

MARSHALL COUNTY FISCAL COURT

ORDINANCE 96-05

An Ordinance relating to franchise fees on bank deposits which are held by all financial institutions within the County of Marshall, for the health, education, safety, welfare and convenience of the inhabitants of Marshall County.

This revenue measure will serve as a method of replacing the revenue formerly generated by KRS 136.270, the tax on bank and trust company shares, which has been repealed, effective July 15, 1996.

Be it ordered by the Fiscal Court of the County of Marshall, Commonwealth of Kentucky:

Section 1.

General Provisions. Pursuant to KRS Chapter 136, there is hereby imposed on each "financial institution", as defined in Section 2, located within the jurisdiction of Marshall County, a franchise tax measured by the deposits in such institutions. All moneys collected pursuant to these sections shall be paid into the General Fund of the County to be used for the payment of proper expenditures as determined by the Fiscal Court.

Section 2.

Definitions.

- A. "Deposits" means all demand and time deposits, excluding deposits of the United States Government, state and political subdivisions, other financial institutions, public libraries, educational institutions, religious institutions, charitable institutions, and certified and officers' checks.
- B. "Financial institution" means:
 - (1) A national bank organized and existing as a national bank association pursuant to the provisions of the National Bank Act, 12 U.S.C., sec. 21 et seq., in effect on December 31, 1995, exclusive of any amendments made subsequent to that date, or a national bank organized after December 31, 1995, that meets the requirements of the National Bank Act in effect on December 31, 1995;
 - (2) Any bank or trust company incorporated or organized under the laws of any state, except a banker's bank organized under KRS 287.135;

- (3) Any corporation organized under the provisions of 12 U.S.C. secs. 611 to 631, in effect on December 31, 1995, exclusive of any amendments made subsequent to that date, or any corporation organized after December 31, 1995, that meets the requirements of 12 U.S.C. secs. 611 to 631, in effect on December 31, 1995; or
- (4) Any agency or branch of a foreign depository as defined in 12 U.S.C. sec. 3101, in effect on December 31, 1995, exclusive of any amendments made subsequent to that date, or any agency or branch of a foreign depository established after December 31, 1995, that meets the requirements of 12 U.S.C. sec. 3101 in effect on December 31, 1995.

Section 3.

Rate of Franchise Tax.

- A. The rate of the franchise tax imposed on financial institutions shall be twenty-five thousandths of one percent (0.025%) of the deposits located in the jurisdiction of Marshall County.
- B. The amount and location of deposits in the financial institutions shall be determined by the method used for filing the summary of deposits report with the Federal Deposit Insurance Corporation.
- C. The accounting method used to allocate deposits for completion of the summary of deposits shall be the same as has been utilized in prior periods.

Section 4.

Administration.

- A. The Kentucky Revenue Cabinet shall certify to the local jurisdiction the amount of deposits within the jurisdiction and amount of the tax due.
- B. The county shall issue bills to the financial institution by December 1 of each year.
- C. In the transition year of 1996, the tax bills shall be issued to financial institutions no later than May 1, 1997.

Due Date.

- A. The tax bill shall be due January 31 of the next year after it has been issued; thereafter, the bill shall be delinquent and subject to a penalty of 20 percent and interest of 12 percent per annum.
- B. The financial institution shall be allowed a two percent (2%) discount if the tax bill is paid by December 31 of the same year as the tax bill is issued.

- C. The two percent (2%) discount shall be allowed on bills paid by May 31, 1997 for the transitional year. All other bills during this year shall be due June 1, 1997; thereafter, the bill shall be delinquent and subject to a penalty of 20 percent and shall bear interest at the rate of 12 percent per annum.
- D. Marshall County shall have a lien for taxes upon any and all property subject to the tax imposed by these sections, which lien shall be superior to all encumbrances prior or subsequent.

Records


- A. It shall be the duty of the Marshall County Treasurer to collect and account for the franchise taxes imposed by this ordinance. The Marshall County Treasurer shall keep records of the amount received from each financial institution and the date of receipt.
- B. The Revenue Cabinet shall be notified of the tax rate imposed upon adoption of this ordinance and of any subsequent rate changes.

Section 5.

Effective Date. The provisions of this ordinance shall become effective upon passage.


INTRODUCED, SECONDED, AND GIVEN FIRST READING APPROVAL at a duly convened meeting of the Fiscal Court of Marshall County, Kentucky, held on the 3rd day of September, 1996.

GIVEN SECOND READING AND ADOPTED at a duly convened meeting of the Fiscal Court of Marshall County, Kentucky, held on the 23rd day of September, 1996.



Mike Miller
Marshall County Judge/Executive

Attest:



Melonie Chambers, Fiscal Court Clerk