

**Local Government Mandate Statement
 Kentucky Legislative Research Commission
 2018 Regular Session**

Part I: Measure Information

Bill Request #: 1664

Bill #: HB 358

Document ID #: 4222

Bill Subject/Title: AN ACT relating to occupational license taxes and declaring an emergency.

Sponsor: Representative R. Rothenburger

Unit of Government: City County Urban-County Unified Local Government
 Charter County Consolidated Local

Office(s) Impacted: _____

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

This bill amends KRS 68.197 to:

- 1. Allow each county having a population of less than 300,000 to impose a license fee, with no cap, on franchises, provide for licensing any business, trade, occupation, or profession, and the using, holding, or exhibiting of any animal, article, or other thing. Currently, counties with a population of 30,000 or more may provide for this type of licensing, but the percentage rate cannot exceed one percent (1%); and
- 2. Remove all offset or credit provisions of city license fees against county license fees that may currently exist, except those that are executed by agreement between the city and the county.

Counties with a population of less than 300,000 could see an increase in their license fee if they choose to impose a license fee higher than 1%. A city and county may be required to negotiate crediting provisions if the proposal is enacted to maintain the current level of

revenues to the city and county. Without a negotiated offset or crediting agreement, in some instances taxpayers may be required to pay both a city and a county license fee.

There is not sufficient data to determine the exact impact to any specific county.

Part III: Differences to Local Government Mandate Statement from Prior Versions

The Part II section above pertains to the bill as introduced and there are not any prior introduced versions of the bill to complete the Part III section.

Data Source(s): _____

Preparer: Charlotte Quarles **Reviewer:** KHC **Date:** 2/14/18