

TITLE XI: BUSINESS REGULATIONS

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CHAPTER 110: GENERAL BUSINESS REGULATIONS

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§ 110.01 LICENSES REQUIRED TO ENGAGE IN CERTAIN TRADES, BUSINESS, OR PROFESSIONS.

(A) No person shall engage in any trade, business, or professions for which licenses are required by any provision of this code or any other ordinance of Grant County, Kentucky without first applying for and obtaining a license from the Grant County Judge/Executive or any duly authorized issuing authority.

(B) **BUSINESS** is defined as an occupation or trade engaged in for the purpose of obtaining a livelihood or gain, in cash or in kind, Unless otherwise prohibited, separate businesses may be maintained at the same location if any of the three apply:

- (1) There is a separate entryway for the separate businesses:
 - (2) There is separate accounting or bookkeeping by the owner for the separate businesses;
 - (3) There are separate employees for the separate businesses.
- (Ord. 03-2017-706, passed 4-3-17)

§ 110.02 APPLICATION FOR A LICENSE.

(A) All original application for licenses, unless otherwise specifically provided, shall be made to the Grant County Judge/Executive or his or her designee in writing upon forms to be furnished by the Judge/Executive's office and shall contain:

- (1) The name of the applicant and of each officer, partner, or business associate;
- (2) His/Her present occupation and place of business;
- (3) His/Her place of residence for five years preceding the date of application;
- (4) The nature and location of the intended business or enterprise;
- (5) The period of time for which the license is desired;
- (6) A description of the merchandise to be sold, if for a vendor;

(7) Such other information concerning the applicant and his business as may be reasonable and proper, having regard to the nature of the license desired.

(B) Renewal of an annual license may be granted to a licensee in good standing upon the original application, unless otherwise provided.

(C) With each original or renewal application, the applicant shall deposit the fee required for the license requested.

(D) It shall be unlawful to knowingly make any false statement or representation in the license application.

(Ord. 03-2017-706, passed 4-3-17) Penalty, see § 110.99

§ 110.03 ISSUANCE OF LICENSE, STANDARDS FOR ISSUANCE.

(A) Upon receipt of such application for a license, accompanied by the proper fee, if approval by another officer or department is not required, the Grant County Judge/Executive or his or her designee shall forthwith deposit the fee in the general fund of the county and issue the applicant the proper license certificate signed by the County Judge/Executive or his or her designee.

(B) The Judge/Executive or his or her designee shall issue all licenses except when the issuing authority believes that said business would constitute a threat to public safety, public health, the general welfare of the county, or the establishment of said business is contrary to any statute, regulation, or ordinance existing at the time of the filing of the application.

(1) If an application is denied, the issuing authority must provide a written notice setting forth the basis for the denial. Said notice shall be served upon the applicant or at the proposed business premises.

(2) In the event that a business application is denied, the party seeking the license may appeal that denial to the Fiscal Court under the terms set out in § 110.06.
(Ord. 03-2017-706, passed 4-3-17)

§ 110.04 DATE AND DURATION OF LICENSE.

(A) The license fiscal year for the County shall begin on January 1, and end on December 31. Any person, firm, or corporation, beginning a taxed business or undertaking upon a taxed occupation after the first month of any calendar year, shall procure a license to do so by paying proportionally, being a percentage of time left in the calendar year (i.e. six months equals half or 50%). The minimum fee charged is for six months. There are no refunds for a business that terminates operations.

(B) Any person failing to obtain a license and said person continuing to fail to obtain a license for more than 30 days after the expiration of the old license shall be charged a 30% penalty. If that same person continues to fail to obtain a license as required above shall be subject to a 12% Interest per annum.

(C) Any person failing to obtain and upon issuance, maintain, a business license as required above shall not be permitted to form or continue their business within Grant County.

(D) In no event shall a license be granted to any business or person for a longer period of time than one year.

(E) Every license is issued to an individual person and shall not be transferable.

(F) Every license certificate shall be displayed in a fixed and prominent location upon the licensed premises. Other licensees shall carry the license certificates at all times and shall exhibit the license upon request by authorized agents of the Fiscal Court.

(G) All businesses operating as of the date of the enactment of this ordinance shall file their application for a business license within 30 days of the effective date of this ordinance. Failure of any business to file its application within the prescribed period may result in the imposition of the penalties set forth below.

(Ord. 03-2017-706, passed 4-3-17) Penalty, see § 110.99

§ 110.05 REVOCATION AND SUSPENSION.

(A) Any license may be revoked by the legislative body at any time for conditions or considerations which, had they existed at the time of issuance, would have been valid grounds for denial; for any misrepresentation of a material fact in the application discovered after the issuance of the license; for violation of any provision of this chapter or other law ordinance relating to the operation of the business or enterprise for which the license has been issued; or upon conviction of a licensee for any federal, state, or municipal law or ordinance involving moral turpitude.

(B) The revocation shall become effective upon notice served upon the licensee or posted premises affected.

(C) As a preliminary to revocation, the legislative body may issue an order suspending the license, which shall become effective immediately upon service of written notice to the licensee. This notice shall specify the reason for suspension, and may provide conditions under which reinstatement of the license may be obtained. Upon compliance with these conditions within the time specified, the license may be restored.

(D) No license shall be suspended or revoked without proper legal notice to the business setting forth the allegations leading to the suspension or the revocation.
(Ord. 03-2017-706, passed 4-3-17)

§ 110.06 APPEAL AND REVIEW.

(A) In case any applicant has been denied a license, or if his/her license has been revoked or suspended, the applicant or licensee as the case may be, shall within three business days have the right to appeal to the Fiscal Court for the denial, revocation or suspension. Notice of appeal shall be filed in writing with the Grant County Judge/Executive or his or her designee, together with an appeal filing fee of \$500 within 15 days of the denial. The Judge/Executive or his designee shall fix the time and place for a hearing, which shall be held no later than one week thereafter unless otherwise impractical. The Grant County Judge/Executive or his or her designee shall notify all members of the Fiscal Court of the time and place of the hearing not less than 48 hours in advance thereof. A majority of the voting members of the Fiscal Court members shall constitute a quorum to hear the appeal. The appellant may appear and be heard in person, by counsel, or any designated representative. If, after a majority of the members of the Fiscal Court present at the meeting declare in favor of the applicant, the license shall be Issued or fully reinstated as the case may be, otherwise the order appealed from shall become final.

(B) The licensee shall be responsible for all fees and costs associated with revocation, appeal, and, or review, including service of process, legal fees, administrative costs, and any other form of financial liability incurred by him or herself, or the court.
(Ord. 03-2017-706, passed 4-3-17)

§ 110.07 BUSINESS LICENSE FEE SCHEDULE.

The licensing fee shall be paid pursuant to a tiered fee schedule based on the total number of employees that are employed in each business:

(A) Tier Number 1: if a business has 0 to 5 employees, the annual license fee shall be \$25.

(B) Tier Number 2: if a business has 6 to 10 employees, the annual license fee shall be \$50.

(C) Tier Number 3: if a business has 11 to 25 employees, the annual license fee shall be \$100.

(D) Tier Number 4: if a business has more than 25 employees, the annual license fee shall be \$200.
(Ord. 03-2017-706, passed 4-3-17)

§ 110.99 PENALTY.

Any person, firm, or corporation who shall fail to procure the license or pay the fee herein provided, or shall violate any of the provisions of this chapter, shall be deemed guilty of a misdemeanor and on conviction thereof shall be fined not less than \$10 nor more than \$50 for each offense, in addition to those penalties discussed in § 110.04(B). Each day's business engaged in without such a license constitutes a separate offense. In addition to paying such fines and the costs, the person, firm, or corporation so convicted shall have the option of taking out and paying for the proper license for the business or occupation engaged in and continuing the same to the end of the fiscal year, or immediately closing up such a business and ceasing to follow such occupation in the county until he/she shall have proper license to do so.

(Ord. 03-2017-706, passed 4-3-17)

CHAPTER 113: OCCUPATIONAL LICENSES

Section

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§ 113.01 DEFINITIONS.

For the purpose of this chapter, the following terms and their derivatives shall have the following meanings unless the context clearly indicates that a different meaning is intended:

COMPENSATION. Wages, salaries, commissions or any other form of remuneration paid or payable by an employer for services performed by an employee, which are required to be reported for federal income tax purposes and adjusted as follows:

- (1) Include any amounts contributed by an employee to any retirement, profit sharing, or deferred compensation plan which are deferred for federal income tax purposes under a salary reduction agreement or similar arrangements, including but not limited to salary reduction arrangements under Section 401(a), 401(k), 402(e), 403(a), 403(b), 408, 414(h) or 457 of the Internal Revenue Code; and
- (2) Include any amounts contributed by an employee to any welfare benefit, fringe benefit, or other benefit plan made by salary reduction or other payment method which permits employees to elect to reduce federal taxable compensation under the Internal Revenue Code, including but not limited to Sections 125 and 132 of the Internal Revenue Code.

CONCLUSION OF THE FEDERAL AUDIT. The date that the adjustments made by the Internal Revenue Service to net income as reported on the business entity's federal income tax return become final and unappealable.

COUNTY. The County of Grant, Kentucky.

EMPLOYEE. Any person who renders services to another person or any business entity for compensation, including an officer of a corporation and any officer, employee or elected official of the United States, a state, or any political subdivision of a state, or any agency of instrumentality of any one or more of the above. A person classified as an independent contractor under the Internal Revenue Code shall not be considered as an **EMPLOYEE**.

EMPLOYER. Employer as defined in Section 3401(d) of the Internal Revenue Code.

FINAL DETERMINATION OF THE FEDERAL AUDIT. The revenue agent's report or other documents reflecting the final and appealable adjustments made by the Internal Revenue Service.

FISCAL YEAR. Fiscal year as defined in Section 7701(a)(24) of the Internal Revenue Code.

INTERNAL REVENUE CODE. The Internal Revenue Code as defined in KRS 67.750(7).

PERSON. Every natural person, whether resident or non-resident of the county of Grant. Whenever the word **PERSON** is used in a clause prescribing and imposing a penalty in the nature of a fine or imprisonment, the word, as applied to a partnership or other form of unincorporated enterprise, shall mean the partners or members thereof, and as applied to corporations shall mean the officers and directors thereof.

RETURN or REPORT. Any properly completed and if required, signed form, statement, certification, declaration, or any other documents permitted or required to be submitted or filed with the county.

TAX DISTRICTS. Any county, or city with the authority to levy net profits or occupations license taxes.

TAXABLE YEAR. The calendar year or fiscal year ending during the calendar year, upon the basis of which net income is computed.
(Ord. 2-2017-705, passed 3-9-17)

§ 113.02 OCCUPATIONAL LICENSE APPLICATION REQUIRED.

Every person engaged in any trade, occupation or profession or anyone required to file a return under this ordinance in Grant County shall be required to complete and execute the questionnaire

prescribed by the Occupational Tax Office. Licensees are required to notify the Occupational Tax Office of changes of address and of other changes which render inaccurate the information supplied in the completed questionnaire.

(Ord. 2-2017-705, passed 3-9-17) Penalty, see § 113.99

§ 113.03 OCCUPATIONS LICENSE TAX PAYMENT REQUIRED.

(A) Except as provided in division (2) of this section, every person who is required to make a filing with the Internal Revenue Service of the Kentucky Revenue Cabinet shall be required to file and pay to the county an occupational license tax for the privilege of engaging in such activities within the county. The occupational license tax shall be measured by 2% of:

(1) All wages and compensation paid or payable for work done or services performed or rendered in the county by every employee.

(Ord. 2-2017-705, passed 3-9-17)

§ 113.04 APPORTIONMENT.

When compensation is paid or payable for work done or services performed or rendered by an employee, both within and without the county, the license tax shall be measured by that part of the compensation paid or payable as a result of work done or services performed or rendered within the county. The license tax shall be computed by obtaining the percentage which the compensation for work performed or services rendered within the county bears to the total wages and compensation paid or payable. In order for the county to verify the accuracy of a taxpayer's reported percentages under the subsection, the taxpayer shall maintain adequate records.

(Ord. 2-2017-705, passed 3-9-17)

§ 113.05 EMPLOYERS TO WITHHOLD.

(A) Every employer making payments of compensation to an employee shall deduct and withhold upon the payment of the compensation any tax imposed against the compensation by the county. Amounts withheld shall be paid to the county in accordance with § 113.03.

(B) Every employer required to deduct and withhold tax under the section shall, for the quarter ending after January 1 and for each quarter ending thereafter, on or before the end of the month following the close of the quarter, make a return and report to the county, and pay to the county, the tax required to be withheld under this section, unless the employer is permitted or required to report within a reasonable time after some other period as determined by the county.

(C) Every employer who fails to withhold or pay to the county any sums required by this chapter to be withheld and paid shall be personally and individually liable to the county for any sum or sums withheld or required to be withheld in accordance with the provisions of this section.

(D) The county shall have a lien upon all property of any employer who fails to withhold or pay over to the county sums required to be withheld under this section. If the employer withholds but fails to pay the amounts withheld to the county, the lien shall commence as of the date of the amounts withheld were required to be paid to the county. If the employer fails to withhold the lien shall commence at the time the liability of the employer is assessed by the county.

(E) Every employer required to deduct and withhold tax under this section shall annually on or before February 28 of each year complete and file on a form furnished and approved by the county, a reconciliation of the occupational license tax withheld where compensation is paid or payable to employees. Either copies of federal forms W-2 and W-3 transmittal of wage and tax statement or a detailed employee listed with the required equivalent information, as determined by the county, shall be submitted.

(F) Every employer shall furnish each employee a statement on or before January 31 of each year showing the amount of compensation and occupational license tax deducted by the employer from the compensation paid to the employee for payment to the county during the preceding calendar year.

(G) An employer shall be liable for the payment of the tax required to be deducted and withheld under this section.

(H) The president, vice president, secretary, treasurer or any other person holding an equivalent corporate office of any business entity subject to this ordinance shall be personal and individually liable both jointly and severally for any tax required to be withheld from compensation paid to one or more employees of any business entity and neither corporate dissolution or withdrawal of the business entity from the county nor the cessation of holding any corporate office, shall discharge that liability of any person; provided that the personal and individual liability shall apply to each and every person holding the corporate office at the time the tax becomes or became obligated. No person shall be personally and individually liable under this subsection that had no authority to collect, truthfully account for, or pay over any tax imposed by this ordinance at the time that the taxes imposed by this ordinance become or became due.

(I) Every employee receiving compensation in the county subject to the tax imposed under § 113.03 shall be personally liable for the tax notwithstanding the provisions of divisions (G) and (H) of this section. In all cases where the employer does not withhold the tax levied under this chapter from the employee, such employee or employees shall be responsible for filing with the county each quarter in the same manner as if they were the employer. If an employer fails to or is not required to withhold, report, or pay the license fee it shall become the duty of the employee to file with the county. The only employer that is not required to withhold, report and pay the occupational license tax is the Federal Government including the United States Postal Service. The payments required to be made shall be made

quarterly, for the periods ending March 31, June 30, September 30, and December 31 of each year. Employers who are not required to withhold, report, or pay the license fee must annually, during the month of January of each year, make a return to the Occupational Tax Administrator, in which is set forth the name and social security number of each employee of the employer during the preceding calendar year, giving the amount of salaries, wages, commissions or other compensation earned during such preceding year by each such employee. This list shall include all current full time employees, part time employees, temporary employees, and terminated employees whether the termination was voluntary or involuntary.

(Ord. 2-2017-705, passed 3-9-17)

§ 113.06 EXTENSIONS.

(A) The county may grant an extension of not more than six months unless a longer extension has been granted by the Internal Revenue Services or is agreed to by the county for filing its return if the employee, on or before the date prescribed for payment of the occupational license tax, requests the extension and pays the amount properly estimated as its tax.

(B) If the time for filing a return is extended, the employee shall pay, as part of the tax, an amount equal to 12% per annum simple interest on the tax shown due on the return, but not been previously paid, from the time the tax was due until the return is actually filed and the tax paid to the county. A fraction of one month is counted as an entire month.

(Ord. 2-2017-705, passed 3-9-17)

§ 113.07 REFUNDS.

(A) Where there has been an overpayment of the tax under § 113.05, a refund or credit shall be made to the employee only to the extent that the amount of the overpayment was not deducted and withheld under § 113.05 by the employer.

(B) Unless written application for refund or credit is received by the county from the employee within two years from the date the overpayment was made, no refund or credit shall be allowed.

(C) An employee who has compensation attributable to activities performed outside the county, based on time spent outside the county, whose employer has withheld and remitted to this county, the occupational license tax on the compensation attributable to activities performed outside the county may file for a refund within two years of the date prescribed by law for the filing of a return. The employee shall provide a schedule and computation sufficient to verify the refund claim and the county may confirm with the employer the percentage of time spent outside the county and the amount of compensation attributable to activities performed outside the county prior to approval of the refund.

(Ord. 2-2017-705, passed 3-9-17)

§ 113.08 ADMINISTRATIVE PROVISIONS.

(A) No suit shall be maintained in any court to restrain or delay the collection or payment of the tax levied by this chapter.

(B) (1) Any tax collected pursuant to the provisions of this ordinance may be refunded or credited within two years of the date prescribed by law for the filing of a return or the date the money was paid to the county, whichever is the later, except that:

(a) In any case where the assessment period has been extended by an agreement, the limitation contained in this subsection shall be extended accordingly.

(b) If the claim for refund or credit relates directly to adjustments resulting from a federal audit, the employee shall file a claim for refund or credit within the time provided for in this subsection of six months from the conclusion of the federal audit, whichever is later.

(2) For the purposes of this division and division (C) of this section, a return filed before the last day prescribed by law for filing the return shall be considered as filed on the last day.

(C) The authority to refund or credit overpayment of taxes collected pursuant to this chapter is vested exclusively in the county.
(Ord. 2-2017-705, passed 3-9-17)

§ 113.09 INFORMATION TO REMAIN CONFIDENTIAL.

(A) No present or former employee of the county shall intentionally and without authorization inspect or divulge any information acquired by him or her or the affairs of any person or information regarding the tax schedules, returns or reports required to be filed with the county or other proper officer, or any information produced by a hearing or investigation, insofar as the information may have to do with the affairs of the person's business. This prohibition does not extend to information required in prosecutions for making false reports, or return for taxation or any other infraction of the tax laws or in any way made a matter of public record, nor does it preclude furnishing any taxpayer or the taxpayers properly authorized agent with information respecting his or her own return. Further, this prohibition does not preclude any employee of the county from testifying in any court, or from introducing as evidence returns or reports filed with the county, in any action for violation of the county tax laws or in any action challenging the county laws.

(B) The county reserves the right to disclose to the Commissioner of Revenue of the Commonwealth of Kentucky or his or her duly authorized agent all such information and rights to inspect any of the books and records of the county if the Commissioner of Revenue of the Commonwealth of Kentucky grants to the county the reciprocal rights to obtain information from the files and records of the Kentucky

Department of Revenue and maintains the privileged character of the information so furnished. Provided, further, that the county may publish statistics based on such information in such a manner as not to reveal data respecting net profits or compensation of any person or business entity.

(C) In addition, the county is empowered to execute similar reciprocity agreements as described in division (B) of this section with any other taxing entity, should there be a need for exchange of information in order to effect diligent enforcement of this chapter.
(Ord. 2-2017-705, passed 3-9-17)

§ 113.10 USE OF OCCUPATIONAL LICENSE TAX.

The proceeds from the Occupational License Tax shall be part of the General Funds of the County.
(Ord. 2-2017-705, passed 3-9-17)

§ 113.11 REVIEWABILITY.

The provisions of this chapter shall be reviewed annually on the anniversary of the date upon which this chapter is enacted, or on the date of the regular fiscal court meeting closest in time to that date. The percentage by which the occupational license tax shall be measured shall be subject to the following automatic scheduled reductions:

(A) When the anticipated \$2.5 million in loans, and all associated interest, to carry the County through to November, 2017, have been paid in full, the percentage shall be reduced from 2% to 1.5%;

(B) When the county accumulates a surplus of \$1.0 million, as measured by its having placed a total of \$1.0 million in certificates of deposit, the percentage shall be reduced from 1.5% to 1.0%; and

(C) After having been reduced to 1%, the percentage shall remain at 1% unless and until further action by the Fiscal Court.

(Ord. 2-2017-705, passed 3-9-17)

§ 113.12 EFFECTIVE DATE.

The provisions of this chapter shall go into effect on April 1, 2017.
(Ord. 2-2017-705, passed 3-9-17)

§ 113.99 PENALTY.

(A) Every employer who fails to file a return or pay the tax on or before the date prescribed under § 113.05 may be subject to a penalty in an amount equal to 5% of the tax due for each calendar month or fraction thereof. The total penalty levied pursuant to this subsection shall not be less than 25% of the total tax due; however, the penalty shall not be less than \$25.

(B) In addition to the penalties prescribed in this section, employers shall pay, as part of the tax, an amount equal to 12% per annum simple interest on the tax shown due, but not previously paid, from the time the tax was due until the tax is paid to the county. A fraction of a month is counted as an entire month.

(C) Every tax imposed by this ordinance and all increases, interest and penalties thereon, shall become, from the time the tax is due and payable, a personal debt of the taxpayer to the county.

(D) The county may enforce the collection of the occupational tax due under § 113.03 and any fee, penalties and interest as provided in divisions (A), (B), and (C) of this section by civil action in a court of appropriate jurisdiction. To the extent authorized by law, the county shall be entitled to recover all court costs and reasonable attorney fees incurred by it in enforcing any provision of this chapter.

(E) In addition to the penalties prescribed in this section, any person, business entity or employer who willfully fails to make a return, willfully makes a false return, or who willfully fails to pay taxes owing or collected, with the intent to evade payment of the tax or amount collected, or any part thereof, shall be guilty of a Class A misdemeanor.

(F) Any person who willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with, any matter arising under this ordinance of a return, affidavit, claim or other document, which is fraudulent or is false as to any material matter, whether or not the falsity or fraud is with the knowledge or consent of the person authorized or required to present the return, affidavit, claim or document shall be guilty of a Class A misdemeanor.

(G) A return for the purposes of this section shall mean and include any return, declaration or form prescribed by the county and required to be filed with the county by the provisions of this ordinance, or by the rules of the county or by written request for information to the business entity by the county.

(H) Any person violating the provisions of § 113.09 by divulging confidential taxpayer information shall be fined not more than \$1,000 or imprisoned for not more than one year or both, for each occurrence.

(I) Any person violating the provisions of § 113.09 by intentionally inspecting confidential taxpayer information without authorization shall be fined not more than \$500 or imprisoned not longer than six months, or both, for each occurrence.

(Ord. 2-2017-705, passed 3-9-17)