



UNLOCKING KENTUCKY'S POTENTIAL

A lot has changed in our commonwealth since 1891, except for a restrictive section of the Kentucky Constitution that limits the legislature's power to comprehensively reform local government tax policies. It only permits the General Assembly to delegate to local governments a small number of revenue options, including property, occupational, and a few fees and license taxes. It's time to unlock Kentucky's potential, amend Section 181 of the Kentucky Constitution, and provide local governments more leeway to design flexible local revenue systems that capitalize on community diversity and create an economically competitive environment.



Section 181 prohibits legislators from giving local elected officials the ability to make many revenue decisions at the local level. The amendment's language actually works to lock out cities and counties from exploring the revenue options that are sorely needed to build and sustain communities. By maintaining this status quo, we severely limit the tools at our disposal and keep Kentucky reliant on a system that taxes productivity instead of consumption.



Amending the constitution is the key to increased economic development and improved community services. By revising the language in Section 181, we can unlock new options for the General Assembly — options that will assist city and county leaders as they create policies that improve the quality of life in their communities.



There is only so much that can be done under the current language. Local governments need more latitude to make decisions at the local level about what is best for them, instead of using a one-size-fits-all approach. It is time to amend and modernize Section 181 and provide the flexibility needed to fund public safety and basic services, such as safe roads, parks, clean drinking water, and sanitation while also making long-term investments in our people and communities.



Once the General Assembly passes a bill to amend the state constitution and unlock potential revenue options for local governments, Kentuckians will vote on the issue in November. If voters approve, legislators could then pass bills that modernize revenue options for cities and counties.