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Industrial Resources: Carroll County - Carrollton

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ECONOMIC & INDUSTRIAL
SURVEY

of

Carrollton, Ky.



Prepared By

THE CITY COUNCIL OF CARROLLTON, KY.

— and —

THE AGRICULTURAL & INDUSTRIAL DEVELOPMENT BOARD

— of —

KENTUCKY

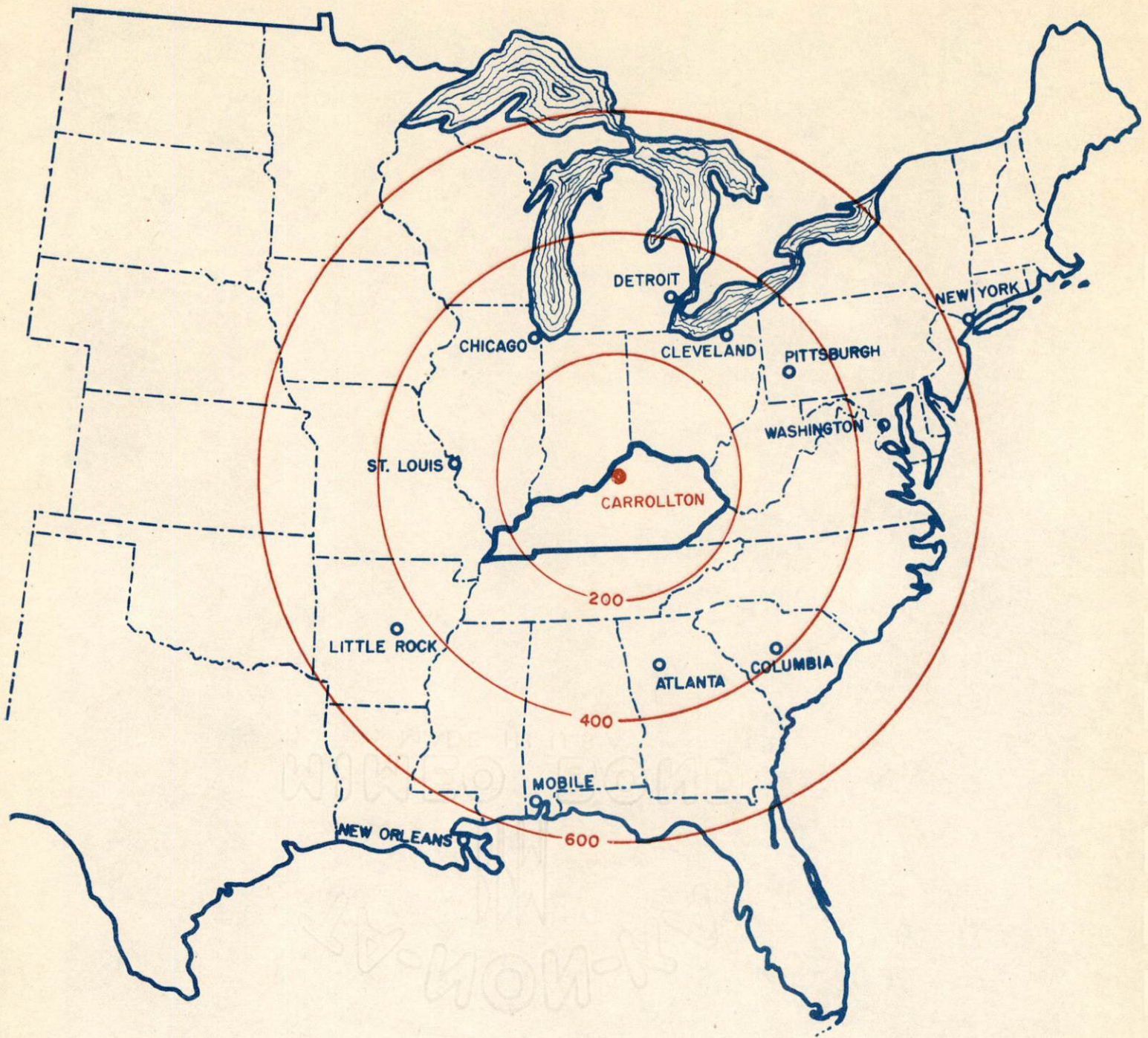
ECONOMIC AND INDUSTRIAL SURVEY
OF
CARROLLTON, KENTUCKY

Prepared by
The City Council of Carrollton, Kentucky
and
The Agricultural and Industrial Development Board
of
Kentucky

April 27, 1951



AERIAL VIEW OF CARROLLTON



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

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CARROLLTON, KENTUCKY

Carrollton, the county seat of Carroll County, is situated at the confluence of the Kentucky and Ohio Rivers, midway between Louisville, Kentucky and Cincinnati, Ohio. The shape of the county, generally speaking, is rectangular with the greatest length from east to west, comprising an area of 84,480 acres. Elevation averages 475 feet above sea level. (See Appendix A for History and General Description.)

POPULATION AND LABOR:

Population Figures 1910 to 1950 -

	<u>Carrollton</u>	<u>Carroll County</u>
1910	1,906	8,110
1920	2,281	8,346
1930	2,409	8,155
1940	2,910	8,657
1950	3,216	8,486

Population Characteristics - According to the 1950 census, the population of the county is 8,468, showing a decrease of 2% over the past ten years. The present population of Carrollton, as shown above, is 3,216, an increase of 10.5% during the last decade. Including the suburban area, the population is above 4,000. 99.3% of the residents are native-born. Approximately 52% of the population is female - 48% male. The area is predominantly rural. Income derived from industry would, in many cases, be considered as a supplement to farm income.

Industrial Pattern - In September, 1950, there were 1,543 persons in Carrollton and its commuting area covered under the Kentucky Unemployment Insurance Law. Of this number, 623 persons were engaged in manufacturing industries, which amounted to 1.6% of the total population.

(See Appendix B for table showing number of persons covered by Kentucky Unemployment Insurance Law).

Labor Supply - It is estimated that a labor surplus of 1,500 to 2,000 workers exists in this area. It is believed that the majority of these workers would be unskilled. No information is available on the labor supply in the adjoining Indiana area. However, the Indiana area is predominantly agricultural, so it is believed that, if there were attractive jobs, additional workers could be recruited there.

Existing Industry -

<u>Industry</u>	<u>Product</u>	<u>M</u>	<u>F</u>	<u>T</u>
Avco Mfg. Corp.	Television cabinets	276	94	370
Blue Ribbon Distillery	Whiskey	65	0	65
Carrollton Canning Co.	Canned goods	0	65	65
Coca Cola Bottling Works	Soft drinks	12	3	15
George T. Stagg Co.	Whiskey	14	1	15
Grobmeyer Lumber Co.	Lumber	2	0	2
Kipping Monument Co.	Monuments	2	0	2
Rich Ladder Co.	Ladders	65	0	65
Rich Lumber Co.	Lumber	12	0	12
Spillman Lumber Co.	Lumber	8	0	8
		<u>456</u>	<u>163</u>	<u>619</u>

During the tobacco selling season (Dec. 1 - Mar. 1) approximately 1,000 persons are employed in tobacco warehouses.

Union Affiliations - United Automobile Workers of AFL at Avco Mfg. Co. is the only union affiliation in Carrollton and its immediate area.

TRANSPORTATION:

Railroads - Louisville and Nashville Railroad

Short Line Distances & First Class Rates (rate in cents per 100 lbs.)

<u>To</u>	<u>Distance</u>	<u>Rate</u>	<u>To</u>	<u>Distance</u>	<u>Rate</u>
St. Louis	328	185	Washington, D.C.	601	242
Chicago	349	185	Atlanta	496	263
Detroit	320	160	Mobile	716	317
Cleveland	305	157	New Orleans	811	342
Pittsburgh	365	187	Nashville	251	190
New York	790	282	Knoxville	308	210

Raasch's	ICC 485
Schuldt's	ICC 3636
Boin's	ICC A-800
Spaninger's	ICC 513."

Highways - U.S. #42, 227; Ky. #36, 389, and 55.

Bus Lines Serving Carrollton - Greyhound, 40 busses daily;

American Bus Lines, 4 trips to Covington daily; Kentucky Bus Lines, 2 trips to Louisville daily, via Shelbyville.

Truck Lines Serving Carrollton - Huey Motor Express and Doyle Transfer.

Highway Distances to Major Cities

Atlanta	475	Nashville	226
Chicago	293	New Orleans	776
Cleveland	304	New York	710
Detroit	325	Pittsburgh	345
Knoxville	286	St. Louis	314
Mobile	689	Washington, D. C.	541

Air - The nearest commercial airport is the Kenton County Airport (Cincinnati Airport), 37 miles distant, and the Louisville Airport, 50 miles away.

Water - The City is bounded on the north by the Ohio River, and on the west by the Kentucky River. Both are navigable, with the Kentucky River providing a harbor for the Ohio. Carrollton has ample barge facilities.

The following common carriers of general commodities are licensed to serve on the Ohio River:

1. American Barge Line - 1706 Grant St., Pittsburgh, Pa.
2. Central Barge Co. - 310 S. Michigan Ave., Chicago, Ill.
3. Commercial Barge Lines, Inc. - 1830 W. Ohio St., Evansville, Ind.
4. Mississippi Valley Barge Lines - 1017 Olive St., St. Louis, Mo.
5. Union Barge Line Corp. - 300 Penn Ave., Pittsburgh, Pa.

COMMUNICATIONS:

Postal Facilities - Carrollton has a 2nd class post office with 11 permanent employees. They receive and send mail 3 times daily. There are 2 city routes, 1 rural route, and 1 star route. Postal receipts for 1949 were \$24,181.05.

Telephone and Telegraph - Carrollton is served by the Southern Bell Telephone and Telegraph Company. There are 1,027 subscribers and 1,170 telephones. (See Appendix C-1 for rates).

UTILITIES:

Water - Water is obtained from three 60' wells, pumped to a 200,000 gallon reservoir. Pressure is maintained at 120 pounds per square inch. Water is chlorinated. There are 900 connections.

(See Appendix C-2 for rates)

Gas - The Texas Gas Transmission Company supplies natural gas, with a 1000 BTU content, to the municipally owned distribution system from a 26" line, 4 miles from Carrollton. (See Appendix C-3 for rates).

Electricity - Power is provided by the Kentucky Utilities Company, with REA power available in parts of the county. Incoming power 66,000 volts - 3 phase - broken down to 2,400 for city. (See Appendix D for rates).

Sewage - Carrollton obtained a Government load of \$12,800 for the design of a sewer system; total cost will be \$300,000. Separate storm and sanitary sewers will be provided for the entire incorporated area within one year. Sewage disposal plant will have a daily capacity of one-half million gallons. Combined storm and sanitary sewers now serve the city.

Coal - Bituminous coal is available from both the East and West Kentucky coal fields. Prices and analyses are available upon request.

Oil - Since the delivery price of fuel varies from day to day, and since there is such a variety of types and grades, no estimated prices are given in this report. Delivery prices of any grade of fuel oil in tank car lots will be furnished within 24 hours.

CITY GOVERNMENT AND SERVICES:

Type Government - Mayor-Council, with the Mayor being elected for a 4-year term, and the 6 Councilmen for 2-year terms. (See Appendix E for Resolution by Board of Council).

Tax Rates and Laws -

Property Tax Rates per \$100 last year -

	<u>Within City Limits</u>	<u>Outside City Limits</u>
State	\$.05	\$.05
County	.70	.70
City	.75	
School	<u>1.50</u>	<u>1.50</u>
Total	\$ 3.00	\$ 2.25

(See Appendix F for Kentucky Corporation Taxes).

Assessment Practice - City - 25% of true value
County - 25% of true value

Total Assessment of all Property - City - \$4,077,493*

*Whiskey in storage is not included in this statement.

Bonded Indebtedness - City - \$12,000 (voted indebtedness), \$1,000 payment yearly, retired in 1960; (\$3,000 to be paid, in last year); 8% of taxes set aside to retire bond issue.

County - \$60,000 (voted indebtedness) road and bridge bonds;

\$35,467.38 is on account as reserve; \$10,000 paid yearly.

Average Annual City Income - Jan. - Dec, 1950 - \$58,366.74

Average Annual City Expenditures - Jan. -Dec. 1950 - \$43,247.46

Laws Affecting Industry - (See Appendix G for copy of Act governing bond issue plan).

Businesses requiring Licenses - Licenses are required for businesses, trades, occupations, professions, and vocations.

Tax Exemption - City - 5 years. State law permits the 5-year exemption which cannot be extended.

Planning and Zoning - Ordinance, setting up a Planning and Zoning Commission, was passed by previous council, but at present the city has not been zoned. The City proposes planning and zoning as soon as annexation proceedings are completed.

S e r v i c e s -

Fire Protection - The fire fighting force consists of a Chief and 20 volunteers. Equipment includes: LaFrance pumper (750 gpm), Dodge pumper (500 gpm), and 2,400 feet of new hose. Carrollton has a 6th class fire insurance rating, with 43 fire hydrants. Service covers the industrial areas.

Police Protection - There is a Chief and three full-time policemen, equipped with a cruiser which patrols both business and residential area. Protection will include industrial areas adjacent to the city.

Streets - Chief and 2 full-time laborers. Equipment consists of a dump truck, grader, and a black-top mixer. There are 6 1/2 miles of paved streets in Carrollton.

Garbage - Municipal collection, with a crew of 3 men and one truck. Garbage is picked up once a week during the winter months, and twice a week during the summer months.

LOCAL CONSIDERATIONS:

Housing - 41 permits were issued from January 1 - December 1, 1950. Single story, five room houses predominate. Average cost is approximately 55¢ per cu. ft.

Health - Carrollton has an estimated 4 doctors (no surgeons), 2 dentists, 7 registered nurses, but does not have hospital facilities. The full-time health department includes a part-time health officer, 1 sanitarian, 1 nurse, and 1 clerk. Their public health program includes communicable disease, tuberculosis and venereal disease control, maternal and child health services, school health, cancer control, general sanitation services, and general public health activities.

<u>Schools</u> -	Grade		High	
	<u>Enrollment</u>	<u>Capacity</u>	<u>Enrollment</u>	<u>Capacity</u>
<u>City</u>	780	880	*	*
<u>County</u>	481	581	260	360

Colored - 36 grade school students

* County High School consolidated with City High

Parochial - St. John's (Catholic), grades 1 - 8 with enrollment of 39 and capacity of 80.

Colleges - There are no colleges in Carrollton. Colleges in the area include: University of Louisville, Louisville; University of Kentucky and Transylvania College, Lexington.

Churches - 8 denominations - Catholic, Methodist, Baptist, Christian, Presbyterian, Apostolic, Pilgrim's Holiness, Pentecostal.

Colored - Baptist and Methodist.

Recreation -

Theaters - 2 - bills change 3 times weekly; 1 drive-in.

Parks - General Butler State Park borders on the town. This park has an area of 450 acres. Facilities for boating, swimming, tennis, fishing, picnicing, and camping. There are 40 modern cabins.

A recreational center is under construction 1 mile from town. This will include all types of playground equipment; also softball, football, track, fairgrounds, picnicing, and refreshment bar. Approximate cost is \$60,000.

Playgrounds - Civic groups recently spent \$2,000 for additional playground equipment at the school playground, which covers 4 acres.

Other - Sportsmen's Club. Nearest Country Club is at Madison, 12 miles distant, which has a good 9-hole golf course.

Tourist Accommodations - 2 hotels - 22 and 16 rooms; 2 motels - 22 rooms and 16 units. 12 restaurants serve residents and tourists adequately.

Newspapers - Carrollton News Democrat (weekly) with circulation of 4,000. State, national, and international news is provided by the Louisville Courier-Journal and Times, the Lexington Herald and Leader, and the Kentucky edition of the Kentucky Post, Cincinnati Inquirer, and Times Star.

Banks - First National Bank with total resources of \$2,807,000 and total deposits of \$2,571,000; Kentucky State Bank with total resources of \$1,700,000 and total deposits of \$1,591,000.

<u>Retail Businesses</u>		<u>Service Establishments</u>	
Food-groceries	8	Barber shops	4
Drugs	2	Beauty shops	3
Clothing	7	Restaurants	8
Furniture	2	Filling Stations	10
Farm supplies & hdwe.	3	Garages	4
Electrical appliances	2	Frozen food lockers	1
Variety	2	Dry cleaning	4

Retail Sales - Total retail sales receipts, according to the 1948 Census of Business, were \$7,162,000; total service trade receipts were \$155,000.

Wholesale Businesses - 1 wholesale house (cigarettes, candies, etc.).

Total wholesale trade receipts in Carroll County for 1948 were \$12,838,000.

Clubs and Organizations -

Civic - Kiwanis, Rotary, and Chamber of Commerce

Fraternal - Moose, Masonic, IOOF, Knights of Columbus, and American Legion.

Women's Clubs - Eastern Star, Women's Club, Homemakers, Garden Club, and IOOF Auxiliary.

Youth Clubs - Jr. Women's Club, Boy and Girl Scouts, 4-H Club, and FHA.

Climate -

	<u>Precipitation (lock 1) 46 year period</u>	<u>Temp. 76 yrs. record Louisville (W. B. city)</u>	<u>Humidity (Louisville)</u>
Jan.	3.62	34.4	65
Feb.	2.66	37.2	68
Mar.	3.89	45.4	64
Apr.	3.53	56.4	60
May	3.88	66.6	61
June	3.93	74.7	64
July	3.48	78.6	62
Aug.	3.51	77.0	65
Sept.	3.01	70.5	65
Oct.	2.54	59.3	64
Nov.	2.93	46.7	67
Dec.	2.84	37.0	70
Ann. Ave.	39.82	57.0	65

Average date for first killing frost in fall - October 20

Average Date of last killing frost in spring - April 20

Average length of frost - free period - (days) - 190

Prevailing wind - southwest

*From Department of Commerce Weather Bureau - figures taken from nearest weather station with several years record.

INDUSTRIAL MARKETS:

There is within the market area of Carrollton, an estimated 50,000,000 customers. Cities in the area include; St. Louis, Chicago, Detroit, Pittsburgh, New York, and Atlanta.

AVAILABLE INDUSTRIAL SITES:

A site up to 400 level acres, accessible to the Kentucky River, utilities, railway, and highway, is available in the Carrollton area. For more complete information write Mr. R. L. Booth, Carrollton Railway; or Mayor Lee; or the Kentucky Agricultural and Industrial Development Board, 415 Ann Street, Frankfort, Kentucky.

APPENDIX

History and General Description	App. A
Table showing number of workers covered by Kentucky Unemployment Insurance	App. B
Telephone Rates	App. C-1
Water Rates	App. C-2
Gas Rates	App. C-3
Power Rates	App. D
Resolution	App. E
Kentucky Corporation Taxes	App. F
Statute governing Bond Issue Plan	App. G
Cooperating State Agencies	App. H

HISTORY AND GENERAL DESCRIPTION

Carrollton, the seat of government of Carroll County, is situated at the confluence of the Kentucky and Ohio Rivers. The town was incorporated in 1794 under the name of Port William. In 1838 it was renamed in honor of Charles Carrol, of Carrollton, Maryland, signer of the Declaration of Independence. The town was plotted by Benjamin Craig I, who donated the land upon which the courthouse was built.

Carroll County is bounded by Gallatin, Owen, Henry and Trimble Counties in Kentucky, and by Jefferson and Switzerland Counties in Indiana. There are only two counties in Kentucky with smaller areas than the 84,480 acres in Carroll County.

NUMBER OF WORKERS IN MANUFACTURING INDUSTRIES COVERED BY
KENTUCKY UNEMPLOYMENT INSURANCE LAW
FOR CARROLL & ADJOINING COUNTIES

County	Total	Food & Kindred Products	Tobacco	Clothing, Textiles, Leather	Lumber & Furniture	Printing, Publishing & Paper	Chemicals, Petroleum, Coal & Rubber	Stone, Clay, Glass	Pri- mary metals	Mach., metal prod., equip.	Other
Carroll	479	63	3	0	400	7	0	6	0	0	0
Gallatin	57	0	0	0	57	0	0	0	0	0	0
Owen	78	77	1	0	0	0	0	0	0	0	0
Henry	9	4	0	0	0	5	0	0	0	0	0
Trimble	0	0	0	0	0	0	0	0	0	0	0
Totals	623	144	4	0	457	12	0	6	0	0	0

NUMBER OF WORKERS COVERED BY
KENTUCKY UNEMPLOYMENT INSURANCE LAW
FOR CARROLL & ADJOINING COUNTIES

County	All Industries	Mining & Quarrying	Contract Con- struction	Manufac- turing	Transpor- tation, Com- munication & Utilities	Whole- sale & Retail Trade	Finance, Insurance, & Real Estate	Services	Other
Carroll	884	10	79	479	60	217	13	26	0
Gallatin	101	0	0	57	1	29	0	14	0
Owen	273	0	7	78	91	57	16	14	9
Henry	238	0	44	9	11	90	32	52	0
Trimble	47	5	8	0	0	16	11	7	0
Totals	1543	15	138	623	163	409	72	113	9

TELEPHONE RATES - App. C-1

	<u>Individual</u>	<u>Two-Party</u>	<u>Extension</u>
Business	\$6.25	\$5.50	\$1.50
Private	3.00	2.50	1.50

WATER RATES - App. C-2

	3,000 gal. minimum rate	\$1.50
Next	17,000 gal.	.30 per M gal.
Next	30,000 gal.	.20 per M gal.
Over	50,000 gal.	.10 per M gal.

GAS RATES - App. C-3

First	100 cu. ft. or less	\$1.00
Next	1,400 cu. ft.	7.5¢ per C cu. ft.
Next	3,000 cu. ft.	6¢ per C cu. ft.
Next	15,550 cu. ft.	5.5¢ per C cu. ft.
Over	20,000 cu. ft.	5¢ per C cu. ft.

Minimum monthly bill 60¢

Kentucky Utilities Company
Incorporated

Revised 2-1-1946
Reworded 3-1-48

COMBINED LIGHTING AND POWER SERVICE - RATE LP

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.

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¢ per kilowatt-hour for the first 1,000 kilowatt-hours used per month.
- 1.5¢ per kilowatt-hour for the next 9,000 kilowatt-hours used per month.
- 1.0¢ per kilowatt-hour for the next 40,000 kilowatt-hours used per month.
- .9¢ per kilowatt-hour for the next 50,000 kilowatt-hours used per month.
- .8¢ per kilowatt-hour for the next 400,000 kilowatt-hours used per month.
- .7¢ per kilowatt-hour for all in excess of 500,000 kilowatt-hours per 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 used during the month.

MINIMUM ANNUAL BILL

Service under this schedule is subject to an annual maximum 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. Payment to be made monthly of not less than 1/12 of the Annual Minimum, until and 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 the 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.

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 load of 50 kilowatts or more.

At the option of the customer there will be a discount of 5% of the energy charge only on all 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.

RESOLUTION

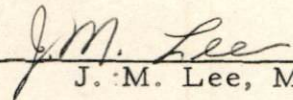
WHEREAS, the City of Carrollton, Kentucky is well located for industry, it being located at the confluence of the Ohio and Kentucky Rivers, situated on U. S. Highway #42 midway between Louisville and Cincinnati, and having radial highways running East, South, and West, as well as having an L & N Railroad spur, and,

WHEREAS, the City of Carrollton now has an adequate supply of natural gas with an allocation sufficient for any new industry locating in this City, and,

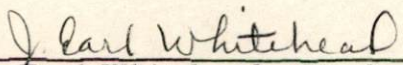
WHEREAS, the City is desirous of having new industry locate in said city, now,

THEREFORE, BE IT RESOLVED by the Board of Council of the City of Carrollton, Kentucky, that a cordial invitation be extended to any new industry wishing to locate in or near the City of Carrollton, and,

BE IT FURTHER RESOLVED that the city divert from its supply of natural gas, an amount sufficient for the needs of any industry; and that the use of all river landings be extended to industry.



J. M. Lee, Mayor

ATTEST: 

J. Earl Whitehead, Clerk

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%¹ 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 nonprofit 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

¹Temporary rate of 4 1/2% reverts to 4% at expiration of second calendar or fiscal year beginning after January 1, 1950.

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 exempted, 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 per cent 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 per cent 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 Kentucky, less the amount loaned to shareholders residing in this 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

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.

Distributed
by the

Agricultural and Industrial Development Board of Kentucky

415 Ann Street
Frankfort, Kentucky

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 reconversion 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 semiannually, 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 six percent, except as provided in subsection (2) of 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.

COOPERATING STATE AGENCIES

As a State, Kentucky realizes 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 highways 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.

MIMCO BOND