

1 AN ACT relating to resources for local development.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO  
4 READ AS FOLLOWS:

5 *(1) As used in this section, "county" includes all counties, urban-county*  
6 *governments, charter county governments, consolidated local governments, and*  
7 *unified local governments.*

8 *(2) The legislative body of any:*

9 *(a) City or county that has formed a tourist and convention commission*  
10 *pursuant to KRS Chapter 91A; or*

11 *(b) City or county that is served by a tourist and convention commission*  
12 *pursuant to an interlocal agreement or other provision of law;*

13 *may levy a tax not to exceed three percent (3%) of the retail sales made by all*  
14 *restaurants doing business in the city or county imposing the tax.*

15 *(3) (a) The revenue generated by the restaurant tax shall be divided between:*

16 *1. The taxing jurisdiction; and*

17 *2. The tourist and convention commission that is:*

18 *a. Established by the taxing jurisdiction pursuant to KRS 91A.350*  
19 *to 91A.390; or*

20 *b. One that serves the taxing jurisdiction pursuant to an interlocal*  
21 *agreement or other provision of law.*

22 *(b) The taxing jurisdiction shall first distribute a minimum of twenty-five*  
23 *percent (25%) of all restaurant tax revenue collected to the tourist and*  
24 *convention commission for uses consistent with KRS 91A.350 to 91A.390.*

25 *(c) After the distribution required in paragraph (b) of this subsection, the*  
26 *taxing jurisdiction shall use the remainder of all restaurant tax revenue*  
27 *collected as follows:*

1            1. At least one-third (1/3) to fund recreation infrastructure or programs  
 2            within the taxing jurisdiction; and

3            2. The remaining funds for capital construction, maintenance, or  
 4            operation of infrastructure that supports tourism, recreation, or  
 5            economic development within the taxing jurisdiction.

6            (4) (a) A restaurant that pays a restaurant tax levied pursuant to this section to a  
 7            taxing jurisdiction shall not have an occupational license fee or license tax  
 8            imposed on the net profits or gross receipts of the business by the same  
 9            taxing jurisdiction.

10           (b) This subsection shall not be construed to:

11           1. Eliminate the requirement for any restaurant to apply for and obtain a  
 12           business license for operation as may be required under local  
 13           ordinance; or

14           2. Prevent the application of an occupational license fee or tax from  
 15           being assessed on the wages of the restaurant's employees for the  
 16           privilege of working within the taxing jurisdiction.

17           (5) A city or county levying the restaurant tax allowed by this section for the first  
 18           time, or changing a rate of levy allowed by this section that is already in force,  
 19           shall provide through ordinance that the initial levy or rate change takes effect at  
 20           the beginning of a calendar month.

21           ➔Section 2. KRS 67.938 is amended to read as follows:

22           (1) The tax structure, tax rates, and level of services in effect in the county and in each  
 23           of the participating cities upon the adoption of a unified local government shall  
 24           remain in effect after the adoption of the unified local government and shall remain  
 25           the same until changed by the newly elected unified local government legislative  
 26           council.

27           (2) In order to maintain the tax structure, tax rates, or level of services in the areas of

1 the unified local government formerly comprising incorporated cities, the unified  
2 local government council may provide, in a manner described in this section, for  
3 taxes and services within the formerly incorporated cities that are different from the  
4 taxes and services which are applicable in the remainder of the unified local  
5 government. If a unified local government is formed that contains a participating  
6 city with a restaurant tax imposed pursuant to Section 1 of this Act or KRS  
7 91A.400, the restaurant tax may be retained by the unified local government in the  
8 area of the participating city.

9 (3) Any difference in the ad valorem tax rate on the class of property which includes  
10 the surface of the land in the portion of the county formerly comprising the  
11 incorporated cities, and the surface of the land in the portion of the county other  
12 than that formerly comprising the incorporated cities, may be imposed directly by  
13 the unified local government legislative council. Any change in these ad valorem  
14 tax rates shall comply with KRS 68.245, 132.010, 132.017, and 132.027 and shall  
15 be used for services as provided by KRS 82.085.

16 (4) All delinquent taxes of a participating city in a unified local government shall be  
17 filed with the county clerk and shall be known as certificates of delinquency or  
18 personal property certificates of delinquency and shall be governed by the  
19 procedures set out in KRS Chapter 134, except that certificates of delinquency and  
20 personal property certificates of delinquency on former city tax bills may be paid or  
21 purchased directly from the clerk under KRS 134.126 and 134.127.

22 ➔Section 3. KRS 91A.390 is amended to read as follows:

23 (1) (a) The commission shall annually submit to the local governing body or bodies  
24 which established it a request for funds for the operation of the commission.

25 (b) The local governing body or bodies shall include the commission in the  
26 annual budget and shall provide funds for the operation of the commission by  
27 imposing a transient room tax on the rent for every occupancy of a suite,

- 1 room, or rooms, charged by all persons, companies, corporations, or other like  
2 or similar persons, groups, or organizations doing business as motor courts,  
3 motels, hotels, inns, or like or similar accommodations businesses as follows:
- 4 1. For a local governing body or bodies, other than an urban-county  
5 government, the tax rate shall not exceed three percent (3%); and
  - 6 2. For an urban-county government, the tax rate shall not exceed four  
7 percent (4%).
- 8 (c) In addition to the three percent (3%) levy authorized by paragraph (b)1. of this  
9 subsection, the local governing body other than an urban-county government  
10 may impose a special transient room tax not to exceed one percent (1%) for  
11 the purposes of:
- 12 1. Meeting the operating expenses of a convention center; and
  - 13 2. In the case of a consolidated local government, financing the renovation  
14 or expansion of a convention center that is government-owned and  
15 located in the central business district of the consolidated local  
16 government, except that if a consolidated local government imposes the  
17 special transient room tax authorized under this paragraph on or after  
18 August 1, 2014, revenue derived from the levy shall not be used to meet  
19 the operating expenses of a convention center until any debt issued for  
20 financing the renovation or expansion of a government-owned  
21 convention center located in the central business district of the  
22 consolidated local government is retired.
- 23 (d) Transient room taxes shall not apply to the rental or leasing of an apartment  
24 supplied by an individual or business that regularly holds itself out as  
25 exclusively providing apartments. Apartment means a room or set of rooms,  
26 in an apartment building, fitted especially with a kitchen and usually leased as  
27 a dwelling for a minimum period of thirty (30) days or more.

- 1 (e) The local governing body or bodies that have established a commission by  
2 joint or separate action shall enact an ordinance for the enforcement of the tax  
3 measure enacted pursuant to this section and the collection of the proceeds of  
4 this tax measure on a monthly basis.
- 5 (2) All moneys collected pursuant to this section, Section 1 of this Act, and KRS  
6 91A.400 shall be maintained in an account separate and unique from all other funds  
7 and revenues collected, and shall be considered tax revenue for the purposes of  
8 KRS 68.100 and KRS 92.330.
- 9 (3) A portion of the money collected from the imposition of this tax, as determined by  
10 the tax levying body, upon the advice and consent of the tourist and convention  
11 commission, may be used to finance the cost of acquisition, construction, operation,  
12 and maintenance of facilities useful in the attraction and promotion of tourist and  
13 convention business, including projects described in KRS 154.30-050(2)(a). The  
14 balance of the money collected from the imposition of this tax shall be used for the  
15 purposes set forth in KRS 91A.350. Proceeds of the tax shall not be used as a  
16 subsidy in any form to any hotel, motel, or restaurant, except as provided in KRS  
17 154.30-050(2)(a)3.c. Money not expended by the commission during any fiscal year  
18 shall be used to make up a part of the commission's budget for its next fiscal year.
- 19 (4) A county with a city of the first class may impose an additional tax, not to exceed  
20 one and one-half percent (1.5%) of the room rent. This additional tax, if approved  
21 by the local governing body, shall be collected and administered in the same manner  
22 as the regular tax and shall be used for the purpose of funding additional promotion  
23 of tourist and convention business.
- 24 (5) An urban-county government may impose an additional tax, not to exceed one  
25 percent (1%) of the room rents included in this subsection. This additional tax shall  
26 be collected and administered in the same manner as the regular tax with the  
27 exception that this additional tax shall be used for the purpose of funding the

- 1 purchase of development rights program provided for under KRS 67A.845.
- 2 (6) Local governing bodies which have formed multicounty tourist and convention  
3 commissions as provided by KRS 91A.350(3) may impose an additional tax, not to  
4 exceed one percent (1%) of the room rents. This additional tax, if approved by each  
5 governing body, shall be collected and administered in the same manner as the  
6 regular tax, with the exception that this additional tax shall be used for the purpose  
7 of funding regional efforts relating to the promotion of tourist and convention  
8 business and convention centers. In no event shall any revenues collected as  
9 provided for under KRS 91A.350(3) be utilized for the construction, renovation,  
10 maintenance, or additions to any convention center that is located outside the  
11 boundaries of the Commonwealth of Kentucky.
- 12 (7) The commission, with the approval of the tax levying body, may borrow money to  
13 pay its obligations that cannot be paid at maturity out of current revenue from the  
14 transient room tax, but shall not borrow a sum greater than can be repaid out of the  
15 revenue anticipated from the transient room tax during the year the money is  
16 borrowed. The commission may pledge its securities for the repayment of any sum  
17 borrowed.
- 18 (8) The fiscal court or legislative body of a consolidated local government or city  
19 establishing a commission pursuant to KRS 91A.350(1) or (2) and, in its own name,  
20 a commission established pursuant to of KRS 91A.350(1) is authorized and  
21 empowered to issue revenue bonds pursuant to KRS Chapter 58 for public projects.  
22 Bonds issued for the purposes of KRS 91A.350 to 91A.390, may be used to pay any  
23 cost for the acquisition of real estate, the construction of buildings and  
24 appurtenances, the preparation of plans and specifications, and legal and other  
25 services incidental to the project or to the issuance of the bonds. The payment of the  
26 bonds, with interest, may be secured by a pledge of and a first lien on all of the  
27 receipts and revenue derived, or to be derived, from the rental or operation of the

1 property involved. Bond and interest obligations issued pursuant to this section shall  
2 not constitute an indebtedness of the county, consolidated local government, or city.  
3 All bonds sold under the authority of this section shall be subject to competitive  
4 bidding as provided by law, and shall bear interest at a rate not to exceed that  
5 established for bonds issued for public projects under KRS Chapter 58.

6 (9) A commission established pursuant to KRS 91A.350(3) is authorized and  
7 empowered to issue revenue bonds in its own name, payable solely from its income  
8 and revenue, pursuant to KRS Chapter 58 for revenue bonds for public projects.  
9 Bonds issued for the purposes of KRS 91A.350 to 91A.390, may be used to pay any  
10 cost for the acquisition of real estate, the construction of buildings and  
11 appurtenances, the preparation of plans and specifications, and legal and other  
12 services incidental to the project or to the issuance of the bonds. The payment of the  
13 bonds, with interest, may be secured by a pledge of and a first lien on all of the  
14 receipts and revenue derived, or to be derived, from the rental or operation of the  
15 property involved. Bond and interest obligations issued pursuant to this section shall  
16 not constitute an indebtedness of the county. All bonds sold pursuant to this section  
17 shall be subject to competitive bidding as provided by law, and shall not bear  
18 interest at rates exceeding those for bonds issued for public projects under KRS  
19 Chapter 58.

20 ➔Section 4. KRS 91A.400 is amended to read as follows:

21 (1) As used in this section, "authorized city" means a city on the registry maintained by  
22 the Department for Local Government under subsection (2) of this section.

23 (2) On or before January 1, 2015, the Department for Local Government shall create  
24 and maintain a registry of cities that, as of January 1, 2014, were classified as cities  
25 of the fourth or fifth class. The Department for Local Government shall make the  
26 information included on the registry available to the public by publishing it on its  
27 Web site.

1 (3) Prior to the effective date of this Act, in addition to the three percent (3%) transient  
2 room tax authorized by KRS 91A.390, the city legislative body in an authorized city  
3 may levy an additional restaurant tax not to exceed three percent (3%) of the retail  
4 sales by all restaurants doing business in the city.

5 (4) (a) Prior to the effective date of this Act, all moneys collected from the tax  
6 authorized by this section shall be turned over to the tourist and convention  
7 commission established in that city as provided by KRS 91A.350 to 91A.390.

8 (b) After the effective date of this Act, all moneys collected from the tax  
9 authorized by this section shall be distributed as follows:

10 1. An amount to the tourist and convention commission that is equal to  
11 the base restaurant tax receipts plus a minimum of twenty-five percent  
12 (25%) of the restaurant tax revenues collected above the base  
13 restaurant tax receipts for uses consistent with KRS 91A.350 to  
14 91A.390; and

15 2. After the distribution required in subparagraph 1. of this paragraph,  
16 the city shall use the remainder of restaurant tax revenue collected as  
17 follows:

18 a. At least one-third (1/3) to fund recreation infrastructure or  
19 programs within the taxing jurisdiction; and

20 b. The remaining funds for capital construction, maintenance, or  
21 operation of infrastructure that support tourism, recreation, and  
22 economic development within the taxing jurisdiction.

23 (c) The revenue distributed to a tourist and convention commission pursuant to  
24 paragraph (b) of this subsection that equals the base restaurant tax receipts:

25 1. Shall be requested and budgeted in the same manner as the transient  
26 room tax as provided in subsection (1)(a) and (b) of Section 3 of this  
27 Act;



- 1           2. Shall be separately maintained, accounted for, and considered as tax  
2           revenue;
- 3           3. Shall be used to make up a part of the commission's budget for its  
4           next fiscal year when not expended by the commission in its current  
5           year;
- 6           4. May, upon the advice and consent of the tourist and convention  
7           commission, be partially used by the city legislative body to finance the  
8           cost of acquisition, construction, operation, and maintenance of  
9           facilities useful in the attraction and promotion of tourist and  
10           convention business;
- 11           5. May, with the approval of the city legislative body, be pledged by the  
12           tourist and convention commission as security to borrow money to pay  
13           its obligations that cannot be paid at maturity out of current revenue  
14           from the restaurant tax, except that the tourist and convention  
15           commission shall not borrow a sum greater than can be repaid out of  
16           the revenue anticipated from the restaurant tax during the year the  
17           money is borrowed; and
- 18           6. Shall not be used as a subsidy in any form to any hotel, motel, or  
19           restaurant.
- 20           (d) Paragraphy (b) of this subsection shall not be interpreted to:
- 21           1. Void, supplant, or otherwise affect any existing agreement between a  
22           city and a tourist and convention commission regarding the  
23           distribution of use of restaurant tax revenues; or
- 24           2. Prevent any future agreement between a city and tourist and  
25           convention commission that provides terms for the distribution or use  
26           of restaurant tax revenues.
- 27           (e) As used in this subsection, "base restaurant tax receipts" means the

1 amount of revenue collected as a result of the imposition of the restaurant  
 2 tax pursuant to this section from July 1, 2021, to June 30, 2022, by a city  
 3 that imposed the tax prior to the effective date of this Act.

4 (f) 1. This subsection shall expire on July 1, 2024.

5 2. On or after July 1, 2024, cities that imposed the restaurant tax prior to  
 6 the effective date of this Act shall comply with the requirements of  
 7 subsection (3) of Section 1 of this Act.

8 (5) (a) A restaurant that pays a restaurant tax levied pursuant to this section to a  
 9 city shall not have an occupational license fee or license tax imposed on the  
 10 net profits or gross receipts of the business by the city.

11 (b) This subsection shall not be construed to:

12 1. Eliminate the requirement for any restaurant to apply for and obtain a  
 13 business license for operation as may be required under local  
 14 ordinance; or

15 2. Prevent the application of an occupational license fee or tax from  
 16 being assessed on the wages of the restaurant's employees for the  
 17 privilege of working within the city.

18 ➔Section 5. KRS 91.200 is amended to read as follows:

19 (1) The board of aldermen of every city of the first class, in addition to levying ad  
 20 valorem taxes, may by ordinance impose license fees on franchises, provide for  
 21 licensing any business, trade, occupation, or profession and the using, holding, or  
 22 exhibiting of any animal, article, or other thing.

23 (2) License fees on a business, trade, occupation, or profession for revenue purposes  
 24 may be imposed at a percentage rate not to exceed those hereinafter set forth on:

25 (a) Salaries, wages, commissions and other compensations earned by every  
 26 person within the city for work done and services performed or rendered in the  
 27 city (all of such being hereinafter collectively referred to as "wages"); and

- 1 (b) The net profits of all businesses, professions, or occupations from activities  
2 conducted in the city (hereinafter collectively referred to as "net profits").
- 3 (3) (a) Licenses imposed for regulatory purposes shall not be subject to such  
4 limitations as to form and amount.
- 5 (b) No company that pays an ad valorem tax and a franchise tax is required to pay  
6 a license tax.
- 7 (c) 1. It is the intent of the General Assembly to continue the exemption from  
8 local license fees and occupational taxes that existed on January 1, 2006,  
9 for providers of multichannel video programming services or  
10 communications services as defined in KRS 136.602 that were taxed  
11 under KRS 136.120 prior to January 1, 2006.
- 12 2. To further this intent, no company providing multichannel video  
13 programming services or communications services as defined in KRS  
14 136.602 shall be required to pay a license tax. If only a portion of an  
15 entity's business is providing multichannel video programming services  
16 or communications services, including products or services that are  
17 related to and provided in support of the multichannel video  
18 programming services or communications services, this exclusion  
19 applies only to that portion of the business that provides multichannel  
20 video programming services or communications services including  
21 products or services that are related to and provided in support of the  
22 multichannel video programming services or communications services.
- 23 (d) No license tax shall be imposed upon or collected from any bank, trust  
24 company, combined bank and trust company or combined trust, banking and  
25 title business in this state, any savings and loan association whether state or  
26 federally chartered.
- 27 (e) No license tax shall be imposed upon income received by members of the

1 Kentucky national guard for active duty training, unit training assemblies, and  
2 annual field training.

3 (f) No license tax shall be imposed on income received by precinct workers for  
4 election training or work at election booths in state, county, and local primary,  
5 regular, or special elections.

6 (g) No license tax shall be imposed upon any profits, earnings, or distributions of  
7 an investment fund which would qualify under KRS 154.20-250 to 154.20-  
8 284 to the extent any profits, earnings, or distributions would not be taxable to  
9 an individual investor, or in any other case where the city is prohibited by  
10 statute from imposing a license tax.

11 (h) 1. No license tax shall be imposed upon:

12 a. The profits earned; or

13 b. Income received for work performed;

14 during a disaster response period by a disaster response business or a  
15 disaster response employee.

16 2. As used in this paragraph, "disaster response business," "disaster  
17 response employee," and "disaster response period" have the same  
18 meaning as in KRS 141.010.

19 **(i) No license tax shall be imposed upon the net profits or gross receipts of a**  
20 **restaurant that pays a restaurant tax under Section 1 or 4 of this Act.**

21 (4) The rate fixed on both "wages" and "net profits" shall be one and one-fourth percent  
22 (1.25%).

23 (5) License fees or taxes shall be collected by the commissioners of the sinking fund.  
24 The proceeds from the taxes shall be paid to the secretary and treasurer of the  
25 sinking fund until income from all sources of the sinking fund is sufficient to pay  
26 the cost of administration and the interest charges for the current fiscal year of the  
27 sinking fund in addition to a sum sufficient to amortize the outstanding principal

1           indebtedness of the city on a yearly basis in accordance with regularly used  
2           amortization tables.

3       (6) Revenue remaining after meeting the foregoing requirements shall be transferred to  
4           the city. Such revenues shall be credited to the general fund of the city as received  
5           and may be expended for general purposes or for capital improvements.

6       (7) The term "capital improvements" as used in this section is limited to additions or  
7           improvements of a substantial and permanent nature and services rendered in  
8           connection therewith, and includes but is not limited to:

9           (a) The purchase of rights of way for highways, expressways, and the widening of  
10           existing streets;

11          (b) The purchase of lands for park, recreational, and other governmental facilities  
12           and for public off-street parking facilities;

13          (c) The purchase, construction, reconstruction, renovation, or remodeling of  
14           municipal buildings, and facilities;

15          (d) The replacement of machinery, wires, pipes, structural members or fixtures,  
16           and other essential portions of municipal buildings;

17          (e) The initial equipment of any newly acquired facility wherein any essential  
18           governmental function of the municipality may be located or carried on;

19          (f) The purchase and installation of traffic control devices and fire alarm  
20           equipment;

21          (g) The reconstruction and resurfacing, but not routine maintenance, of streets and  
22           other public ways;

23          (h) The acquisition of motorized equipment purchased as additions to, but not  
24           replacements for, existing equipment; and

25          (i) Engineering and other costs incurred by the city in connection with the  
26           construction of public improvements financed under a special assessment  
27           plan.

- 1 (8) Ad valorem taxes for the benefit of the sinking fund shall not be levied unless the  
2 income of the sinking fund is otherwise insufficient to meet such requirements.
- 3 (9) Licenses shall be issued and enforced on terms and conditions as prescribed by  
4 ordinance.
- 5 (10) Pursuant to this section, no city of the first class shall regulate any aspect of the  
6 manner in which any duly ordained, commissioned, or denominationally licensed  
7 minister of religion may perform his or her duties and activities as a minister of  
8 religion. Duly ordained, commissioned, or denominationally licensed ministers of  
9 religion shall be subject to the same license fees imposed on others in the city on  
10 salaries, wages, commissions, and other compensation earned for work done and  
11 services performed or rendered.
- 12 ➔Section 6. KRS 92.281 is amended to read as follows:
- 13 (1) Cities of all classes are authorized to levy and collect any and all taxes provided for  
14 in Section 181 of the Constitution of the Commonwealth of Kentucky, and to use  
15 the revenue therefrom for such purposes as may be provided by the legislative body  
16 of the city.
- 17 (2) Nothing in this section shall be construed to repeal, amend, or affect in any way the  
18 provisions of KRS 243.070.
- 19 (3) This section shall not in any wise repeal, amend, affect, or apply to any existing  
20 statute exempting property from local taxation or fixing a special rate on proper  
21 classification or imposing a state tax which is declared to be in lieu of all local  
22 taxation, nor shall it be construed to authorize a city to require any company that  
23 pays both an ad valorem tax and a franchise tax to pay a license tax.
- 24 (4) This section shall also be subject to the provisions of KRS 91.200 in cities of the  
25 first class having a sinking fund and commissioners of a sinking fund.
- 26 (5) License fees or occupational taxes may not be imposed against or collected on  
27 income received by precinct workers for election training or work at election booths

1 in state, county, and local primary, regular, or special elections.

2 (6) License fees or occupational taxes may not be imposed against or collected on any  
3 profits, earnings, or distributions of an investment fund which would qualify under  
4 KRS 154.20-250 to 154.20-284 to the extent any profits, earnings, or distributions  
5 would not be taxable to an individual investor.

6 (7) (a) It is the intent of the General Assembly to continue the exemption from local  
7 license fees and occupational taxes that existed on January 1, 2006, for  
8 providers of multichannel video programming services or communications  
9 services as defined in KRS 136.602 that were taxed under KRS 136.120 prior  
10 to January 1, 2006.

11 (b) To further this intent, license fees or occupational taxes may not be imposed  
12 against any company providing multichannel video programming services or  
13 communications services as defined in KRS 136.602. If only a portion of an  
14 entity's business is providing multichannel video programming services or  
15 communications services including products or services that are related to and  
16 provided in support of the multichannel video programming services or  
17 communications services, this exclusion applies only to that portion of the  
18 business that provides multichannel video programming services or  
19 communications services including products or services that are related to and  
20 provided in support of the multichannel video programming services or  
21 communications services.

22 **(8) License fees or occupational taxes may not be imposed against the net profits or**  
23 **gross receipts of a restaurant that pays a restaurant tax under Section 1 or 4 of**  
24 **this Act.**

25 ➔Section 7. KRS 92.300 is amended to read as follows:

26 (1) (a) The legislative body of an urban-county government and any city of the home  
27 rule class may by ordinance exempt manufacturing establishments, including

1 qualified data centers, from city taxation for a period not exceeding five (5)  
2 years as an inducement to their location in the urban-county government, or  
3 city.

4 (b) As used in this subsection:

- 5 1. "Data center" means a structure or portion of a structure that is  
6 predominantly used to house and continuously operate computer servers  
7 and associated telecommunications, electronic data processing or  
8 storage, or other similar components;
- 9 2. "Overall tier rating" means the overall tier rating of a data center  
10 according to the TIA-942 Telecommunications Infrastructure Standard  
11 for Data Centers established by the Telecommunications Industry  
12 Association and published in April 2005, exclusive of any amendments  
13 made subsequent to that date; and
- 14 3. "Qualified data center" means a data center having an overall tier rating  
15 of three (3) or four (4) on the assessment date of a given taxable year, as  
16 established by the owner thereof.

17 (2) (a) No city of the home rule class or urban-county government may impose or  
18 collect any license tax upon:

- 19 1. Any bank, trust company, combined bank and trust company, or trust,  
20 banking and title insurance company organized and doing business in  
21 this state;
- 22 2. Any savings and loan association whether state or federally chartered;
- 23 3. The provision of multichannel video programming services or  
24 communications services as defined in KRS 136.602. It is the intent of  
25 the General Assembly to continue the exemption from local license fees  
26 and occupational taxes that existed on January 1, 2006, for providers of  
27 multichannel video programming services or communications services



1 as defined in KRS 136.602 that were taxed under KRS 136.120 prior to  
 2 January 1, 2006. If only a portion of an entity's business is providing  
 3 multichannel video programming services or communications services  
 4 including products or services that are related to and provided in support  
 5 of the multichannel video programming services or communications  
 6 services, this exclusion applies only to that portion of the business that  
 7 provides multichannel video programming services or communications  
 8 services including products or services that are related to and provided  
 9 in support of the multichannel video programming services or  
 10 communications services;~~[-or]~~

11 4. A disaster relief business as defined in KRS 141.010 for work  
 12 performed during a disaster response period as defined in KRS 141.010;

13 or

14 5. The net profits or gross receipts of a restaurant that pays a restaurant  
 15 tax under Section 1 or 4 of this Act.

16 (b) No city of the home rule class or urban-county government may impose or  
 17 collect any license tax upon income received:

18 1. By members of the Kentucky National Guard for active duty training,  
 19 unit training assemblies and annual field training;

20 2. By precinct workers for election training or work at election booths in  
 21 state, county, and local primary, regular, or special elections; or

22 3. By a disaster response employee as defined in KRS 141.010 for work  
 23 performed during a disaster response period as defined in KRS 141.010.

24 (3) Pursuant to KRS 92.281, no city shall regulate any aspect of the manner in which  
 25 any duly ordained, commissioned, or denominationally licensed minister of religion  
 26 may perform his or her duties and activities as a minister of religion. Duly ordained,  
 27 commissioned, or denominationally licensed ministers of religion shall be subject to

- 1 the same license fees imposed on others in the city enacted pursuant to KRS 92.281.
- 2 ➔Section 8. This Act takes effect as of January 1, 2023.