

**CITY OF HIGHLAND HEIGHTS, KENTUCKY
ORDINANCE NO. #15-2019**

**AN ORDINANCE AMENDING THE MAXIMUM PAYROLL
TAX TO THE MAXIMUM ALLOWED UNDER THE
FEDERAL INSURANCE CONTRIBUTIONS ACT.**

**NOW, THEREFORE BE IT ORDAINED BY THE CITY OF HIGHLAND HEIGHTS,
CAMPBELL COUNTY, KENTUCKY AS FOLLOWS:**

Section I

That sections § 110.03 of the City of Highland Heights Code of Ordinances is amended as follows:

§ 110.03 OCCUPATIONAL LICENSE TAX PAYMENT REQUIRED.

(A) Except as provided in division (B) of this section, every person or business entity engaged in any business for profit and any person or business entity that makes a filing with the Internal Revenue Service or the Kentucky Revenue Cabinet shall be required to file and pay to the city an annual occupational license tax for the privilege of engaging in such activities within the city.

(1) The occupational license tax shall be measured by one percent (1%) of all wages and compensation paid or payable in the city for work done or services performed or rendered in the city by every resident and nonresident who is an employee up to the Federal Insurance Contributions Act (FICA) maximum amounts;

(2) The occupational license tax shall be measured by three and one-half tenths of one percent (.35%) of the gross receipts (or from schedule) from business conducted in the city by a resident or nonresident business entity, or a minimum tax of seventy-five dollars (\$75.00), whichever is greater, up to a maximum of ten thousand dollars (\$10,000).

(B) ~~The maximum tax liability under this chapter shall be assessed as follows:~~

~~(1) For each employee one thousand dollars (\$1,000.00).~~

~~(2) For each business entity, there shall be a ten thousand dollars (\$10,000.00) maximum liability for the portion of the occupational license tax that is measured by taxable gross receipts.~~

(C) The occupational license tax imposed in this section shall not apply to the following persons or business entities:

(1) Any bank, trust company, combined bank and trust company, or trust, banking and title insurance company organized and doing business in this state, any savings and loan association whether state or federally chartered;

(2) Any compensation received by members of the Kentucky National Guard for active duty training, unit training assemblies and annual field training;

(3) Any compensation received by precinct workers for election training or work at election booths in state, county, and local primary, regular, or special elections;

(4) Public Service Corporations that pay an ad valorem tax on property valued and assessed by the Kentucky Department of Revenue pursuant to the provisions of KRS 136.120. Licensees whose businesses are predominantly non-public service who are also engaged in public service activity are required to pay a license fee on their gross receipts derived from the non-public service activities apportioned to the city;

(5) Persons or business entities that have been issued a license under KRS Chapter 243 to engage in manufacturing or trafficking in alcoholic beverages. Persons engaged in the business of manufacturing or trafficking in alcoholic beverages are required to file a return, but may exclude the portion of their gross receipts derived from the manufacturing or trafficking in alcoholic beverages;

(6) Insurance companies incorporating under the laws of and doing business in the Commonwealth of Kentucky.

(7) Persons or business entities that operate a two-dwelling unit rental property, where the owner occupies one dwelling unit and rents the other dwelling unit that is a part thereof.

Section II

This ordinance shall be in full force and effect from and after its adoption, approval and publication as is required by law.

PASSED by City Council of the City of Highland Heights, Campbell County, Kentucky assembled in regular session.

First Reading: November 5, 2019

Second Reading: December 3, 2019



MAYOR GREGORY MEYERS

ATTEST:



JEANNE PETTIT
CITY CLERK/TREASURER