

4-1953

Industrial Resources: Bracken County - Augusta

Kentucky Library Research Collections
Western Kentucky University, spcol@wku.edu

Follow this and additional works at: https://digitalcommons.wku.edu/bracken_cty

 Part of the [Business Administration, Management, and Operations Commons](#), [Growth and Development Commons](#), and the [Infrastructure Commons](#)

Recommended Citation

Kentucky Library Research Collections, "Industrial Resources: Bracken County - Augusta" (1953). *Bracken County*. Paper 12.
https://digitalcommons.wku.edu/bracken_cty/12

This Report is brought to you for free and open access by TopSCHOLAR®. It has been accepted for inclusion in Bracken County by an authorized administrator of TopSCHOLAR®. For more information, please contact topscholar@wku.edu.

ECONOMIC & INDUSTRIAL
SURVEY

of

Augusta, Ky.



Prepared By

THE AUGUSTA CHAMBER OF COMMERCE

— and —

THE AGRICULTURAL & INDUSTRIAL DEVELOPMENT BOARD

— of —

KENTUCKY

ECONOMIC & INDUSTRIAL SURVEY

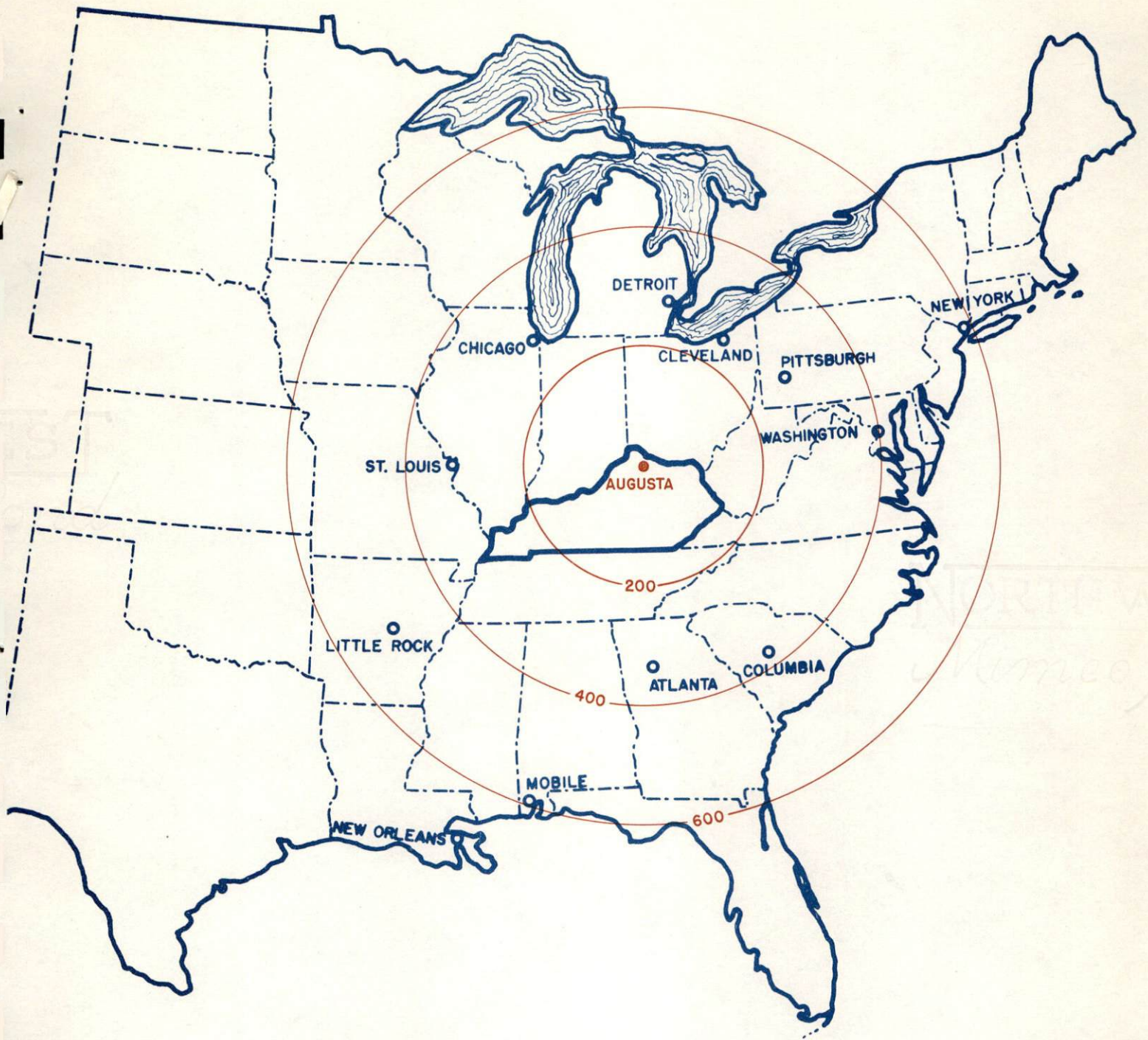
OF

AUGUSTA, KENTUCKY

Prepared by

The Chamber of Commerce of Augusta
and
The Kentucky Agricultural and Industrial Development Board

April, 1953



AUGUSTA, KENTUCKY
HAS 50,000,000 CUSTOMERS
WITHIN ITS MARKET AREA

TABLE OF CONTENTS

	<u>Page</u>
POPULATION AND LABOR	
Population Figures 1850 - 1950; Population Characteristics; Definition of Area and Population Trend	1
Economic Characteristics; Estimated Potential Labor Supply; Average Weekly Wage in Jobs Covered by Unemployment Insurance	2
Existing Industry; Union Affiliations	3
 TRANSPORTATION	
Railroads; Highways	3
Air; Water	4
 COMMUNICATIONS	
Postal Facilities; Telephone	4
 UTILITIES	
Power; Natural Gas; Water	4
Sewage	5
 CITY GOVERNMENT AND SERVICES	
Type Government; Tax Rates and Laws	5
Laws Affecting Industry; City Services	6
 LOCAL CONSIDERATIONS	
Housing; Health; Schools	7
Churches; Recreation; Newspapers; Banking; Tourist Accommodations; Retail Businesses; Service Establishments	8
Retail and Service Establishment Sales; Clubs and Organizations; Climate	9
 RESOURCES	10
 INDUSTRIAL MARKETS	10
 Appendix Following Page 10	

AUGUSTA, KENTUCKY

Augusta is located in the northern part of Bracken County, Kentucky, on the Ohio River. (See Appendix A for History and General Description).

POPULATION AND LABOR:

Population Figures 1850 - 1950

	<u>Augusta</u>	<u>Bracken County</u>
1850	588	8,903
1860	693	11,021
1870	960	11,409
1880	1,282	13,509
1890	1,447	12,369
1900	1,718	12,137
1910	1,787	10,308
1920	1,820	10,210
1930	1,675	9,616
1940	1,701	9,389
1950	1,599	8,424

Population Characteristics - The population of Augusta has shown a decrease of 6.0% during the past decade, while Bracken County has shown a decrease of 10.3% during the same period. 96.3% of the population of the County are native-white, 0.2% foreign-born white, and 3.5% negro.

Definition of Area and Population Trend - The Augusta labor market area includes Bracken, Pendleton, and Robertson Counties in Kentucky and at least a portion of Brown County, Ohio. This is the area from which workers could be reasonably expected to commute to jobs located at Augusta. The population of the Kentucky portion of this area was 20,915 in 1950, down by about 2,000 from the 1940 Census.

Economic Characteristics - Agriculture furnishes most of the job opportunities in the Kentucky portion of this area with about 4,300 persons working on farms according to the 1950 Census of Agriculture. Only 394 jobs covered by unemployment insurance were in this 3-county area in September, 1952, with 101 of these in manufacturing. Most of the covered employment and the manufacturing employment was located in Bracken County. Of the 3,583 farms in the area, 474 had 1949 cash income below \$600. Per capita income for the counties in the labor market area was well below the state average in 1950, averaging \$741 for Bracken, \$686 for Pendleton, and \$744 for Robertson.

Estimated Potential Labor Supply - It is estimated that at least 600 women and 500 men would be available for jobs located in Augusta from the Kentucky portion of this labor market area. In addition, at least a small supply of labor would be available from the Ohio county for this type of employment. It is likely that most of this potential labor supply would be unskilled inasmuch as most women would probably be new entrants into the labor market from the home, while a heavy proportion of the men would come from low income farms.

Average Weekly Wage in Jobs covered by Unemployment Insurance

During the third quarter of 1952, the average weekly wage for jobs covered by unemployment insurance was \$42.15 for the three Kentucky counties with Bracken County having an average wage of \$46.45. The average wage was well below the state average of \$60.44 in that quarter.

Existing Industry

<u>Industry</u>	<u>Product</u>	<u>M</u>	<u>F</u>	<u>T</u>
L. V. Marks & Sons	Shoes	91	156	247
F. A. Neider Co.	Metal products	38	16	54
Reynolds Tool & Die Co.	Dies	5	0	5
		<u>134</u>	<u>172</u>	<u>306</u>

Union Affiliations - None

TRANSPORTATION:

Railroads - Regular freight and passenger service is provided by the main line of the C. & O. There are two regularly scheduled freight stops daily.

Approximate Transit Times To

Atlanta, Ga.	3 days	Knoxville, Tenn.	3 days
Birmingham, Ala.	3 days	Louisville, Ky.	2 days
Chicago, Ill.	2 days	Nashville, Tenn.	2 days
Cincinnati, Ohio	1 day	New York, N. Y.	3 days
Detroit, Mich.	2 days	St. Louis, Mo.	2 days

Highways - Ky. #19; U. S. #52 by commercial ferry with 24 hour service.

Highway Distances -

Atlanta, Ga.	455	Lexington, Ky.	67
Birmingham, Ala.	483	Louisville, Ky.	141
Chicago, Ill.	354	Nashville, Tenn.	322
Cincinnati, Ohio	54	New York, N. Y.	702
Detroit, Mich.	317	Pittsburgh, Pa.	337
Knoxville, Tenn.	271	St. Louis, Mo.	400

Truck Lines Serving Augusta - A. B. C. Truck Lines with terminal facilities at Cincinnati.

Air - The nearest commercial airport is the Boone County Airport, approximately 65 miles from Augusta, which is served by Trans-World, American, Piedmont, and Eastern Airlines.

Water - River transportation is available at Augusta with the following common carriers operating on the Ohio River: American Barge Lines, Ohio Barge Lines, and Mississippi Valley Barge Lines.

COMMUNICATIONS:

Postal Facilities - Augusta is served by a second class post office employing 7 persons. There is one city route and one rural route. Mail is received and sent out 4 times daily by the C. & O. Main Line. Postal receipts for 1951 totaled \$14,000.

Telephone - Telephone service is provided by the Northeastern Telephone Company which connects with Southern Bell. (See Appendix B-1 for rates).

UTILITIES:

Power - Electricity is provided by the Kentucky Utilities Company from a 33,000 volt transmission line. (See Appendix C for rates).

Natural Gas - There is not, at the present time, a natural gas distribution system in Augusta. Central Kentucky Gas Company has a 20" line 3 1/2 miles south of town.

Water - The Augusta water works is owned and operated by the municipality. The source of supply is 2 artesian wells which are 100' in depth.

Water is pumped from the two wells at a rate of 500 gpm into a 55,000 gallon storage tank and is distributed by 8" mains into the business district and 6" and 4" mains in the residential area. The pressure of the system averages 45 pounds psi in the downtown area. (See Appendix B-2 for rates).

Sewage - Sewage disposal is by means of a separate sanitary sewer which discharges raw sewage into the Ohio River by 8" and 10" sewer lines. (See Appendix B-3 for rates).

CITY GOVERNMENT AND SERVICES:

Type Government - Augusta, a fourth class city, is governed by a mayor and six councilmen. The mayor is elected for a four-year term and the councilmen for two-year terms.

Tax Rates and Laws -

Property Tax Rates per \$100

	<u>Within City Limits</u>	<u>Outside City Limits</u>
State	\$.05	\$.05
County	.70	.70
School	1.50	1.50
City	.95	
Other (recreational fund)	.10	
Total	\$3.30	\$2.25

(See Appendix D for Kentucky Corporation Tax Information)

Bonded Indebtedness - Augusta has a bonded indebtedness to be retired from annual income for the water works. Retirement is on schedule and the balance outstanding is \$10,000 to be paid in 1954 and 1957. The retirement fund will be adequate to retire these bonds.

Bracken County Bonded Indebtedness - Two \$500 bonds of a road and bridge bond issue have not been presented for payment. There is no outstanding indebtedness.

Average Annual City Income for 5 years ending 1951 - \$26,074.24

Average Annual City Expenses for 5 years ending 1951 - \$24,959.73

Assessment Practice - 40% of sale value

Laws Affecting Industry - (See Appendix E for statute governing the bond issue plan).

Exemption to Industry- City - 5 years. State law permits the five-year local tax exemption which cannot be extended.

City Services -

Fire Protection - Provided by a volunteer fire department with a force of 29 men. The equipment includes one LaFrance pumper truck and one Ford pumper truck. These are equipped with 500 gallon auxiliary tanks and have a pumping capacity of 500 gallons each per minute. Equipment also includes 1500' of 3" hose.

Augusta has a 7th class fire insurance rating.

Police Protection - The Augusta police department consists of a chief and one patrolman.

Streets - The city has 6.6 miles of paved streets. No regular maintenance crew is provided by the city, as all repair work is done on a contract basis.

Garbage - Municipal collection once per week in the residential area.

LOCAL CONSIDERATIONS:

Housing - There are a few houses available for rent in Augusta, with frame houses predominating. A small unfurnished house (one bedroom) may be rented for \$25.00 per month. A five-room frame house could be purchased for approximately \$6,000.

Health -

Doctors - MD's 2; Optometrist - 1; Dentists - 1; RN's - 5.

Hospitals - The nearest hospital to Augusta is located at Maysville, Kentucky, approximately 23 miles distant.

Public Health Program - The County health program comprises: communicable disease control, immunizations and tests, venereal disease control, field and office visits, school health program, and general public health activities.

<u>Schools</u> -	Elementary			High School		
	<u>Enroll.</u>	<u>Cap.</u>	<u>Teachers</u>	<u>Enroll.</u>	<u>Cap.</u>	<u>Teachers</u>
<u>City</u>	300	330	6	125	145	6
<u>County</u> (4 ele. and 3 H.S.)	700		25	401		23

Parochial - St. James with an elementary enrollment of 40 with 2 teachers, and a high school enrollment of 30 with 3 teachers; St. Augustine with an elementary enrollment of 41 and 2 teachers.

Colleges - Colleges in the area include: University of Kentucky and Transylvania College, Lexington (75); Eastern State College, Richmond (110 miles); Georgetown College, Georgetown (60 miles); Morehead State College, Morehead (60 miles).

Churches - The following denominations are represented in Augusta:

Baptist, Catholic, Christian, Methodist, Church of God, Nazarene, Presbyterian, and Seventh Day Adventist.

Recreation - The city maintains a two-acre park which provides a softball field, and is equipped with swings, slides and games. Maintenance is provided for by a 10¢ levy. There is one theater which changes programs three times weekly.

Newspapers - The Bracken County Chronicle is published weekly (Thursday) and has a circulation of 2,200. The Courier-Journal, Cincinnati Enquirer, Cincinnati Post, and Cincinnati Times Star are delivered to local subscribers.

Banking - The Farmers State Bank of Augusta with total resources of \$1,430,000 and total deposits of \$744,000; The Augusta Liberty Bank with total resources of \$693,000 and total deposits of \$598,000.

Tourist Accommodations - Augusta has two tourist homes.

Retail Businesses

Service Establishments

Appliances	3	Beauty shops	1
Auto Dealers	1	Barber shops	3
Clothing	2	Funeral homes	2
Coal dealers	3	Locker service	1
Concrete products	1	Restaurants	5
Department stores	1	Service stations	8
Drugs	1	Shoe repair	1
Farm equipment	2		
Furniture	2		
Groceries	6		
Hardware	3		
Lumber	1		

Retail and Service Establishment Sales - Retail and

service establishments located in Bracken County, Kentucky showed a substantial expansion in dollar volume of trade from 1939 to 1940, according to figures from the 1948 Census of Business.

Retail sales in the county during 1948 aggregated \$3.7 million, an increase of 185% over the \$1.3 million in 1939. The service trades included in the Census of Business recorded receipts totaling \$123,000 in 1948 compared with \$63,000 in 1939.

Employment in the county also rose over the 9-year period between 1939 and 1948 for the above trades. Establishments in these trades reported a combined total of 160 paid employees for the workweek ended nearest November 15, 1948, as compared with a total of 97 employees reported for the week of November 15, 1939.

Clubs and Organizations -

Civic - Chamber of Commerce, Lions, Rotary

Fraternal - American Legion, VFW, Masonic, Redmen

Women's Clubs - Eastern Star, VFW Auxiliary, and American Legion Auxiliary.

Climate -

Days Cloudy or Clear (8-yr. rec.) - Clear - 88
Partly cloudy - 109
Cloudy - 168

Number of Days with (36-yr. rec.) - Prec. over 0.01 inch - 132
1.0 or more snow, sleet, hail - 6
Thunderstorms - 53
Heavy fog - 18

Percent of Possible Sunshine (36-yr. rec.) - Annual 58%

Prevailing Winds - from southwest

Seasonal Heating Degree Days (51-yr. rec.) - Approximate long-term means 4,897 degree days.

	Temperature (30-yr. rec.)	Precipitation (30-yr. rec.)	Relative Humidity (12-yr. rec.)		
			7:30 a. m.	1:30 p. m.	7:30 p. m.
Jan.	33.4	3.96	83	69	74
Feb.	34.6	3.18	82	64	70
Mar.	44.8	4.48	82	57	62
Apr.	54.1	3.67	79	52	59
May	64.4	3.78	82	54	61
June	72.9	3.99	84	57	65
July	76.9	4.45	86	53	61
Aug.	75.4	4.01	88	52	64
Sept.	69.5	2.97	90	52	67
Oct.	57.5	2.52	89	53	67
Nov.	45.2	3.05	83	61	69
Dec.	35.3	3.52	83	67	73
Ann. Norm.	55.3°F	43.58 inches			

RESOURCES:

Limestone - Limestone is widely distributed throughout the county. Some are suitable for local building purposes and roadway construction.

Clays - Clays occur along the Ohio River and in some upland areas. These clays might be suitable for common brick manufacture.

Sands and Gravels - Sands and gravels, suitable for some construction purposes, can be obtained from the Ohio River.

INDUSTRIAL MARKETS:

There are, within the market area of Augusta, an estimated 50,000,000 customers. Some major cities in the area include: Chicago, Detroit, St. Louis, Indianapolis, and New York.

APPENDIX

History and General Description	App. A
Telephone Rates	App. B-1
Water Rates	App. B-2
Sewage Rates	App. B-3
Power Rates	App. C
Kentucky Corporation Taxes	App. D
Kentucky Revised Statutes - Bond Issue Plan	App. E
Cooperating State Agencies	App. F

HISTORY AND GENERAL DESCRIPTION

Augusta, the principal town in Bracken County, was established as such on October 2, 1797. The tract of land was part of the newly formed county which had been formed from parts of Mason and Campbell Counties in 1796. The site of Augusta was part of a land grant made to Phillip Buckner for his services in the American Revolution. Augusta is located on the south bank of the Ohio River, midway of its longest direct course. It was acclaimed by early travelers as "one of the most beautiful situations on the Ohio."

The early pioneers were from wealthy and cultured families, and this fact made itself evident in the early interest in education beginning with Bracken Academy in 1799. This was only the first of a series of schools of which our present public school is a part. The Augusta College was established by the Methodist Conferences of Ohio and Kentucky in 1822. This, the first Methodist college in the west, gave to education the ministry, and to the professions many very prominent leaders including the presidents of some of the largest universities and theological schools.

September 27, 1862, a memorable date in Augusta's history, marked an attack on the city by a detachment of Morgan's Cavalry. Nine of the prominent citizens of Augusta were killed and a good portion of the town was leveled by fire.

TELEPHONE RATES - Appendix B-1

	<u>Individual</u>	<u>Two-party</u>	<u>Extension</u>
Business	\$5.90	---	\$1.00
Residential	\$4.14	\$3.54	----

WATER RATES - Appendix B-2

Residential \$2.00 per mo.

Business \$8.00 per mo.

Also a 3% tax added to rates.

SEWER RATES - Appendix B-3

\$.50 per month

KENTUCKY UTILITIES COMPANY
INCORPORATED

P. S. C. No. 2

FORM KU 17-12

ELECTRIC RATE SCHEDULE

L. P.

Billing Code No. 56

Combined Lighting and Power Service

APPLICABLE in all territory served by Company.
AVAILABILITY

This rate schedule is available for secondary or primary service on an annual basis for lighting and/or heating and/or power where no class rate is available.

It is optional with the customer whether service will be billed under this schedule for the entire requirements, or under various other schedules applicable to the various services. The customers having selected this schedule will continue to be billed under it for not less than twelve (12) consecutive months, unless there should be a material and permanent change in the customer's service.

CHARACTER OF SERVICE

The electric service furnished under this rate schedule will be 60 cycle, alternating current. The nominal secondary voltages delivered from load centers and the phase are as follows: Single phase, 120 volts, two wire, or 120/240 volts, three wire, or 120/208 Y volts three wire where network system is used. Where company has three phase service available, such service will be supplied at 240,480 volts, or 208 Y volts when delivered from network system. The nominal primary voltages of company where available are 2400, 4160 Y, 7200, 8320 Y and 12470 Y.

RATE

Maximum Load Charge

\$1.75 per kilowatt for the first 25 kilowatts of the maximum load in the month, but not less than \$105.00 per year.

\$1.50 per kilowatt for all in excess of 25 kilowatts per month.

Plus an Energy Charge

2.5 cents per kilowatt-hour for the first 1,000 kilowatt-hours used per month.

1.5 cents per kilowatt-hour for the next 9,000 kilowatt-hours used per month.

1.0 cent per kilowatt-hour for the next 40,000 kilowatt-hours used per month.

.9 cents per kilowatt-hour for the next 50,000 kilowatt-hours used per month.

.8 cents per kilowatt-hour for the next 400,000 kilowatt-hours used per month.

.7 cents per kilowatt-hour for the next 500,000 kilowatt-hours used per month.

.6 cents per kilowatt-hour for all in excess of 1,000,000 kilowatt-hours used for month.

DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kilowatt load used by the Customer during the 15 minute period of maximum use during the month.

MINIMUM ANNUAL BILL

Service under this schedule is subject to an annual minimum of \$21.00 per kilowatt for each yearly period based on the highest monthly maximum load during such yearly period, but not less than \$105.00 per year. Payments to be made monthly of not less than 1/12 of the Annual Minimum, until the aggregate payments during the contract year equal the Annual Minimum. However, payments made in excess of the amount based on above rate schedule will be applied as a credit on billings for energy used during contract year. A new customer or an existing customer having made a permanent change in the operation of his electrical equipment that materially affects the use in kilowatt-hours and/or use in kilowatts of maximum load will be given an opportunity to determine his new service requirements, in order to select the most favorable contract year period and rate applicable.

DUE DATE OF BILL

Customer's monthly bill will be due within 10 days from date of bill.

FUEL CLAUSE (Applies only to the .6 cent step of the above rate.)

The .6 cent per kilowatt-hour step of this rate is based upon the weighted average cost of fuel consumed by the Company at the Green River, Tyrone and Pineville generating stations.

If, during any monthly period such average cost is in excess of 21 cents per 1,000,000 BTU, an additional charge will be made for the second month thereafter on the kilowatt-hours purchased by the customer at this step of the rate during said month at .001323 cents per kilowatt-hour for each .1 cent increase in the cost of fuel above 21 cents per 1,000,000 BTU. (The fuel clause applicable to the other steps of this rate was suspended until further notice as of June 1, 1944).

RULES AND REGULATIONS

Service will be furnished under the Company's general **RULES AND REGULATIONS** or **TERMS AND CONDITIONS**.

PRIMARY DISCOUNT. (Applicable to customers having a maximum of 50 kilowatts or more.)

At the option of the Customer there will be a discount of 5% of the energy charge only on monthly bills, in which there is a maximum load charge for 50 kilowatts or more, provided the Customer owns and maintains all facilities (including transformers, if necessary) for taking service from the primary distribution or transmission system from which line the customer is served, and where the service is metered at the primary voltage.

Date of Issue October 1, 1951

Date Effective November 1, 1951

Issued by
W. REED, Vice President
Lexington, Ky.

KENTUCKY CORPORATION TAXES

Corporation Organization Tax

Domestic corporations having capital stock divided into shares are required to pay an organization tax to the Secretary of State at the time of corporation. The tax is based upon the number of shares authorized:

	<u>Rate Per Share (Par Value)</u>	<u>Rate Per Share (No Par Value)</u>
First 20,000 shares	1¢	1/2¢
20,001 through 200,000 shares	1/2¢	1/4¢
Over 200,000 shares	1/5¢	1/5¢

The minimum tax is \$10. If additional shares are authorized the tax is computed on the basis of the total number of shares, as amended, and the tax due in excess of that already paid must be paid at the time the amendment to the articles of incorporation is filed.

The tax applies to the capital of foreign corporations in case of merger or consolidation with a Kentucky corporation.

Corporation License Tax

All corporations except foreign insurance companies, domestic life insurance companies, building and loan associations, banks and trust companies, race track corporations, and franchise paying corporations are liable for the state corporation license tax of 70¢ on each \$1,000 value of capital stock represented by property owned or business transacted in Kentucky. The minimum license tax is \$10. An annual report of facts concerning the corporation and its business is required to be filed with the Department of Revenue not later than the 15th day of the 4th month following the close of the corporation's taxable year. The amount of the tax is computed from this return. The corporation income and license tax returns have been consolidated. Tax payment is due within 30 days after certification of the assessment of its capital stock.

Corporation Income Tax

The corporation income tax of 4 1/2% applies to the entire net income allocable to this state. Federal income taxes are allowed as a deduction. State and national banks, trust companies, domestic building and loan associations, insurance companies, and non-profit corporations are exempt from the tax. Payment is due on the 15th day of the fourth month after the close of the tax year. Payment of one-third of the tax may be deferred until the 15th day

of the seventh month and an additional one-third until the 15th day of the 11th month following the close of the tax year without interest.

Interest, dividends, rents and royalties, and capital gains not received in connection with the regular business of a corporation are subject to taxation by this state only when such income is received from sources within this state.

Kentucky's portion of taxable corporate income derived from public utilities and the manufacture and sale of tangible property is determined by applying to net income an average of the ratios of the value of tangible property, payroll, and amount of sales in this state to the total value of tangible property, payroll, and amount of sales of the corporation.

In general, this same method is used for allocating taxable income of corporations engaged in other types of business.

Franchise Company Taxes

Property of franchise companies (public service companies, railroad companies, common carrier trucking companies, etc.) is subject to taxation at the following rates per \$100 value: real, 5¢; tangible personal, 50¢; non-operating intangible property, 25¢; manufacturing machinery, 50¢; franchise and rolling stock of car line companies, \$1.50; and franchise (value over and above the actual value of tangible property), 50¢. With the exception of manufacturing machinery, franchise and rolling stock of car line companies, and non-operating intangibles, such property is also subject to local taxation.

Franchise companies must, between January 1 and March 31, file an annual report of its operations during the past calendar year. Assessment of franchise property is made by the Department of Revenue as of December 31 of each year. The total over-all value of the company is fixed by various means, among which are (1) capitalizing net utility operating income and (2) determining the market value of the company's stocks and bonds.

Tax payment is due within 30 days after the department's assessment becomes final.

General Property Taxes

Kentucky's constitution provides that all property, unless specifically exempt, shall be subject to property taxation. Assessments are required to be at fair cash value. Classification is provided. Kentucky courts have consistently held that uniformity takes precedence over full value. The state-wide assessment level on real estate is not more than 40%, on tangible personalty considerably less than 40% generally, and on intangible personalty approximately full value.

Both foreign and domestic corporations, other than franchise companies, must pay general property taxes on tangible property situated within this state and on intangible property which has acquired a situs in Kentucky at the following rates per \$100 value: real property, 5¢; agricultural products, 25¢; other tangible personalty, 50¢; bank deposits, 10¢; brokers accounts receivable, 10¢; and other intangible property, 25¢. Manufacturing machinery, all intangibles except bank shares, and livestock are exempt from local taxation. Agricultural products in storage may be taxed by counties at the rate of 15¢ per \$100. Real estate and all other tangible personalty are subject to full local levies.

County rates have a maximum of 70¢ but average about 65¢; school rates average \$1.45 with a maximum of \$1.50 except for special voted levies not to exceed 50¢. City rates average about 75¢ with a maximum of \$1.50 for cities over 15,000 population.

The Department of Revenue assesses bank deposits in Kentucky banks as of September 1 and distilled spirits and marginal accounts as of January 1. Tax payment is due on bank deposits on or before November 1 following the assessment date and on marginal accounts within 30 days after the department renders its tax bill to the taxpayer. The tax on distilled spirits may be paid tri-annually on January 1, May 1, and September 1, or annually between September 1 and January 1.

Other property is assessed for state, county, and county school taxes by county tax commissioners, and must be listed as of January 1 between January 1 and March 1. Tax payment is due between the following September 15 and January 1; if rendered before November 1 a discount of 2% applies. Exceptions are money in hand, deposits in out-of-state banks, and tobacco, which are assessed as of September 1; tax payments are due the second succeeding September 15.

City and city school assessment and payment dates vary.

Special Taxes

Banks and trust companies, building and loan associations, and insurance companies, which are exempt from corporation license and income taxes, are subject to special taxes.

Banks - Each bank and trust company is required to pay for its stockholders an annual state tax of 50¢ per \$100 value of its capital stock. An annual report to the Department of Revenue and to the assessing officer of the county, city, and school district in which it is located is required by February 1. Tax payment, subject to a 2% discount if paid by November 1, is due between September 15 and December 31 following the assessment date. The assessed value of tangible property may be deducted from the total value of its shares.

Maximum local rates per \$100 are: counties, 20¢; cities, 20¢; and school districts, 40¢.

Building and Loan Associations - A state tax of 10¢ per \$100 is levied on capital stock of domestic building and loan associations in lieu of all other state and local taxes. A report to the Department of Revenue as of January 1 is required by January 31 of each year. Tax payment is due by July 1 of the same year. Shares of borrowing members where the amount borrowed equals or exceeds the amount paid in by those members are exempt from taxation.

Foreign building and loan associations are required to pay an annual tax of \$3 on each \$100 received from shareholders residing in this state, less the amount loaned to shareholders residing in the state. A report must be filed with the Department of Banking on January 1 each year.

STATUTE GOVERNING RIGHT OF CITIES TO
CONSTRUCT INDUSTRIAL BUILDINGS

KENTUCKY REVISED STATUTES (1948)

Sec. 103.200 - 103.280

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.280, "industrial building" means any building or structure suitable for and intended for use as a factory, mill, shop, power plant, assembly plant, or fabricating plant, to be rented or leased to another person for industrial purposes by the city by which it is located.

103.210 Issuance of Bonds. In order to promote the growth and development of the State, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this State, any city may borrow money and issue negotiable bonds for the purpose of defraying the cost of erecting any industrial building either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

103.220 Interest on Bonds. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semi-annually, and shall be secured in such manner and

This Statute was held constitutional by the Court of Appeals of Kentucky in a decision rendered on July 14, 1950, in the case of E. P. Faulconer, et. al., vs. the City of Danville, Kentucky, et. al.

(2) The bonds may provide that they or any of them shall be redeemed prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds, at a price not exceeding 103 and accrued interest, under conditions fixed by the legislative body before issuing the bonds.

103.230 Bonds negotiable, disposable, payable only from revenues. Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer, before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in such manner and upon such terms as the city may determine.

**Distributed
by the
Agricultural and Industrial Development Board
of
Kentucky**

(5) In KRS 103.230, The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the Corporation.

KENTUCKY REVISED STATUTES

1948

103.200 - 103.280

INDUSTRIAL BUILDINGS FOR CITIES GENERALLY

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.280, "industrial building" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, to be rented or leased to an industrial concern by the city by which it is acquired.

103.210 Issuance of Bonds. In order to promote the reversion to peace-time economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

103.220 Interest on Bonds; terms. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semi-annually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body determines.

(2) The bonds may provide that they or any of them may be called for redemption prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds, at a price not exceeding 103 and accrued interest, under conditions fixed by the city legislative body before issuing the bonds.

103.230 Bonds negotiable; disposal; payable only from revenue. Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer, before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in such manner and upon such terms as the city legislative body deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. In no event shall any bonds be negotiated on a basis to yield more than 6% except as provided in subsection (2) in KRS 103.220. The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city within the meaning of the Constitution.

It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city within the meaning of the constitution.

103.240 Use of proceeds of bonds. All money received from the bonds shall be applied solely for the acquisition of the industrial building, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during the first three years following the date of the bonds.

103.250 Receiver in case of default. If there is any default in the payment of principal or interest of any bond, any court having jurisdiction of the action may appoint a receiver to administer the industrial building on behalf of the city, with power to charge and collect rents sufficient to provide for the payment of any bonds or obligations outstanding against the building, and for the payment of operating expenses, and to apply the income and revenue in conformity with KRS 103.200 to 103.280 and the ordinance referred to in KRS 103.210.

103.260 Application of revenue; charges for use. (1) At or before the issuance of bonds the city legislative body shall, by ordinance, set aside and pledge the income and revenue of the industrial building into a separate and special fund to be used and applied in payment of the cost thereof and in the maintenance, operation and depreciation thereof. The ordinance shall definitely fix and determine the amount of revenue necessary to be set apart and applied to the payment of principal and interest of the bonds, and the proportion of the balance of the income and revenue to be set aside as a proper and adequate depreciation account, and the remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of industrial building.

(2) The rents to be charged for the use of the building shall be fixed and revised from time to time so as to be sufficient to provide for payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, and to provide for the operation and maintenance of the building and an adequate depreciation account.

103.270 Depreciation account. (1) If a surplus is accumulated in the operating and maintenance funds equal to the cost of maintaining and operating the industrial building during the remainder of the calendar, operating or fiscal year, and during the succeeding like year, any excess over such amount may be transferred at any time by the city legislative body to the depreciation account, to be used for improvements, extensions or additions to the building.

(2) The funds accumulating to the depreciation account shall be expended in balancing depreciation in the industrial building or in making new constructions, extensions or additions thereto. Any such accumulations may be invested as the city legislative body may designate, and if invested the income from such investment shall be carried into the depreciation account.

103.280 Additional Bonds. (1) If the city legislative body finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued in the same manner.

(2) Any city acquiring any industrial building pursuant to the provisions of KRS 103.200 to 103.280 may, at the time of issuing the bonds for such acquisition, provide for additional bonds for extensions and permanent improvements, to be placed in escrow and to be negotiated from time to time as proceeds for that purpose may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing with the bonds of the same issue.

(3) The city may issue new bonds to provide funds for the payment of any outstanding bonds, in accordance with the procedure prescribed by KRS 103.200 to 103.280. The new bonds shall be secured to the same extent and shall have the same source of payment as the bonds refunded.

The Following Amendment was made to KRS 103.200 to 103.280 by the 1952 Kentucky Legislature.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF KENTUCKY:

Section 103.200 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 103.200 to 103.280, "industrial building" or "buildings" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, and/or the necessary operating machinery and equipment, to be rented or leased to an industrial concern by the city by which it is acquired.

COOPERATING STATE AGENCIES

As a state, Kentucky realized the importance of industry in developing her many resources. In addition to the Agricultural and Industrial Development Board, which was created for the express purpose of promoting the economic development of the Commonwealth, there are many state agencies actively engaged in programs, which, directly or indirectly, contribute materially to the solution of problems which affect our industrial growth.

The Kentucky Highway Department, in planning its program of development and expansion, gives every consideration to the needs of existing and proposed industries. During the year, 1950, 2,461 miles of highway and bridges were placed under contract at a total cost of \$35,000,000. This brings the total of the last three years to more than \$88,000,000 for 7,000 miles of highway construction. In national standing, according to the United States Bureau of Public Roads, Kentucky was 7th in the number of miles of highway construction placed under contract in 1950, and 11th in the amount of money spent. If the national war emergency does not interfere, they expect to exceed this figure in 1951.

The Kentucky Department of Economic Security stands ready at all times to assist new industries in determining sources of various classes of labor, prevailing labor rates, and labor practices throughout the State. In addition, they provide, on request, a labor procurement and counseling service for existing industries.

The Kentucky Department of Industrial Relations has been highly successful in its relations with both management and labor. Representatives of this department are available at all times to consult with industries on any matter in which they can be of service.

The Kentucky Department of Revenue offers the services of its tax consultants to industries seeking locations within the State, as well as to resident industries.

Established industries have found the State to be considerate of their welfare and we welcome the opportunity to introduce representatives of prospective new industries to their choice of our present family of industries.

The Kentucky Agricultural and Industrial Development Board takes pride, not only in the services it has to offer to industries seeking locations in Kentucky, but in the service it attempts to render on a continuing basis to existing industry.