

**Warren County  
Board of Education**

**Warren County  
Public School District**

**Occupational Tax  
Resolution**

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**RESOLUTION AND ORDER OF THE BOARD OF EDUCATION OF WARREN COUNTY, KENTUCKY, RELATING TO THE IMPOSITION, PAYMENT AND COLLECTION OF AN OCCUPATIONAL LICENSE TAX FOR SCHOOL PURPOSES OF ONE-HALF (1/2) OF ONE PERCENT (1%) OF (A) ALL SALARIES, WAGES, COMMISSIONS AND OTHER COMPENSATION EARNED BY PERSONS RESIDING WITHIN THE WARREN COUNTY PUBLIC SCHOOL DISTRICT FOR WORK DONE AND SERVICES PERFORMED OR RENDERED IN WARREN COUNTY, KENTUCKY; AND (B) THE NET PROFITS OF ALL BUSINESSES, OCCUPATIONS AND PROFESSIONS LOCATED IN THE WARREN COUNTY PUBLIC SCHOOL DISTRICT FROM ACTIVITIES CONDUCTED IN WARREN COUNTY, KENTUCKY.**

WHEREAS, the Board of Education of Warren County, Kentucky, has determined that existing sources of revenue for the Warren County Public School District are insufficient and inadequate to maintaining an acceptable educational program for the students of the Warren County Public School District; and,

WHEREAS, KRS 160.593 authorizes the Board of Education of the Warren County School District to levy an occupational license tax for schools as provided for in KRS 160.605 and KRS 160.607 after compliance with the public hearing requirement contained in KRS 160.603; and,

WHEREAS, the Board of Education of Warren County, Kentucky, having held a public hearing on September 20, 1984, pursuant to notice by newspaper advertisement as required by KRS 160.603 for the purpose of hearing comments and complaints regarding the proposed levy and explaining the reasons for such proposal; and,

WHEREAS, the levy of an occupational license tax would help to alleviate the revenue shortfall and improve the educational program for all students of the Warren County School District.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** that an occupational license tax under the terms and conditions hereinafter set forth be, and same hereby is, adopted and levied.

## INDEX

	Page
I On whom imposed .....	3
II Definitions .....	5
III Method of deducting and reporting .....	7
IV Time for filing of returns .....	7
V Duties of Warren County Public School District Finance Officer .....	9
VI Duty of enforcement .....	10
VII Right to examine records .....	10
VIII Exemptions .....	11
IX Confidential nature of information ..	11
X Provision for interest and penalties for late payment .....	12
XI Adoption of resolution by parts as well as whole .....	12
XII Duration of occupational license tax .....	13

**SECTION I - TAX RESOLUTION AND ORDER**

**ON WHOM IMPOSED**

The Board of Education of Warren County, Kentucky, imposes a yearly occupational license tax, from and after November 1, 1984, of one-half (1/2) of one percent (1%) of (a) all salaries, wages, commissions and other compensation earned by persons residing within the Warren County Public School District for work done and services performed or rendered in Warren County, Kentucky; and (b) the net profits of all businesses, occupations and professions located in the Warren County Public School District from activities conducted in Warren County, Kentucky. Every person, business, occupation or profession engaged in said activities shall pay said license tax to the Warren County Public School District Finance Officer who is hereby designated and appointed agent for collecting such license tax. This license tax for school purposes is in addition to, and over and above all other license taxes which may be imposed. This occupational license tax shall not be collected from any person, business, occupation or profession who or which is not a resident of the Warren County Public School District.

Where salaries, wages, commissions and other compensations under (a) above are earned for work done or services performed or rendered both within and without the County, said license tax shall be measured by such part of the salaries, wages, commissions and other compensations as is earned as a result of work done or services performed or rendered in the County. Such 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 compensation earned.

Where net profits under (b) above are earned from activities conducted both within and without the county, said license tax shall be computed as follows:

(a) Multiply the net profit by a business allocation percentage to be determined by....

1. Ascertaining the percentage

which the gross receipts of the licensee from sales or services rendered within the County bears to the total gross receipts from sales or services rendered wherever made.

2. Ascertaining the percentage which the wages, salaries and other personal service compensation of the licensee's employees residing within the Warren County Public School District for the period covered by the report for work done and services performed or rendered within the County bears to total wages, salaries and personal service compensation for such period of all the licensees employees within and without the County.
3. Adding together the percentages determined in accordance with subparagraph 1 and 2 above, and dividing the total so obtained by 2.

**Regulation No. 1.1** - All salaries, wages, commissions and other compensation earned by persons residing in the Warren County Public School District for work done and services performed or rendered in Warren County, Kentucky, and the net profits of all businesses, occupations and professions located in the Warren County Public School District from activities conducted in Warren County, Kentucky, includes salaries, wages, commissions and other compensation earned and net profits generated by rental units where the taxpayer owns three or more rental units.

**Regulations No. 1.2** - All salaries, wages, commissions and other compensation earned by persons residing in the Warren County Public School District for work done and services performed or rendered in Warren County, Kentucky, and the net profits of all businesses, occupations and professions located in the Warren County Public School District from activities conducted in Warren County, Kentucky, includes salaries, wages, commissions and other compensation earned by persons temporarily residing or in the Warren County Public School District and the net profits generated by businesses temporarily located in the Warren County Public School District.

## SECTION II - TAX RESOLUTION AND ORDER

### DEFINITIONS

The following words, when used in this resolution and order, shall have the meaning ascribed to them in this section, except where the context clearly indicates or requires a different meaning:

- (a) "County" - Warren County, Kentucky.
- (b) "Warren County Public School District Finance Officer" - The person or persons designated by the Board of Education of Warren County, Kentucky, responsible for the collection of the occupational license tax and the accounting thereof to the Board of Education of Warren County, Kentucky.
- (c) "Business" - An enterprise, activity, profession or undertaking of any nature conducted for gain or profit, whether conducted by an individual, corporation, joint venture, limited partnership, partnership, association, or any other entity, but shall not include the usual activities of boards of trade, chambers of commerce, trade associations or unions (or other associations performing the services usually performed by trade association or union); United Appeal funds or foundations; corporations or associations organized and operated exclusively for religious, charitable, scientific, literary, educational or civic purposes, or for the prevention of cruelty to children or animals; or clubs or fraternal organizations operated exclusively for social, literary, educational or fraternal purposes, where no part of the earnings or income or receipts of such units, groups, or association inures to the benefit of any private shareholder or individual.
- (d) "Association" - A partnership, limited partnership, joint venture or any other form of unincorporated enterprise, owned by two or more persons.
- (e) "Corporation" - A corporation or joint stock association organized under the laws of the United States, Commonwealth of Kentucky or any other state, territory, or foreign country or dependency.
- (f) "Employer" - An individual, partnership, limited partnership, association, corporation, governmental body or unit or administration or agency,

or any other entity, who or that employs one or more persons on a salary, wage, commission or other compensation basis, regardless of whether such employer is engaged in business as above defined, or is excluded by the terms of said definition.

(g) "Individual" - A natural person.

(h) "Sales" - Net sales of merchandise or of services or of both, computed by whatever method of accounting is authorized for Kentucky income tax reporting purposes.

(i) "Sales within the County" - Shall be deemed to include sales of merchandise to a customer within the County or service performed within the County for a customer.

(j) "Net Profit" - The new income from the operation of a business or enterprise, after provision for all costs and expenses incurred in the conduct thereof, shall be the same as reported for state income tax purposes excluding items exempted under this resolution and order but without deduction of taxes based on income or any operating loss carryovers or carrybacks.

(k) "Person" - Every natural person, business, partnership, limited partnership, fiduciary, association, joint venture, corporation or other entity.

(l) "Resident" - An individual, joint venture, partnership, limited partnership, association, corporation or other entity domiciled or having a business situs in the Warren County Public School District.

(m) "Licensee" - Any person required hereunder to file a return or to pay an occupational license tax thereon under this resolution and order. The singular shall include the plural, and the masculine include the feminine and the neuter.

## SECTION III - TAX RESOLUTION AND ORDER

### METHOD OF DEDUCTING AND REPORTING

Each employer who employs one or more persons residing within the Warren County Public School District shall deduct monthly or more than monthly, at the time of the payment thereof, the license tax due from each employee measured by the amount of salaries, wages, commissions, or

other compensation, due by said employer to said employee and shall pay quarterly to the Warren County Public School District Finance Officer the amount of license tax so deducted. The payment required to be made on account of deductions by employer shall be made quarterly, for the quarterly period ending March 31, June 30, September 30, and December 31 of each year (except for the year 1984 at which time the last two months of the year shall be reported together), on or before the last day of the month next following the quarter of said deduction to the Warren County Public School District Finance Officer. Said employer shall, annually during the month of January of each year, make a return to the Warren County Public School District Finance Officer in which is set forth the name and residence of each employee of said employer residing in the Warren County Public School District during the preceding calendar year, giving the amount of salaries, wages, commissions, or other compensation earned during such preceding year by each such employee, together with such other pertinent information as the Warren County Public School District Finance Officer or his agents may require. Provided, however, that the failure or omission by an employer to deduct such license tax shall not relieve the employee from the payment of such license tax.

#### **SECTION IV - TAX RESOLUTION AND ORDER**

##### **TIME FOR FILING OF RETURNS**

Each person subject to the license tax imposed by this resolution and order shall, on or before the fifteenth (15th) day of the fourth month following the close of each year, make and file with the Warren County Public School District Finance Officer a return, in duplicate, on a form furnished by or obtainable from the Warren County Public School District Finance Officer, setting forth the aggregate amount of salaries, wages, commissions, and other compensation or net profits during the preceding year with such other pertinent information as the Warren County Public School District Finance Officer may require. Provided, however, that where the fiscal year of the business, profession, or other

activity differs from the calendar year and the licensee files Kentucky income tax returns for such other fiscal period the license tax shall be measured by the net profits of the fiscal year and where the return is made for a fiscal year or any other period different than the calendar year, the said return shall be made on or before the fifteenth (15th) day of the fourth month following the end of the said fiscal year or other period. Such return shall also show the amount of the license tax imposed by this resolution and order.

The person making the said return shall at the time of the filing thereof, pay to the Warren County Public School District Finance Officer the amount of license tax shown as due thereof; provided, however, that where any portion of the license tax so due shall have been deducted at the source, credit for such amount shall be deducted from the amount shown to be due and only the balance, if any, shall be due and payable at the time of filing of said return, as hereinabove provided; and provided further it shall be the duty of each employer who has deducted the license tax from the wages, salaries, commissions, or other compensation referred to in Section III above of each employee, to furnish said employee a statement showing the amount of salary earned and license tax deducted and paid by said employer during the preceding calendar year on or before February 15th of each year.

The Warren County Public School District Finance Officer shall have the authority to extend the time for the filing of said return in his discretion. Such extension shall be upon the written request of the licensee. Provided, however, that any balance unpaid when payment is due under the terms of this resolution and order shall bear a penalty at the rate of 1% per month until paid plus any additional penalties or interest provided by law.

**Regulation No. 4.1** - Taxpayers shall not be responsible for the payment of taxes under the sum of one dollar (\$1.00).

**Regulation No. 4.2** - Refunds of an overpayment of tax shall be made only upon the written request of the taxpayer making an overpayment or on whose behalf an overpayment has been made. The period for which refunds for overpayment of tax may be requested shall be limited to that portion of the current tax year preceding the date on which the

request for refund of overpayment is made and the three (3) previous tax years.

**Regulation No. 4.3** - Any taxpayer who believes that he has made or permitted an overpayment of his tax may apply for a refund of the overpayment, provided that he files an amended return, verified under oath and setting forth in detail a full explanation of the reason of the claimed overpayment, within (1) year of the date the overpayment is made or the date the tax was due.

**Regulation No. 4.4** - The Warren County Public School District Finance Officer may grant an extension for the filing of a net profits return, not exceeding six month, if the taxpayer, prior to the original due date of the net profits return, files the Warren County School Occupational Tax extension form or a copy of the Kentucky or Federal extension form with the Warren County Public School District Occupational Tax Office. If an extension is granted, a penalty of one percent (1%) per month on the unpaid tax from the original due date for the filing of the return until the tax is paid shall be assessed. If an extension is granted, the ten dollar (\$10.00) penalty provided for in Section X for failure to file a new profits return when due will be waived.

#### **SECTION V - TAX RESOLUTION AND ORDER**

##### **DUTIES OF WARREN COUNTY PUBLIC SCHOOL DISTRICT FINANCE OFFICER**

It shall be the duty of the Warren County Public School District Finance Officer to collect and receive the license tax imposed by this resolution and order; to keep records of the amount received by him from each licensee and employer and the date of such receipt; and to promptly distribute the proceeds of the license tax to the treasurer of the Board of Education of Warren County, Kentucky, each month and shall include taxes collected the preceding month.

#### **SECTION VI - TAX RESOLUTION AND ORDER**

##### **DUTY OF ENFORCEMENT**

The Warren County Public School District Finance Officer is hereby charged with the enforcement of the provisions of this resolution and order and he is hereby empowered to take all action which he may deem necessary relating to any matter pertaining to the administration and enforcement of the provisions of this resolution and order, including but not limited to the examination and correction of returns as to which an overpayment or underpayment is claimed or found to have been made, and the rulings made by him shall be binding upon the licensee and the employer.

#### **SECTION VII - TAX RESOLUTION AND ORDER**

##### **RIGHT TO EXAMINE RECORDS**

The Warren County Public School District Finance Officer or any agent or employee designated in writing by him is hereby authorized to examine the books, papers, and records of any employer or supposed employer or of any licensee or supposed licensee in order to determine the accuracy of any return made, or if no return was made, to ascertain the amount of license tax imposed by the terms of this resolution and order. Each such employer or supposed employer or licensee or supposed licensee is hereby directed and required to give to the Warren County Public School District Finance Officer or his duly examined agent or employee the means, facilities and opportunity for such examination and investigation as are hereby authorized. The Warren County Public School District Finance Officer is hereby authorized to examine any person under oath concerning any wages, salaries, commissions, or other compensation or net profits which were or should have been returned and to this end he may compel the production of books, papers and records and the attendance before him of all persons, whether as parties or witnesses, who they believe to have knowledge or such wages, salaries, commissions, or other compensation or net profits.

**SECTION VIII - TAX RESOLUTION AND ORDER**

**EXEMPTIONS**

No public service company which pays an ad valorem tax is required to pay a license tax hereunder. No license tax shall be imposed upon or collected from any insurance company, bank, trust company, combined bank and trust company, combined trust banking and title business in this state, savings and loan associations, whether state or federally chartered, or upon income received by the members of the Kentucky National Guard for active duty training, unit training, assemblies and annual field training.

**SECTION IX - TAX RESOLUTION AND ORDER**

**CONFIDENTIAL NATURE OF INFORMATION**

Any information gained by the Warren County Public School District Finance Officer or any other official or agent or employee of the Board of Education of Warren County, Kentucky, as the result of any returns, investigations, hearings or verifications required are authorized by this resolution and order shall be confidential, except for official purposes and except in accordance with proper judicial order, or as otherwise provided by law. Provided, however, the Warren County Public School District Finance Officer may disclose to the Commissioner of Revenue of the Commonwealth of Kentucky or his duly authorized agent all such information and may permit him or his agent to inspect any of the books and records of the Warren County Public School District Finance Officer if said Commissioner of Revenue of the Commonwealth of Kentucky grants to the Warren County Public School District Finance Officer the reciprocal right to obtain information from the files and records of Revenue Cabinets of the Commonwealth of Kentucky and maintain the privileged character of the information so furnished to him.

**SECTION X - TAX RESOLUTION AND ORDER**

**PROVISION FOR INTEREST AND PENALTIES FOR LATE PAYMENT**

Any person who fails to pay, on or before the date due, the license tax imposed by this resolution and order shall pay a penalty of one percent (1%) per month of the amount of such license tax past due until paid. Any person who fails to file a return or report or furnish any information requested under this resolution and order shall pay a penalty in the amount of ten dollars (\$10.00) for each such failure.

The foregoing penalties shall not prevent the assessment of any additional penalties or interest provided by law.

**Regulation No. 10.1** - Any taxpayer who fails to pay, on or before the date due, the tax imposed shall pay a penalty of one percent (1%) per month on the amount of any tax due until paid.

**Regulation No. 10.2** - Any taxpayer who fails to file any required return or report when due shall pay a penalty of ten dollars (\$10.00) for each such failure.

**SECTION XI - TAX RESOLUTION AND ORDER**

**ADOPTION OF RESOLUTION BY PARTS AS WELL AS WHOLE**

The provisions of this resolution and order are severable. If any sentence, clause, section or part of this resolution and order, or the application thereof to any particular person or state of facts is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall not affect, nullify, or repeal any of the remaining provisions of this resolution and order, not affect, nullify or repeal the application thereof to all other cases. It is the intention of the Board of Education of Warren County, Kentucky, to adopt each provision or part hereof separately and independently of each other. Notwithstanding any unconstitutionality, illegality or invalidity of any provision of this resolution and order or application thereof, it is the intention of the Board of Education of Warren County, Kentucky, to make the license

tax imposed herein apply to all other persons and businesses and situations in accordance with the valid provisions of this resolution and order.

**SECTION XII - TAX RESOLUTION AND ORDER**

**DURATION OF OCCUPATIONAL LICENSE TAX**

The occupational license tax provided for herein shall continue from year to year unless changed as prescribed in KRS 160.635.