

ORDINANCE NO. 02-2022
CITY OF GRAND RIVERS, KENTUCKY
OCCUPATIONAL LICENSE TAX

AN ORDINANCE RELATING TO IMPOSITION AND ADMINISTRATION OF AN OCCUPATIONAL LICENSE REQUIREMENT THROUGH THE PAYMENT OF A PAYROLL TAX BY EMPLOYEES.

WHEREAS, the Grand Rivers City Council desires to comply with the requirements of KRS 67-750 to 67.790,

BE IT ORDAINED by the city council of the City of Grand Rivers, Kentucky as follows:

Ordinance No. 02-2022 is hereby enacted and shall read in full as follows:

Sections:

- I. Definitions
- II. Payroll Tax
- III. Information to Remain Confidential
- IV. Penalties
- V. Use of Payroll Tax
- VI. Severability
- VII. Effective Date

I. DEFINITIONS

- 1. “*Business entity*” means each separate corporation, limited liability company, business development corporation, partnership, limited partnership, registered limited liability partnership, sole proprietorship, association, joint stock company, receivership, trust, professional service organization, or other legal entity through which business is conducted. “Business entity” shall not include funds, foundations, corporations, or associations organized and operated for the exclusive and sole purpose of religious or charitable purposes.
- 2. “*City*” means the City of Grand Rivers, Kentucky
- 3. “*Compensation*” means 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:
 - (a) Include any amounts contributed by an employee to any to any retirement, profit sharing, or deferred compensation plan, which are deferred for federal income tax purposed under a salary reduction agreement or similar arrangement, including but not limited to, salary reduction arrangements under Section 401(a), 401 (k), 402 (e), 403(a), 403 (b), 408, 414(h), or 458 of the Internal Revenue Code; and
 - (b) 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 Cde, including but not limited to, Sections 125 and 132 of the Internal Revenue Code.
- 4. “*Employee*” means any person who renders services to another person or 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 or instrumentality of any one (1) or more of the above. A person classified

as an independent contractor under the Internal Revenue Code shall not be considered an employee.

5. "Employer" means any person or entity for which an individual performs or performed any service, of whatever nature, as the employee of such person or entity.

6. "Taxable year" means the calendar year upon the basis of which gross receipts is computed.

II. PAYROLL TAX

1. PAYROLL TAX REQUIRED

The payroll tax shall be measured by one percent (1%) of all wages and compensation paid or payable in the city for work done or services performed or rendered in the city by an employee.

2. EMPLOYER TO WITHHOLD

Every employer making payments of compensation to an employee shall deduct and withhold upon the payment of the compensation the payroll tax required by this ordinance. Amounts withheld shall be paid to the city in accordance with subsection (3.) immediately below. If an employee's employer does not withhold the payroll tax required pursuant to this ordinance, the employee shall pay over to the city in accordance with subsection (3.) immediately below the payroll tax due.

3. RETURNS REQUIRED

Every employer required to deduct and withhold payroll tax pursuant to this ordinance shall submit a payroll tax return on a quarterly basis.

4. LIABILITY OF EMPLOYER FOR FAILURE TO WITHHOLD OR PAY PAYROLL TAX

- A. Every employer who fails to withhold or pay to the city any sums of payroll tax required by this ordinance to be withheld and paid shall be personally and individually liable to the city for any sum not withheld or required to be withheld.
- B. The city shall have a lien upon all the property of any employer who fails to withhold or pay over to the city sums required to be withheld under this ordinance. If the employer withholds but fails to pay to the city the amounts withheld, the lien shall commence as of the date the amounts withheld were required to be paid to the city. If the employer fails to withhold, the lien shall commence at the time the liability of the employer is assessed by the city.

5. REPORTING REQUIREMENTS

- A. Every employer required to deduct and withhold payroll tax pursuant to this ordinance shall annually, on or before February 28 of each year, submit a detailed employee listing indicating the amount of compensation paid to each employee.
- B. Every employer shall furnish each employee a statement on or before January 31 of each year showing the amount of payroll tax deducted by the employer from the employee's compensation and paid to the city for the preceding calendar year.

III. INFORMATION TO REMAIN CONFIDENTIAL

No present or former employee of the city shall intentionally and without authorization inspect or divulge any information acquired by him or her of the affairs of any person, or information regarding the tax schedules, returns, or reports required to be filed with the city, 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 returns 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 taxpayer's properly authorized agent with information respecting his or her own return. Further, this prohibition does not preclude any employee of the city from testifying in any court, or from introducing as evidence returns or reports filed with the city, in an action for violation of a city tax law or in any action challenging a city tax law.

IV. PENALTIES

1. Any business entity that fails to file a business license tax return or pay the required business license tax by April 15 shall be subject to a penalty equal to five percent (5%) of the business license tax due. The total penalty levied pursuant to this subsection shall not be less than twenty-five dollars (\$25.00).
2. Every employer who fails to file a payroll tax return or pay the payroll tax on or before the quarterly due dates shall be subject to a penalty in an amount equal to five percent (5%) of the payroll tax due for each delinquent's quarterly period. The total penalty levied pursuant to this subsection shall not be less than twenty-five dollars (\$25.00). If an employer does not withhold payroll tax due pursuant to this ordinance, and the employee is therefore responsible for payment of the payroll tax, the employee shall be subject to the penalty described herein.
3. In addition to the penalties prescribed in this section, an amount equal to twelve percent (12%) per annum simple interest shall accrue on any delinquent business license tax or payroll tax. A fraction of a month is counted as an entire month.
4. The city shall be entitled to recover all costs and reasonable attorney's fees incurred by the city in enforcing any provision of this ordinance.
5. Any person who violated the provisions of section (V.) of this ordinance by intentional inspection of confidential taxpayer information without authorization shall be fined not more than five hundred dollars (\$500.00) or imprisoned for not longer than six (6) months, or both. If such violator is a city employee, such employment with the city shall be immediately terminated.
6. Any person who violates the provisions of section (V.) of this ordinance by divulging confidential taxpayer information shall be fined not more than one thousand dollars (\$1,000.00) or imprisoned for not longer than one (1) year, or both. If such violator is a city employee, such employment with the city shall be immediately terminated.

V. USE OF PAYROLL TAX

All money derived from the payroll taxes herein shall be paid to the City and placed to the credit of the City's general revenue fund.

VI. SEVERABILITY

Each section and each provision of each section of this ordinance are severable, and if any provision, section, paragraph, sentence or part thereof, or the application thereof to any person, licensee, class or group is held by a court of law to be unconstitutional or invalid for any reason, such holding shall not affect or impair the remainder of this ordinance, it being the legislative intent to ordain and enact each provision, section, paragraph, sentence, and part hereof separately and independently of the rest.

VII. EFFECTIVE DATE

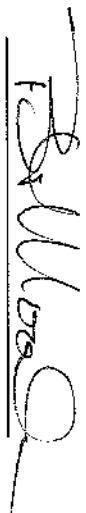
This ordinance shall be effective immediately upon its publication.

Date of First Reading:

November 8, 2022

Date of Second Reading:

December 13, 2022

A handwritten signature in black ink, appearing to read "Tom Moodie", written over a horizontal line.

Tom Moodie, Mayor

Attest:

A handwritten signature in black ink, appearing to read "Gayla J. Smith", written over a horizontal line.

Gayla J Smith, City Clerk

6/10/2024

To all Business Owners and Contractors operating in Livingston County and the City Limits of Grand Rivers Kentucky.

It has come to our attention that you are earning income in Livingston Co. And in the City Limits of Grand Rivers Kentucky. Any person or business earning income within the County, or the City shall be registered and assigned a County and a City Occupational Account number.

Anyone or business must complete an application for the Livingston County Occupational License and a City of Grand Rivers Occupational License. Please fill this application out in its entirety and remit it back to Grand Rivers City Hall as soon as possible. You may mail the application back to City of Grand Rivers po box 265 Grand Rivers Kentucky 42045 or you may email it to clerk@grandriverswireless.com.

For reporting to Livingston County Occupational tax please contact Kayla Curry Occupational tax Administrator at PO Box 48, 321 Court Street, Smithland Kentucky 42081 of call 270-928-3361

Thank You for your cooperation;

Sincerely;



Mayor, Tom Moodie

City of Grand Rivers Kentucky

270-362-8272

CITY OF GRAND RIVERS																					
EMPLOYER'S PAYROLL WITHHOLDING																					
2023/2024																					
FIRST QUARTER REPORTING,																					
January, February, March (2023)																					
	Green Turtle Bay Grove Point Marinas LLC	Lighthouse Landing Marina Resort	Patties 1880 Settlement	T Lawsons Grill	Village Market Liquors & Groceries	L&L Tap House & Grill	Grand Rivers Inn	Cabin Pizza	Bows & Cleats	US Postal Service	Rose of The Lakes B&B	Craig's Dairy Dream	Sara Jayne Boutique	The Out Post Cabin rental	First KY Bank	Liteside Bakery	City of Grand Rivers	Grand Rivers Antiques	Wooden Wave	Minihan Productions Budgett playhouse	
Name of Business Reporting																					
Total Earnings paid all Employees																					
Wages earned outside City limits																					
Taxable earnings (Line #1 - Line #2)																					
Withholding Amount due (Line #3 Multiplies by 1.0%)																					
Penalty, (5% of the total due for each calendar month that tax's are delinquent) MINIMUM PENALTY \$25.00																					
Interest (12% per annum, 1% per month or partial month)																					
TOTAL (Add lines 4, 5 & 6)																					
																	QUARTERLY	TOTAL AMOUNT OF TAX COLLECTED		\$ -	
	Charlie Nelson Excavation	Mitchel Contracting	Williams Landscaping	Israel Sanders Construction	M&P Remodeling	Airtite Insulation	L&L Painting	Anthony Sheehan Painting	Paschall Electric	Reliable Electric	Mike Milo Milos Landscaping										
Name of Contractor Business Reporting																					
Total Earnings paid all Employees																					
Wages earned outside City limits																					
Taxable earnings (Line #1 - Line #2)																					
Withholding Amount due (Line #3 Multiplies by 1.0%)																					
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Interest (12% per annum, 1% per month or partial month)																					
TOTAL (Add lines 4, 5 & 6)																					
																	QUARTERLY	TOTAL AMOUNT OF TAX COLLECTED		\$ -	
SECOND QUARTER REPORTING,																					
April, May & June (2023)																					
	Green Turtle Bay Grove Point Marinas LLC	Lighthouse Landing Marina Resort	Patties 1880 Settlement	T Lawsons Grill	Village Market Liquors & Groceries	L&L Tap House & Grill	Grand Rivers Inn	Cabin Pizza	Bows & Cleats	US Postal Service	Rose of The Lakes B&B	Craig's Dairy Dream	Sara Jayne Boutique	The Out Post Cabin rental	First KY Bank	Liteside Bakery	City of Grand Rivers	Grand Rivers Antiques	Wooden Wave	Minihan Productions Budgett playhouse	
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[illegible]

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