

8-1953

## Industrial Resources: Hardin County - Elizabethtown

Kentucky Library Research Collections  
Western Kentucky University, [spcol@wku.edu](mailto:spcol@wku.edu)

Follow this and additional works at: [https://digitalcommons.wku.edu/hardin\\_cty](https://digitalcommons.wku.edu/hardin_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: Hardin County - Elizabethtown" (1953). *Hardin County*. Paper 14.  
[https://digitalcommons.wku.edu/hardin\\_cty/14](https://digitalcommons.wku.edu/hardin_cty/14)

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

# ECONOMIC & INDUSTRIAL SURVEY

of

## Elizabethtown, Ky.



Prepared By

THE ELIZABETHTOWN CHAMBER OF COMMERCE

— and —

THE AGRICULTURAL & INDUSTRIAL DEVELOPMENT BOARD

— of —

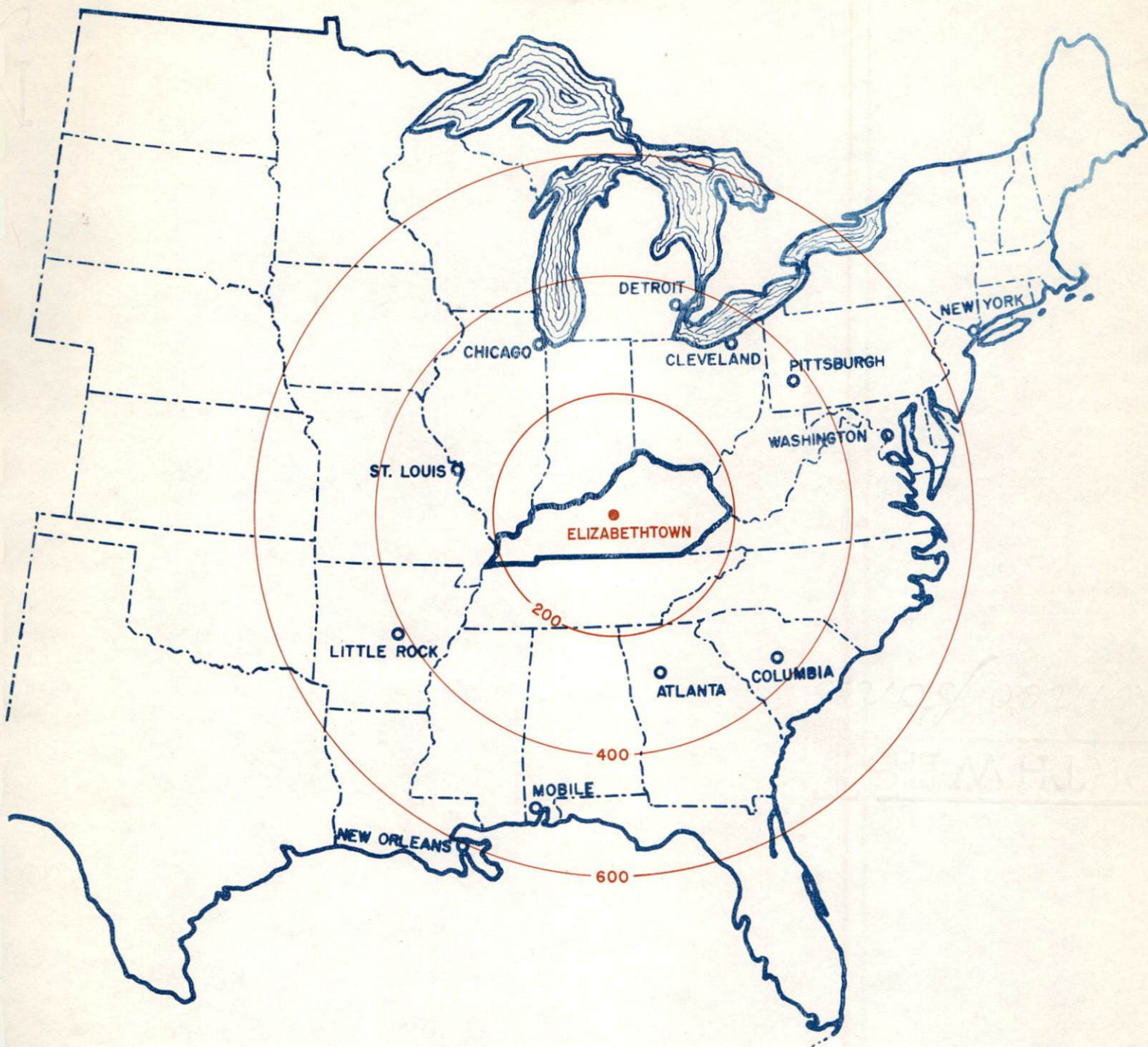
KENTUCKY



ECONOMIC & INDUSTRIAL SURVEY  
OF  
ELIZABETHTOWN, KENTUCKY

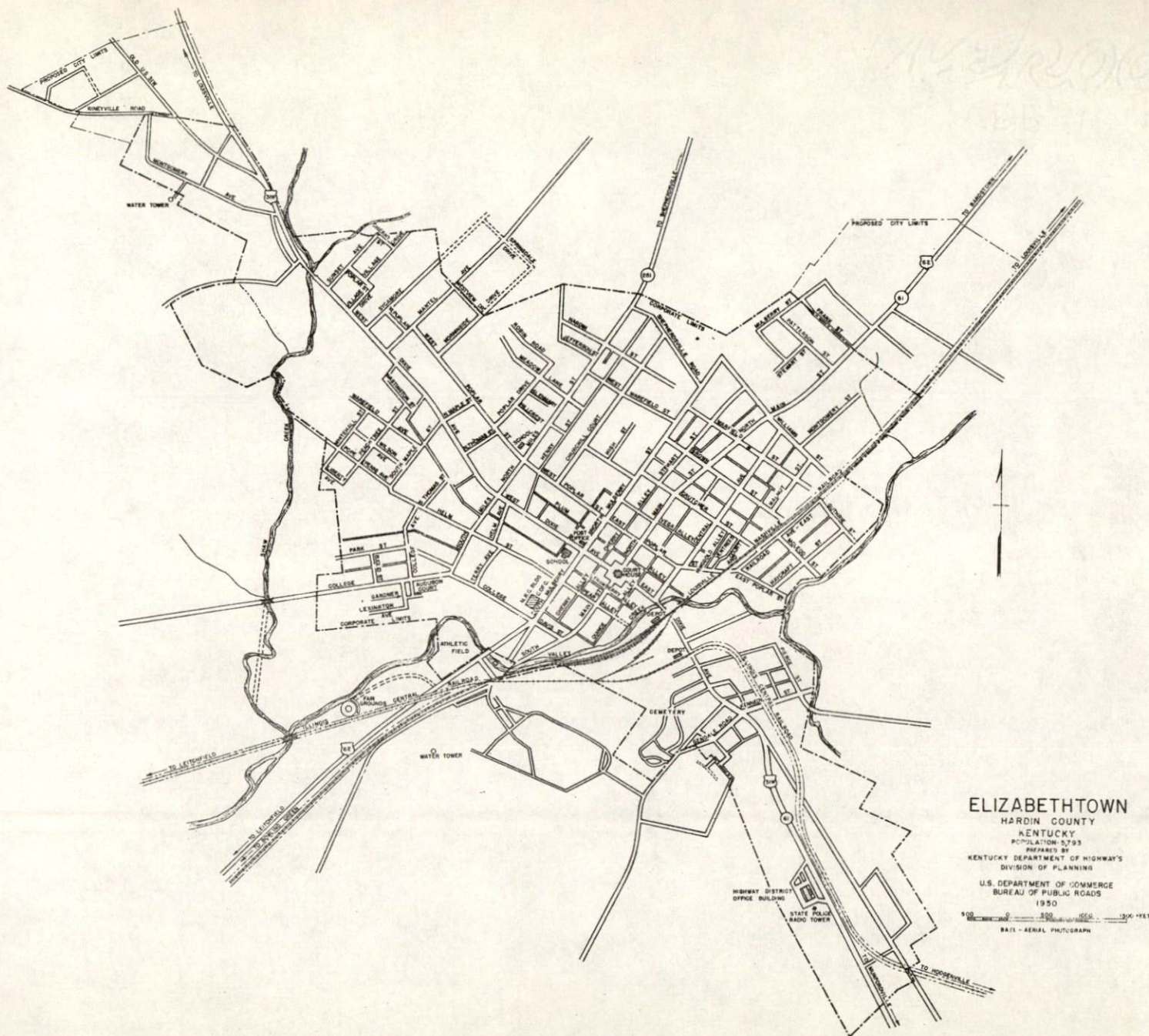
Prepared by  
The Elizabethtown Chamber of Commerce  
and  
The Kentucky Agricultural & Industrial Development Board  
April, 1953





**ELIZABETHTOWN, KENTUCKY**  
**HAS 50,000,000 CUSTOMERS**  
**WITHIN ITS MARKET AREA**







## TABLE OF CONTENTS

	<u>Page</u>
POPULATION AND LABOR	
Population Figures 1860 - 1950; Population Characteristics;	
Labor Market Area; Economic Characteristics	1
Potential Labor Supply; Average Wage Rates	2
Existing Industry; Union Affiliations	3
TRANSPORTATION	
Railroads	3
Highways; Air	4
COMMUNICATIONS	
Postal Facilities	4
Telephone and Telegraph	5
UTILITIES	
Power; Gas; Water	5
Sewage	6
CITY GOVERNMENT AND SERVICES	
Type Government; Tax Rates and Laws	6
Laws Affecting Industry; City Services	7
LOCAL CONSIDERATIONS	
Housing; Health	8
Schools; Libraries; Recreation; Churches	9
Tourist Accommodations; Radio Stations; Banks;	
Retail Businesses; Service Establishments; Retail,	
Wholesale and Service Establishment Sales	10
Climate	11
RESOURCES	11
INDUSTRIAL MARKETS	12
AVAILABLE INDUSTRIAL SITES	12

Appendix Following Page 12



## ELIZABETHTOWN, KENTUCKY

### POPULATION AND LABOR:

#### Population Figures 1860 - 1950

	<u>Elizabethtown</u>	<u>Hardin County</u>
1860	556	15,189
1870	1,743	15,705
1880	2,526	22,564
1890	2,260	21,304
1900	1,861	22,937
1910	1,970	22,696
1920	2,530	24,287
1930	2,590	20,913
1940	3,667	29,108
1950	5,807	50,312

Population Characteristics - The population of Elizabethtown has shown an increase of 58.4% during the past decade, while Hardin County has shown an increase of 72.8% during the same period. 93% of the population of the county are native-white, 1.2% foreign-born white, 5.6% negro, and 0.2% other races.

Labor Market Area - The Elizabethtown labor supply area would include Hardin, Bullitt, Grayson, Hart, Larue, and Nelson Counties. Population of the area as a whole totaled 123,522 in 1950, a 12.2% increase over 1940.

Economic Characteristics - The Elizabethtown area is predominantly agricultural with 18,058 persons working in this industry according to the 1950 Census of Agriculture. Fort Knox is the major non-farm employer in the area, although employment at that installation is not known.

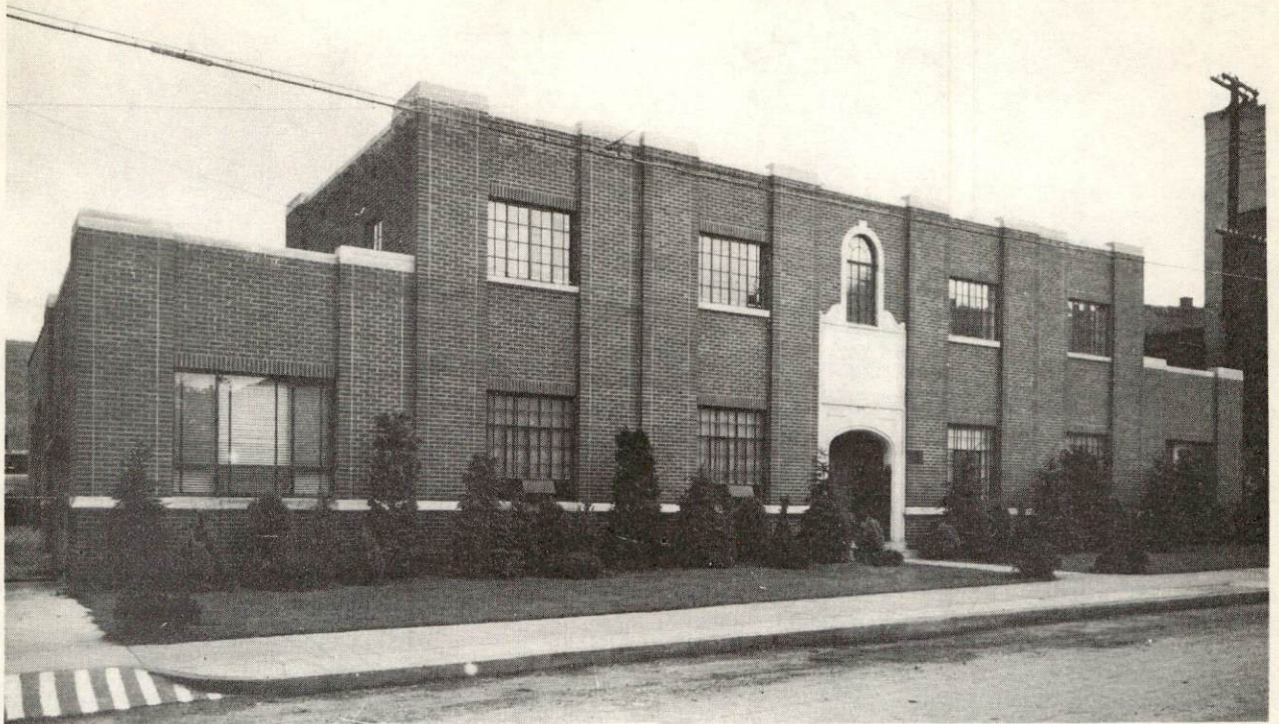


Employment covered by Kentucky unemployment insurance totaled only 6,630 in December, with 2,420 of this number in Hardin County, and 1,884 in Nelson County. There were 2,455 workers in manufacturing jobs, with 1,062 in Nelson County, mostly in distilling. There were only 315 employed in manufacturing in Hardin County with almost one-half of these in the clothing and apparel industry. Only 2% of the area population is engaged in manufacturing -- the Kentucky average is 5% and the United States average is 10%. Manufacturing offered employment to less than 1% of the Hardin County population.

Potential Area Labor Supply - Within the entire Elizabethtown area there would probably be 8,000 workers available for factory jobs, with 3,500 of these being men and 4,500 being women. Most workers would be unskilled, as the men would come mainly from low income farms and the women would be housewives and others not now in the labor force. All of this potential labor supply would not be available for jobs in Elizabethtown, because of commuting problems. It is estimated that 3,900 workers would be available for jobs in Elizabethtown with 1,700 of these being men and 2,200 women.

Average Wage Rates - The average weekly wage for jobs covered by unemployment insurance was \$48.31 during the fourth quarter of 1952. This was well below the state average of \$61.92 for the same period. The average weekly wage for Hardin County was \$50.57.





COCA COLA BOTTLING PLANT

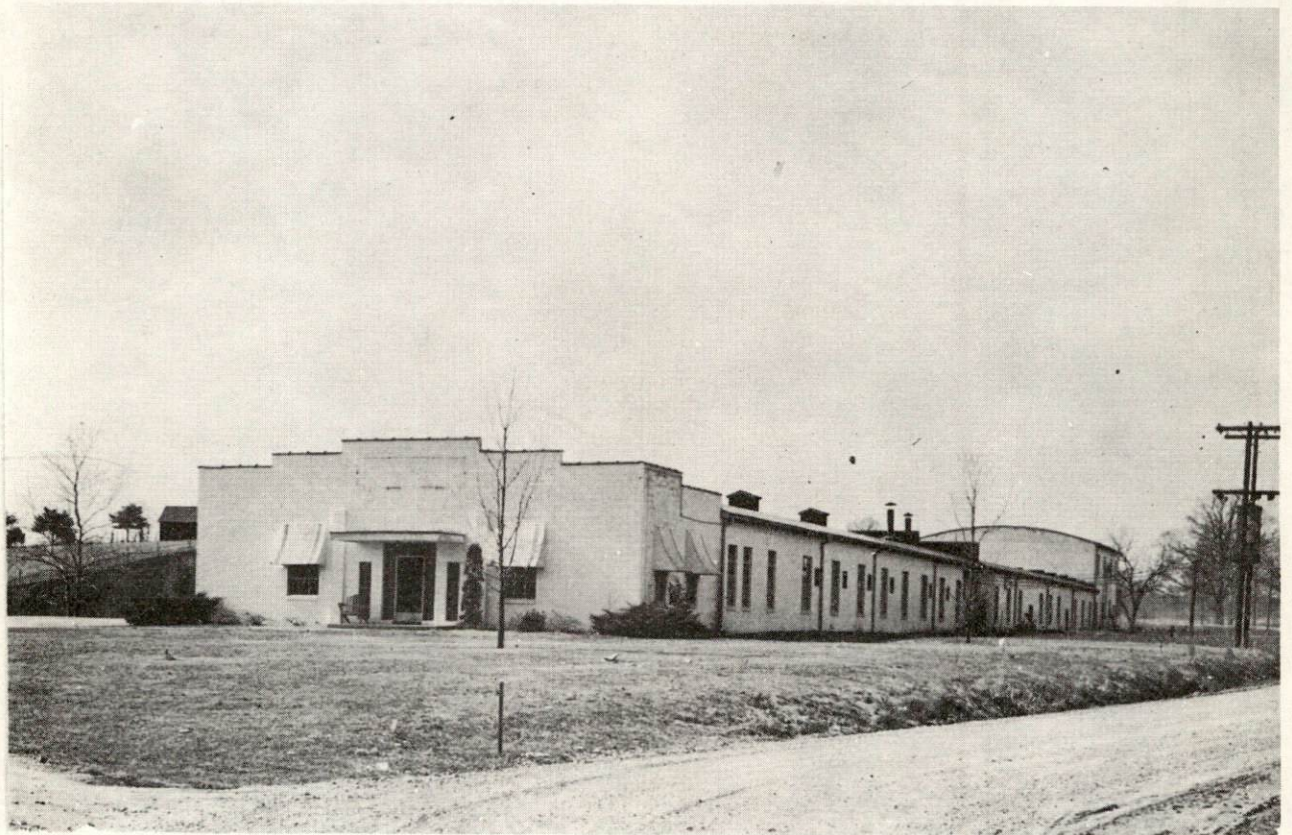


T. & W. MANUFACTURING COMPANY





Elizabethtown Ice and Ice Cream Company



Kentucky Thermoplastics Company



Existing Industry

<u>Industry</u>	<u>Product</u>	<u>M</u>	<u>F</u>	<u>T</u>
Armour Creameries	Cheddar cheese	16	1	17
Coca Cola Bottling Co.	Bottled beverages	26	0	26
Diecks Lbr. Co.	Concrete products	58	3	61
Elizabethtown Ice & Ice Cream Co.	Ice and ice cream	17	5	22
E. L. Anderson Lbr. Co.	Millwork	5	1	6
Geo. J. Glaub & Co.	Sassafras oils	24	0	24
Elizabethtown Lbr. Co.	Millwork	9	1	10
Interstate Motor Supply	Motor rewinding	15	2	17
The Jenkins-Essex Co.	Millwork	12	1	13
T & W Mfg. Co.	Men's dress slacks	29	103	132
White Dove Bakery	Bakery products	4	2	6
Waters Construction Co.	Crushed stone, concrete products	20	1	21
		<u>235</u>	<u>120</u>	<u>355</u>

Union Affiliations - Teamsters Union Local 89 (A.F. of L) Maffet

Transfer.

TRANSPORTATION:

Rail roads - Elizabethtown is served by the Louisville and Nashville Railroad and the Illinois Central Railroad. The Illinois Central operates three local freights weekly between Louisville and Hodgenville, via Elizabethtown.

The Louisville and Nashville operates a local freight between Louisville and Bowling Green, which stops seven times weekly at Elizabethtown.

Approximate Transit Times To

Atlanta, Ga.	28 hrs.	Louisville, Ky.	3 hrs.
Birmingham, Ala.	23 hrs.	Mobile, Ala.	35 hrs.
Chicago, Ill.	28 hrs.	Nashville, Tenn.	6 hrs.
Cincinnati, Ohio	9 hrs.	New York, N.Y.	61 hrs.
Cleveland, Ohio	28 hrs.	New Orleans, La.	44 hrs.
Detroit, Mich.	48 hrs.	Pittsburgh, Pa.	34 hrs.
Knoxville, Tenn.	26 hrs.	St. Louis, Mo.	23 hrs.



Highways - U. S. #31W, #62; Ky. #61, #434

Highway Distances from Elizabethtown To

Atlanta, Ga.	368	Lexington, Ky.	91
Birmingham, Ala.	348	Louisville, Ky.	46
Chicago, Ill.	453	Nashville, Tenn.	178
Cincinnati, Ohio	153	New York, N. Y.	799
Detroit, Mich.	416	Pittsburgh, Pa.	434
Knoxville, Tenn.	271	St. Louis, Mo.	315

Truck Lines Serving Elizabethtown - Maffet Transfer Company with terminal facilities at Louisville, provides truck freight transportation for Elizabethtown. Other truck lines are: Dixie-Ohio Express, Wehby System, Hayes Freight Lines, Bowling Green Express, and Meeks Motor Lines.

Bus Lines Serving Elizabethtown - Southeastern Greyhound Lines operate 28 busses south from Louisville daily and 28 north via Louisville daily. The Kentucky Bus Lines operate 3 busses north and south via Elizabethtown daily, and Central Kentucky Bus Lines operate 2 busses daily east and west via Elizabethtown.

Air - The nearest commercial airport is at Louisville, 46 miles north of Elizabethtown. This airport is served by Eastern, Delta, TWA, and American Airlines.

COMMUNICATIONS:

Postal Facilities - Elizabethtown has a first class post office with 23 employees. There are 4 city routes, 4 rural routes, and 2 star routes. Mail is received 6 times daily and sent out 7 times daily.



Telephone and Telegraph - The Southern Continental Telephone Company, with 31 employees, serves Elizabethtown. There are 2,449 local subscribers served by the system, and connecting toll lines at Louisville. (See Appendix B-1 for rates).

#### UTILITIES:

Power - The Kentucky Utilities Company provides electric power for Elizabethtown from a 4,000 KVA line.

The Nolin REA is authorized to serve the public in Hardin County outside of Elizabethtown. The REA receives its power from the Kentucky Utilities Tyrone plant by a 4,500 KW line, single and three-phase. (See Appendix C for rates).

Gas - Elizabethtown does not presently have natural gas available. The nearest transmission line is that of the Louisville Gas and Electric Company which is located at West Point, Kentucky, 29 miles north of Elizabethtown.

Water - Water is provided Elizabethtown by a municipally owned and operated system. The source of raw water is a large spring from which pumps bring raw water to the purification plant at the maximum rate of 2,700 gpm. Water is treated with flourine, chlorine, lime and alum at the water plant. From the purification plant the water is transmitted to two 120,000 gallon storage tanks, thus providing a storage capacity of 240,000 gallons. Water is distributed to the user by means of 6" and 4" mains. Pressure in the downtown area is 70 pounds psi.  
(See Appendix B-2 for rates).



Sewage - The present sewage facilities at Elizabethtown consist of a sludge and filter type disposal plant with a capacity to serve a population of 10,000. The present plant was constructed in 1947 and is presently used to 80% of its maximum capacity. (See Appendix B-3 for rates).

#### CITY GOVERNMENT AND SERVICES

Type Government - Elizabethtown, a fourth class city, is governed by a mayor, elected for a four-year term, and 6 councilmen, elected for a two-year term.

#### Tax Rates and Laws

##### Property Tax Rates per \$100

	<u>Within City Limits</u>	<u>Outside City Limits</u>
State	\$ .05	\$ .05
County	.65	.65
City	.75	
School	<u>1.50</u>	<u>1.50</u>
Total	\$2.95	\$2.20

(See Appendix D for Kentucky Corporation Tax Information)

Assessment Practice - City - 35% of sale value  
County - 35% of sale value

Total Assessment 1952 - City - \$5,629,061.00  
County - \$15,009,449.00

Annual City Income - \$217,897.03

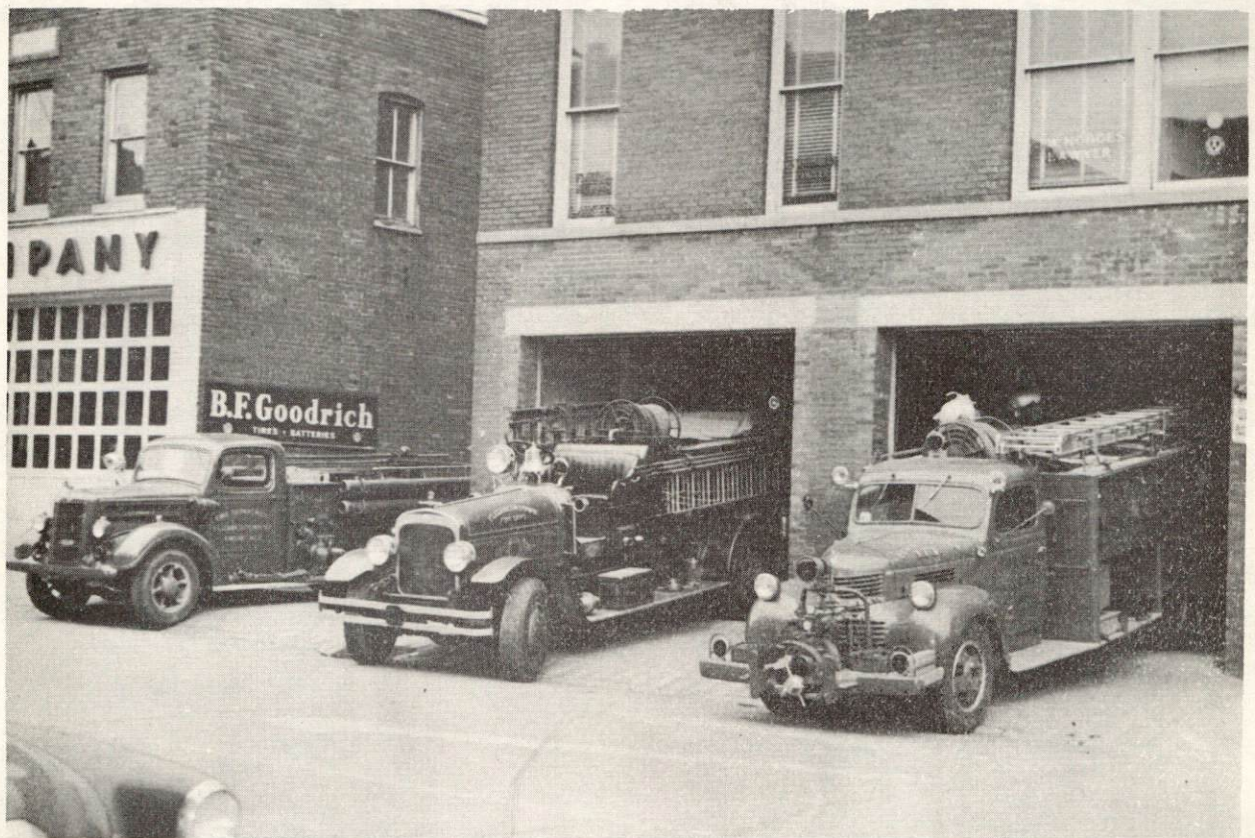
Annual City Expenditures - \$160,812.63

Bonded Indebtedness - County - \$400,000 hospital revenue bonds were issued in 1952 at 2% and are scheduled to be retired in 1972.





POST OFFICE



CITY FIRE DEPARTMENT



<u>City</u>	<u>Date</u>	<u>Amount</u>	<u>Int.</u>	<u>Mature</u>	<u>Out-</u> <u>standing</u>
<u>Type bonds</u>	<u>Issued</u>				
Filtration & water works	1923	\$30,000	5%	1953	\$ 2,000
Sewer bonds	1934	73,000	4%	1974	39,000
Second lein sewer bonds	1944	12,000		1956	4,000
Water works refunding	1945	54,000	2%	1961	34,000
Water & sewer	1945	75,000		1968	64,000
Water & sewer	1949	80,000		1969	73,000
Water & sewer	1951	300,000		1976	298,000

Total outstanding city bonded indebtedness - \$514,000.

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

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

City Services -

Fire Protection - The fire department consists of 29 volunteer firemen. Equipment includes one Seagreaves 750 gpm pumper which is equipped with 2600 feet of 2 1/2 inch hose, and a 250 gallon auxiliary tank. Also, there is a Dodge service truck which has 1000 feet of 2 1/2 inch hose and fire fighting tools; a Mac 600 gpm pumper, with a 150 gallon auziliary tank, and 2500 feet of 2 1/2 inch hose. Elizabethtown also receives fire fighting assistance from Fort Knox, Kentucky.

Police Protection - The police department consists of 11 fulltime officers. The department is equipped with 2 radio patrol cars and radio network connection with the State Police.





COUNTY HOSPITAL UNDER CONSTRUCTION



COUNTY PUBLIC HEALTH BUILDING



Streets - There are approximately 27 miles of streets in Elizabethtown, 17 miles of which are paved. A maintenance crew is regularly employed to keep the streets in good repair.

Garbage - The city has no regular garbage collection service.

Garbage is collected by private individuals on contract.

#### LOCAL CONSIDERATIONS:

Housing - There is presently a subdivision of 206 houses being constructed by a private concern. A two-bedroom house with basement can be purchased for \$8,250, or without a basement for \$7,600.

#### Health -

Hospitals - There is not, at present, a hospital in Elizabethtown, but \$400,000 in hospital revenue bonds have been issued for immediate construction of adequate hospital facilities. The nearest hospital is at Bardstown, 25 miles distant.

Doctors - 10 MD's; 7 Dentists; 11 RN's. The number of doctors and nurses is expected to increase upon completion of the above mentioned hospital.

Public Health Program - The Hardin County Health Unit is housed in an independent building built in 1942 under the Hill Burton Act. It maintains a personnel of nine -- a full-time health officer, 3 nurses, 2 sanitarians, 2 clerks, and a maintenance man. Clinics are held for premarital, postpartum, venereal disease, school health and tuberculosis. There are laboratory, x-ray, and health-mobile facilities available at all times.

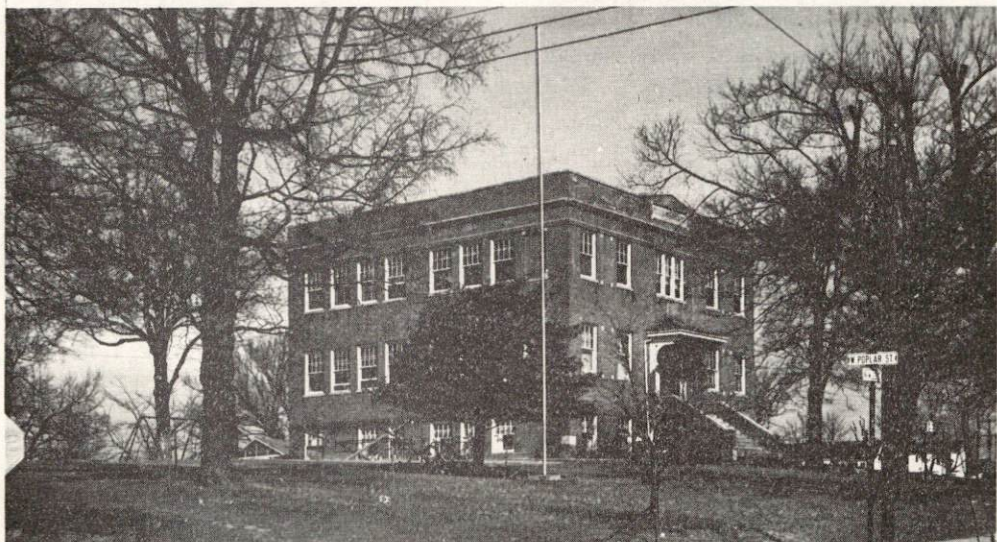




CITY HIGH SCHOOL



ELIZABETHTOWN GRADE SCHOOL

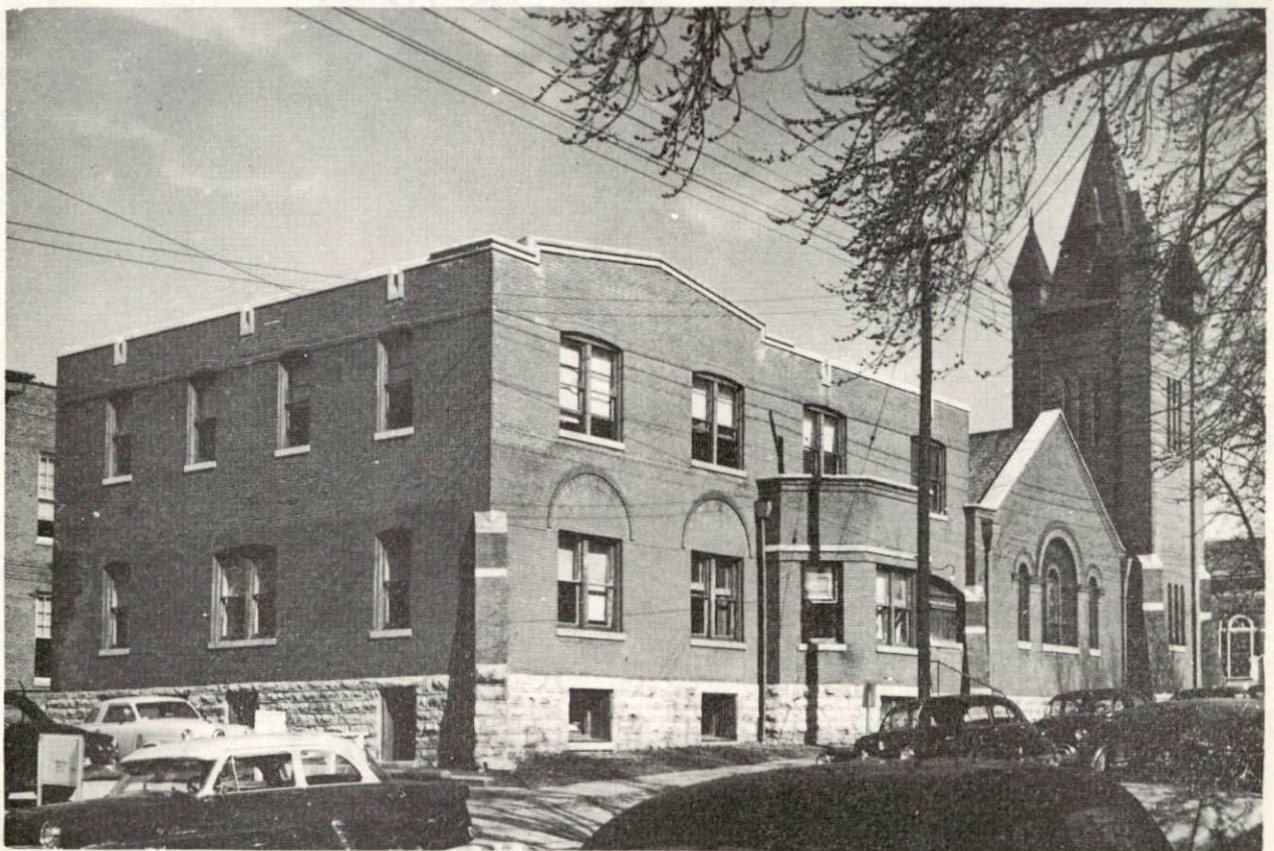


CATHOLIC SCHOOL





CATHOLIC CHURCH



BAPTIST CHURCH



The funds to maintain the local health department are obtained from local, state and federal government. All activities at the health department are under the supervision of the Hardin County Board of Health and the Hardin County Medical Society. Vital statistics records of births and deaths for all residents of Hardin County are kept at the health department.

<u>Schools</u> -	Grades 1 through 12		
	<u>Enrollment</u>	<u>Capacity</u>	<u>Teachers</u>
<u>City</u>	1, 166	at capacity	31
<u>County</u>	4, 597	4, 800	140
<u>Parochial</u>	201	at capacity	13

Colleges - Colleges in the area include: University of Louisville, Louisville (46 miles); Western State College, Bowling Green (72 miles); University of Kentucky and Transylvania College, Lexington (91 miles).

Libraries - Elizabethtown has a public library with 7,000 volumes which is supported by a private foundation.

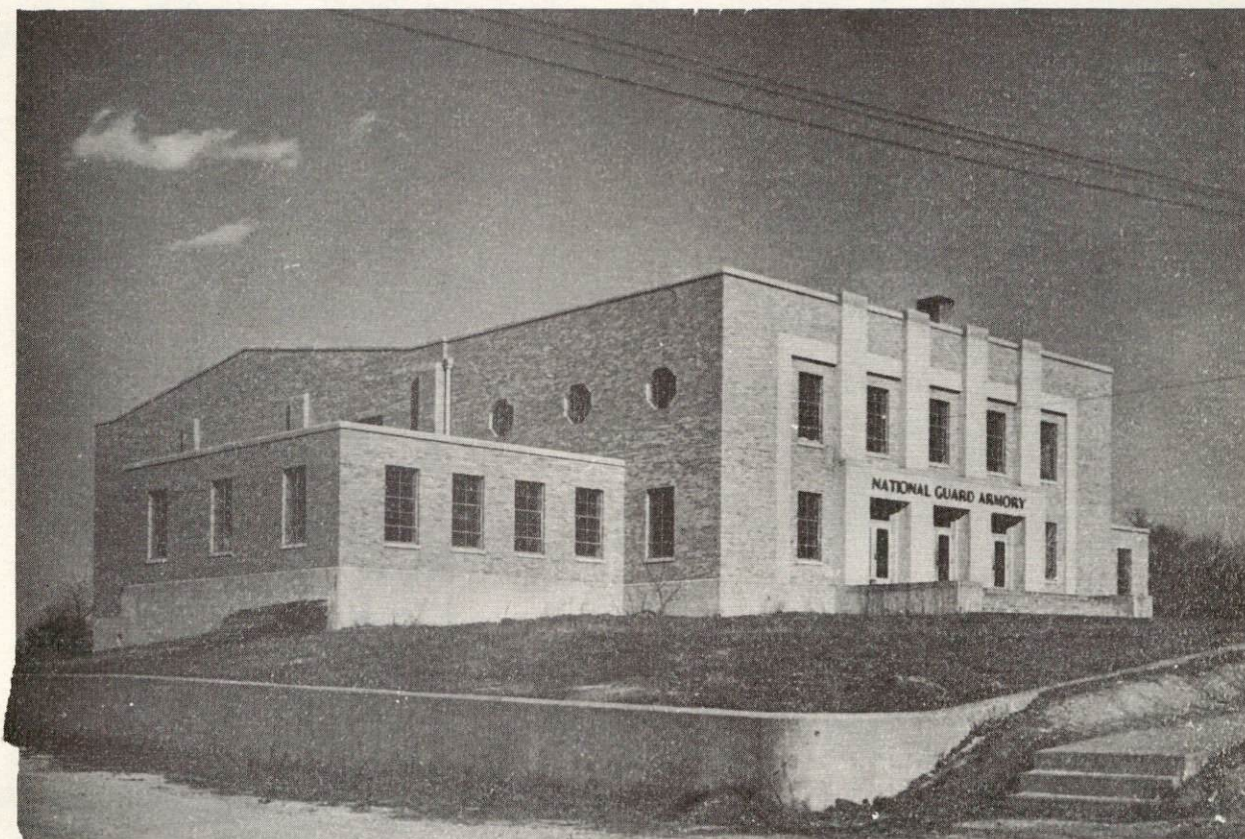
Recreation - Elizabethtown has a public playground which is supervised by a full-time employee. There is also a swimming pool, ball park, and golf course. There are 2 theaters which change programs three times weekly.

Churches - The following denominations are represented in Elizabethtown: Baptist, Catholic, Christian, Church of Christ, Church of God, Episcopal, Methodist, Presbyterian, and Seventh Day Adventist.





RECREATION CENTER



ARMORY



Tourist Accommodations -

Hotels - Joplin Hotel - 54 rooms; Taylor Hotel - 31 rooms;

Lion Hotel - 44 rooms.

Motels - Hayes Motel - 34 units; Burnetts Motel - 38 units;

Elizabethtown Motel - 24 units; Oak Lawn - 12 units; Shade Grove -

7 units; Lemac - 4 units; Blairs - 8 units.

Radio Stations - WEIL, which is an independent station, is operated on 250 watts and 400 kilocycles.

Banks - The First-Hardin National Bank with total deposits of \$10,358,000 and total resources of \$11,315,000.

Retail Businesses

Auto dealers	14
Clothing stores	12
Drug stores	5
Groceries	11
Hardware	13

Service Establishments

Barber & beauty shops	9
Dry cleaning	4
Frozen food lockers	1
Funeral homes	4
Laundry	2
Restaurants	12
Service stations	16

Retail, Wholesale & Service Establishment Sales -

According to the 1948 Census of Business, retail sales in Hardin County during 1948 aggregated \$18.5 million, an increase of 243% over the \$5.4 million in 1939. Wholesale sales reached a total of \$3.8 million in 1948 as compared with \$1.3 million in 1939. The service trades included in the Census of Business recorded receipts totaling \$844,000 in 1948 as compared with \$261,000 in 1939.



Climate

	Temperature (30-yr. rec.)	Precipitation (30-yr. rec.)	Relative Humidity		
			6:30 a. m. (51-yr. rec.)	12:30 p. m. (21-yr. rec.)	6:30 p. m. (16-yr. rec.)
Jan.	33.9	4.74	83	75	73
Feb.	35.8	3.58	82	70	68
Mar.	45.5	4.89	80	65	65
Apr.	54.9	4.22	75	59	60
May	64.4	4.09	76	59	64
June	72.8	4.20	78	58	66
July	76.6	3.43	78	56	67
Aug.	75.2	3.68	81	58	67
Sept.	69.5	2.98	81	58	65
Oct.	57.8	2.92	79	58	62
Nov.	45.6	3.39	80	66	68
Dec.	35.7	4.10	84	73	70

Ann. Norm. 55.6°F      46.22 inches

Prevailing Winds (62-yr. rec.) - from southwest

Days Cloudy or Clear (62-yr. rec.) - Clear - 129

Partly cloudy - 106

Cloudy - 130

Percent of possible sunshine (34-yr. rec.) - Annual - 52%

No. of Days with - Prec. over 0.01 in. (66-yr. rec.) - 133

1.0 or more snow, sleet, hail (62-yr. rec.) - 6

Thunderstorms (62-yr. rec.) - 44

Heavy Fog (44-yr. rec.) - 11

Seasonal Heating Degree Days -(49-yr. rec.) - approximate long-

term means - 4,763 degree days.

RESOURCES:

Rock Asphalt - This mineral resource occurs in the vicinity of

Summitt, where it has been commercially produced, and farther west,

particularly around Little Meeting and Big Meeting Creeks. None of the

deposits are in commercial operation at present.



Limestones - Important deposits of high calcium limestones occur in the county. Several quarries are operated. The limestone is used mainly for construction purposes, but there are many other possible commercial uses.

Sands - Several deposits of sand are available. Deposits at Tip Top and Eastview have had considerable use for glass making and molding purposes. This resource is not being utilized as in the past.

Gravels - Gravels could be obtained from the Ohio River and used for construction purposes.

Clays - Several clay deposits, suitable for common brick manufacture, are present.

#### INDUSTRIAL MARKETS:

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

#### AVAILABLE INDUSTRIAL SITES:

There are several excellent industrial sites which are served by transportation and utility facilities. For detailed information write the Kentucky Agricultural and Industrial Development Board, Capitol Annex Office Building, Frankfort, Kentucky.



## APPENDIX

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



## HISTORY & GENERAL DESCRIPTION

Elizabethtown is situated in Hardin County on Severns Valley Creek, which is a branch of Nolin River. It is 42 miles from Louisville by the L & N Railroad and 46 miles by the Dixie Highway. John Severns, an early adventurer, was attracted to the valley by its beauty and gave his name to the creek and valley.

The first permanent settlers came in the fall of 1779 and in the spring of 1780. Col. Andrew Hynes, Samuel Haycraft, and Capt. Thomas Helm, with their families, settled in the valley.

On July 4, 1797, Elizabethtown was established by an order of the County Court. Col. Andrew Hynes had given 30 acres of land, which was to be laid off into lots on which the public buildings of Hardin County were to be erected. The 30 acres of land, some of which contained heavy forests, was divided into 51 lots, one-half acre each, except at the corners of the public square, which lots contained one acre each.

The first church, the Severns Valley Baptist Church, the oldest church west of the Appalachian Mountains, was organized under a shade tree near the fort of Col. Hynes on June 17, 1781. The first court house in Hardin County was built of logs in 1795 at a cost of \$200.

The settlement continued to grow in spite of frequent Indian raids. Natural resources were plentiful and the settlement prospered. Thomas Lincoln and Nancy Hanks established their first home in Elizabethtown. After the death of Nancy Hanks, Thomas Lincoln married Sarah Bush Johnston, a native of Elizabethtown.

The people of Elizabethtown have been energetic, proud, intelligent, and cultured. They are proud of their early history and have continued to live in a way that does credit to those pioneer souls who planted the first forts there.



## TELEPHONE RATES - Appendix B-1

	<u>Individual</u>	<u>Two-party</u>	<u>Four-party</u>	<u>Extension</u>
Business	\$8.00	\$7.25	----	\$1.50
Residential	\$4.50	\$4.00	\$3.50	\$1.00

Plus .15% Federal tax and 3% state tax.

## WATER RATES - Appendix B-2

First	5,000 gal. per mo.	70¢ per M gal.
Next	5,000 gal. per mo.	60¢ per M gal.
Next	10,000 gal. per mo.	50¢ per M gal.
Next	10,000 gal. per mo.	40¢ per M gal.
Next	10,000 gal. per mo.	30¢ per M gal.
Over	50,000 gal. per mo.	19¢ per M gal.

Minimum of 2,500 gallons \$1.75

Water Tapping Fee - \$50.00

## SEWER RATES - Appendix B-3

To establish sewer service - tapping fee \$35.00

Manufacturing Plant, not more than 25 employees	\$2.50
more than 25 and less than 50 employees	4.50
more than 50 and less than 100 employees	6.00
more than 100 employees	7.50



**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**

**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**

**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 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 103.230, "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.