

**SCOTT COUNTY FISCAL COURT
ORDINANCE NO. 2024 - 02**

**AN ORDINANCE AMENDING ORDINANCE 04-05 REGARDING
OCCUPATIONAL LICENSE TAXES AND AMENDING ORDINANCE 20-06
REGARDING APPEALS**

WHEREAS, the Scott County Fiscal Court has adopted Ordinance No. 04-05 regarding occupational and net profit license taxes; and

WHEREAS, various amendments are necessary to update that ordinance;

NOW, THEREFORE be it ORDAINED by the Scott County Fiscal Court as follows:

SECTION ONE

Scott County Fiscal Court Ordinance No. 04-05, Article II, Section (1)(b)(2) is amended as follows:

(2) Every business entity engaged in any business in the County shall be required to apply for and obtain an occupational license from the County before the commencement of business or in the event of a change of business status. Licensees are required to notify the County of any changes in address, the cessation of business, or any other changes which render the information supplied to the County in the license application inaccurate. **A current business license or copy of such license must be prominently displayed at each place of business for every registered entity of any kind that conducts business activity in physical location within Scott County. If the business activity is such that there is no physical location, the current business license must be available and produced upon request by the Georgetown-Scott County Revenue Commission's Business License Inspector and/or any Scott County inspection official.**

SECTION TWO

Scott County Fiscal Court Ordinance No. 04-05, is amended to add a new Article II, Section (9) and (10) as follows:

(9) In addition to the business registration requirements contained herein, any person or business entity conducting business in Scott County that does not meet the definition of a local business and is subject to the provisions of applicable Scott County building regulations defining it as a general contractor shall also be required to post a cash bond in the amount of two hundred seventy-five dollars (\$275.00) with the County at the time of registration. This bond will be held until all net profit license fee returns and employee withholdings license fee requirements have been deemed to be met by the County. The County may call on this bond at any time any fees due to the County become delinquent, after giving the entity an opportunity to pay the outstanding fees. This category of business shall also be required to file employee withholdings license fees on a monthly basis with the County.

(a) All general contractors must submit a complete listing of all subcontractors being utilized within the County, including their contact information, at the time of application for a County building permit. If a complete listing is unavailable at that time, a follow-up listing must be provided to the County upon request. Failure to comply with this requirement may result in an interruption of the building permit process.

(b) A sign giving notice of business registration requirements will be provided by the County to all general contractors. This sign shall be displayed at the construction site in a prominent location visible to all contractors (general or subcontractors) and shall remain posted during the entire construction project.

(10) In addition to the business registration requirements contained herein, any person or business entity conducting activity in the County that does not meet the definition of a transient business and who does not own or lease a physical business location within the County for a period of over six (6) uninterrupted months shall also be required to post a cash bond in the amount of two hundred seventy-five dollars (\$275.00) with the County at the time of registration. This cash bond shall be held until all net profit license fee returns and employee withholdings fee requirements have been deemed to be met by the County. The County may call on this bond at any time any fees due to the County become delinquent, after giving the business an opportunity to pay the outstanding fees.

SECTION THREE

Scott County Fiscal Court Ordinance No. 04-05, Article XV, Section (4) is amended as follows:

(4) Every employer required to deduct and withhold tax under Article XIV shall annually, on or before February 28 of each year, complete and file, on a form furnished or approved by the County a reconciliation of the tax required to be deducted and withheld under Article XIV. Either copies of federal forms W-2 and W-3, transmittal of wage and tax statements, or a detailed employee listing with the required equivalent information as determined by the County shall be submitted. **For efficiency of processing, all employers (and/or tax preparers for employers) with greater than or equal to one hundred (100) employees shall submit the required annual reconciliation and all corresponding supporting documentation electronically through the revenue commission website or via email. The Commission shall have exclusive authority to prescribe or require the returns, forms, or reports to be filed and shall define the manner in which each is to be filed.**

SECTION FOUR

Scott County Fiscal Court Ordinance No. 04-05, is amended to add a new Article XIX as follows:

(1) The only employer that is not required to withhold, report and pay the occupational license tax is the Federal Government, including but not limited to the United States Postal Service. The following shall apply to all such Federal Government employees:

(a) The payment required to be made by an employee may be made quarterly, for the periods ending March 31, June 30, September 30 and December 31 of each year, or at any time the employee wishes to make an estimated payment for the year in which wages are earned.

(b) All license fees shall be received by February 28 for the preceding calendar year, together with a copy of the employee's W-2 form. Employers 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 revenue commission, in which is set forth the name and Social Security Number of each employee o

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. The list shall include all current full-time employees, part-time employees, temporary employees and terminated employees.

SECTION FIVE

Scott County Fiscal Court Ordinance No. 04-05, is amended to add a new Article XXI as follows:

Penalties.

(1) Noncompliance; cancellation; termination or suspension of contract.

(a) In the event the Commission determines that a contractor or vendor no longer is in compliance, it may cancel, terminate or suspend any contract, lease, or agreement within the purview of this ordinance for such noncompliance by the contractor or vendor, or it may allow the continuation of any such contract, lease or agreement, conditioned upon a program for future compliance that is recommended by the Commission.

(b) Whenever a contract is cancelled or terminated based on noncompliance with this ordinance, the Commission shall promptly notify the County Treasurer to cease all payments to the relevant contractor or vendor. Any such cancellation, termination, or suspension may be subsequently rescinded upon determination by the Commission that the contractor or vendor is in compliance with the terms of this ordinance.

(c) The County shall refrain from entering into additional contracts, or extensions or other modifications to existing contracts, with any noncompliant contractor until such time that the contractor can prove that it is in compliance with all city ordinances and requirements.

(2) Appeals. A licensee shall have the right to appeal a decision of the Director of the Georgetown Scott County Revenue Commission made under this section pursuant to the Appeals provisions of Scott County Fiscal Court Ordinance No. 20-06.

SECTION SIX

Scott County Fiscal Court Ordinance No. 04-05, is amended to add a new Article XXII as follows:

Revocation of business license for failure to pay tax, file returns, permit inspection of books.

1. **A license issued pursuant to this ordinance may be suspended or revoked, subject to appeal, pursuant to this section. A license may be suspended or revoked for the following reasons:**
 - a. **Fraud, misrepresentation or false statement contained in the application for a license.**
 - b. **Fraud, misrepresentation or false statement made in connection with the operation.**
 - c. **Any facts or conditions which would justify the denial of the original application.**
 - d. **Any felony or misdemeanor conviction for the following offenses:**
 - i. **Any crime involving prostitution or sexual offenses under KRS Chapter 510;**
 - ii. **Any crime involving possession or trafficking of narcotics;**
 - iii. **Any felon assault or unlawful possession of a firearm; or**
 - iv. **Business or commercial fraud, extortion, or receiving stolen property.**
 - e. **This section shall be self-executing, and the suspension or revocation shall be effective immediately. The County shall give notice of the suspension or revocation of the license. Notice shall be sufficient if either hand-delivered or mailed to the licensee at the address listed on the licensee's application.**
 - f. **It shall be unlawful for any person whose license has been suspended or revoked to continue operating a business in Scott County, Kentucky.**
2. **Appeals. A licensee shall have the right to appeal a decision of the Director of the Georgetown Scott County Revenue Commission made under this section pursuant to the Appeals provisions of Scott County Fiscal Court Ordinance No. 20-06.**

SECTION SEVEN

Scott County Fiscal Court Ordinance No. 20-06, **Section 1, 3** is amended as follows:

3. Eligible decisions subject to appeal under this section shall be limited to:

- a. Audit findings or an additional assessment under KRS 67.775
- b. Apportionment factor used for calculating tax liability
- c. Questions as to nexus in the jurisdiction
- d. Other factors related to the assessment/calculation of tax liability
- e. Penalties, license suspensions or revocations pursuant to Scott County Fiscal Court Ordinance No. 2024-02

SECTION EIGHT

If any section, subsection, paragraph, sentence, clause, phrase, or a portion of this ordinance is declared illegal or unconstitutional or otherwise invalid, such declaration shall not affect the remaining portions hereof.

SECTION NINE

All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION TEN

This Ordinance shall be in full force and effect upon passage and publication according to law.

PUBLICLY INTRODUCE DAND READ FIRST TIME:

April 12, 2024

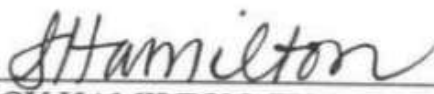
PUBLICLY READ SECOND TIME AND PASSED:

April 25, 2024

APPROVED:


JOE/PAT CONVINGTON, JUDGE/EXECUTIVE

ATTEST:


STACY HAMILTON, FISCAL COURT CLERK