is equal in value to one-half (1/2) of the amount paid in on the capital stock then outstanding. Whenever the amount of surplus established herein becomes impaired, it shall be built up again to the required amount in the manner provided for its original accumulation. Net earnings and surplus shall be determined by the board of directors, after providing for such reserves as said directors deem desirable, and the directors' determination made in good faith shall be conclusive on all persons.

**Effective:** March 21, 1960

**History:** Created 1960 Ky. Acts ch. 73, sec. 14, effective March 21, 1960.