

**92.281 Levy of all taxes authorized by Constitution Section 181 -- Exceptions â€“  
License fees -- Occupational tax.**

- (1) Cities of all classes are authorized to levy and collect any and all taxes provided for in Section 181 of the Constitution of the Commonwealth of Kentucky, and to use the revenue therefrom for such purposes as may be provided by the legislative body of the city.
- (2) Nothing in this section shall be construed to repeal, amend, or affect in any way the provisions of KRS 243.070.
- (3) This section shall not in any wise repeal, amend, affect, or apply to any existing statute exempting property from local taxation or fixing a special rate on proper classification or imposing a state tax which is declared to be in lieu of all local taxation, nor shall it be construed to authorize a city to require any company that pays both an ad valorem tax and a franchise tax to pay a license tax.
- (4) This section shall also be subject to the provisions of KRS 91.200 in cities of the first class having a sinking fund and commissioners of a sinking fund.
- (5)
  - (a) License fees on businesses, trades, occupations, or professions may not be imposed by a city with a population of less than one thousand (1,000) based upon the most recent federal decennial census at a percentage rate on salaries, wages, commissions, or other compensation earned by persons for work done or services performed within that city nor the net profits of businesses, professions, or occupations from activities conducted in that city.
  - (b) Notwithstanding paragraph (a) of this subsection, a city with a population of less than one thousand (1,000) based upon the most recent federal decennial census that, prior to January 1, 2014, imposed a license fee at a percentage rate on salaries, wages, commissions, or other compensation for work done or services performed within the city or on the net profits or gross receipts of businesses, professions, and occupations from activities conducted within the city may continue to impose that fee on a percentage rate.
- (6) License fees or occupational taxes may not be imposed against or collected on income received by precinct workers for election training or work at election booths in state, county, and local primary, regular, or special elections.
- (7) License fees or occupational taxes may not be imposed against or collected on 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.
- (8)
  - (a) 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.
  - (b) To further this intent, license fees or occupational taxes may not be imposed against any company providing multichannel video programming services or communications services as defined in KRS 136.602. 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.

**Effective:** January 1, 2015

**History:** Amended 2014 Ky. Acts ch. 92, sec. 96, effective January 1, 2015. -- Amended 2005 Ky. Acts ch. 168, sec. 125, effective January 1, 2006. -- Amended 2002 Ky. Acts ch. 230, sec. 4, effective July 15, 2002. -- Amended 1998 Ky. Acts ch. 509, sec. 4, effective July 15, 1998. -- Amended 1984 Ky. Acts ch. 111, sec. 174, effective July 13, 1984. -- Amended 1966 Ky. Acts ch. 190, sec. 1. -- Amended 1954 Ky. Acts ch. 80, sec. 1. -- Created 1948 Ky. Acts ch. 131, sec. 1.

**Legislative Research Commission Note** This section also applies to first-class cities. See KRS 91.265.