

1 AN ACT relating to regional industrial taxing districts.

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:*

6 *(a) "Board" means the board of trustees of a district;*

7 *(b) "District" means a regional industrial taxing district established under*
8 *subsection (2)(a) of this section;*

9 *(c) "Local government" means the legislative body of a city, county, urban-*
10 *county government, charter county government, consolidated local*
11 *government, or unified local government located within the*
12 *Commonwealth; and*

13 *(d) "Multicounty region" means multiple counties, multiple cities not located*
14 *in the same county, or a combination of counties and cities with at least two*
15 *(2) local governments from different counties.*

16 *(2) (a) Two (2) or more local governments constituting a multicounty region may*
17 *join together by entering into an interlocal agreement under KRS 65.210 to*
18 *65.300 to form a regional industrial taxing district to develop real estate as*
19 *part of a regional economic development project.*

20 *(b) The regional economic development project shall consist of three hundred*
21 *(300) or more contiguous acres and result in the creation of at least five*
22 *hundred (500) new jobs.*

23 *(3) The district shall constitute a taxing district within the meaning of Section 157 of*
24 *the Constitution of Kentucky and is authorized to levy a special ad valorem tax on*
25 *property located within the jurisdictional boundaries of the district. The special*
26 *ad valorem tax rate shall not exceed ten cents (\$0.10) per one hundred dollars*
27 *(\$100) of the assessed value of the property. The special ad valorem tax shall be*

1 collected in the same manner as other ad valorem taxes.

2 (4) (a) In addition to the special ad valorem tax under subsection (3) of this
3 section, local governments in which the district is located may, with
4 agreement of all local governments participating in the interlocal
5 agreement, impose and collect an occupational license fee on businesses,
6 trades, professions, or occupations performed, rendered, or conducted
7 within the district, at percentage rate of:

8 1. Salaries, wages, commissions, and other compensation earned by
9 persons within the district for work done and services performed or
10 rendered in the district;

11 2. The net profits of self-employed individuals, partnerships, professional
12 associations, or joint ventures resulting from businesses, trades,
13 professions, occupations, or activities conducted in the district; and

14 3. The net profits of corporations resulting from businesses, trades,
15 professions, occupations, or activities conducted in the district.

16 (b) The occupational license fee imposed under this subsection shall be:

17 1. In addition to any other license fee imposed by any entity on
18 businesses, trades, professions, or occupations performed, rendered,
19 or conducted within the district; and

20 2. Assessed in the same manner as other occupational license fees except
21 that the occupational license fees shall not be subject to any maximum
22 rate limits or crediting requirements established under KRS 68.180,
23 68.197, or 91.200.

24 (c) Each local government participating in the interlocal agreement shall
25 receive a portion of the revenues collected from the occupational license fee
26 as specified by the agreement. Each local government may include its
27 portion of the revenues in its general fund to be used as designated by the

1 local government.

2 (5) (a) As part of the interlocal agreement, a board shall be established to control
3 and manage the affairs of the district.

4 (b) The board shall:

5 1. Represent a multicounty region;

6 2. Comply with the provisions of KRS Chapter 65A;

7 3. Agree, in writing, to the collection and distribution of the revenue
8 generated from the levy of any occupational license fee imposed under
9 this section; and

10 4. Operate in accordance with the following:

11 a. The board membership shall consist of one (1) trustee from each
12 local government participating in the interlocal agreement;

13 b. The trustees shall serve staggered terms of four (4) years;

14 c. The chair of the board shall be elected by the trustees from
15 among its membership;

16 d. The board may appoint a secretary, an executive director, and
17 other officials and employees who need not be members of the
18 board;

19 e. Trustees shall not receive compensation for their services, but
20 shall be reimbursed for their actual expenses incurred in the
21 performance of their duties;

22 f. A quorum for the transacting of the business of the board shall
23 consist of a majority of its membership;

24 g. A trustee of the board may be removed as provided by KRS
25 65.007; and

26 h. Vacancies of the board shall be filled in the same manner as the
27 original appointments.