

1 AN ACT relating to restaurant tax.

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

3 ➔Section 1. KRS 91A.400 is amended to read as follows:

4 (1) As used in this section:

5 (a) ~~["~~"Authorized city" means ***all home rule class cities; and***

6 (b) ***"Authorized city" does not include urban-county governments, consolidated***  
 7 ***local governments, charter county governments, or unified local***  
 8 ***governments***~~[ a city on the registry maintained by the Department for Local~~  
 9 ~~Government under subsection (2) of this section.~~

10 ~~(2) On or before January 1, 2015, the Department for Local Government shall create~~  
 11 ~~and maintain a registry of cities that, as of January 1, 2014, were classified as cities~~  
 12 ~~of the fourth or fifth class. The Department for Local Government shall make the~~  
 13 ~~information included on the registry available to the public by publishing it on its~~  
 14 ~~Web site].~~

15 ~~(2)~~~~(3)~~ In addition to the three percent (3%) transient room tax authorized by KRS  
 16 91A.390(1)(b), the ~~city~~ legislative body in an authorized city may levy an  
 17 additional restaurant tax not to exceed three percent (3%) of the retail sales by all  
 18 restaurants doing business in the city. ~~All moneys collected from the tax authorized~~  
 19 ~~by this section shall be turned over to the tourist and convention commission~~  
 20 ~~established in that city as provided by KRS 91A.345 to 91A.394.]~~

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 KRS 91A.400, the restaurant tax may  
7 be retained by the unified local government in the area of the participating city.]~~

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

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