Local Government Mandate Statement Kentucky Legislative Research Commission 2020 Regular Session

Part I: Measure Information

Bill Request #: 246			
Bill #: HB 139			
Document ID #: 1335			
Bill Subject/Title: An	Act relating to an ex	emption of income for cen	tenarians.
Sponsor: Representative	e Jim Glenn		
Unit of Government: <u>x</u>	_	x Consolidated Local	Unified Local
Office(s) Impacted: T	he fiscal court of eache first class; and the	ch county; the board of aldered legislative body of any urbit of the home rule class.	erman of every city of
Requirement: <u>x</u> Ma	andatory Opti	ional	
Effect on Powers & Duties: <u>x</u>	Modifies Existing _	Adds New E	liminates Existing

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

HB 139 amends KRS 68.180, 68.197, 91.200, and 92.300 to exclude all income of any centenarian from occupational license fees or taxes.

The fiscal impact of HB 139 is indeterminable, but will likely be minimal.

The impact of the exemption from occupational taxes for centenarians will be minimal. In 2010 there were 596 centenarian in the State of Kentucky, which represented .0137% of our population. Nationally, centenarians represent approximately .02% of the population. If Kentucky is now similar to the national average that would mean that there are approximately 880 centenarians in Kentucky today.

Income data for centenarians in Kentucky is virtually nonexistent. However, there is national data available. Nationally, 2.9% of centenarians have earnings. The vast majority

of centenarians' income comes from sources that are not taxed by our local occupational taxes, such as Social Security. Using the higher number of 880 centenarians in Kentucky, this would indicate that there are approximately 26 centenarians in Kentucky with earnings. National data indicates that those few centenarians who have income average of \$51,050 per year. This number is likely to be lower in Kentucky because Kentucky income levels are lower than the national average.

Due to the low number of centenarians with earnings and the different rates of occupational taxes around the state, the exact impact is not determinable. However, it will be a minimal loss to any jurisdiction imposing an occupational license fee where a centenarian is employed.

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

Part II, above, pertains to the bill as introduced.

Data Source(s): U.S. Census Bureau, 2010 Census Summary File 1; U.S. Census Bureau,

American Community Survey, 2007-2011, Table S0103; LRC Economists.

Preparer: Kevin Branscum **Reviewer:** KHC **Date:** 1/13/20