Western Kentucky University TopSCHOLAR®

Ohio County

Industrial Reports for Kentucky Counties

12-1958

Industrial Resources: Ohio County - Hartford

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

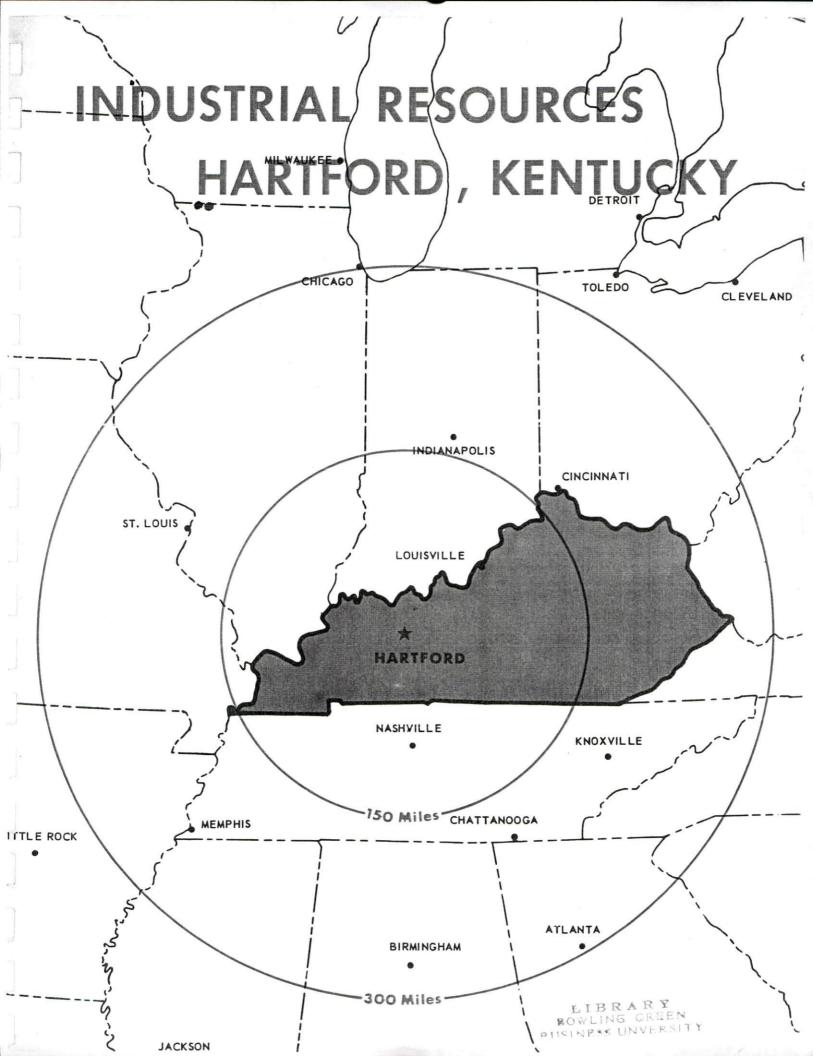
Follow this and additional works at: https://digitalcommons.wku.edu/ohio_cty

Part of the <u>Business Administration</u>, <u>Management</u>, and <u>Operations Commons</u>, <u>Growth and Development Commons</u>, and the <u>Infrastructure Commons</u>

Recommended Citation

 $Kentucky\ Library\ Research\ Collections, "Industrial\ Resources:\ Ohio\ County-\ Hartford"\ (1958).\ {\it Ohio\ County}.\ Paper\ 18.$ $https://digitalcommons.wku.edu/ohio_cty/18$

This Report is brought to you for free and open access by TopSCHOLAR $^{\circ}$. It has been accepted for inclusion in Ohio County by an authorized administrator of TopSCHOLAR $^{\circ}$. For more information, please contact topscholar@wku.edu.



INDUSTRIAL RESOURCES HARTFORD, KENTUCKY

EIBRARY
BOWLING GREEN
RUSINESS UNVERSITY

Prepared by

Hartford Chamber of Commerce and
The Kentucky Department of Economic Development

Frankfort, Kentucky December, 1958

INDUSTRIAL RESOURCES - HARTFORD, KENTUCKY

CONTENTS

	Page
Summary Data	1
Population and Labor	3
Existing Industry	5
Transportation	6
Utilities	7
Fuel	7
Communications	8
Industrial Sites	8
Local Government and Services	8
Taxes	9
Local Considerations	10
Community Improvements	12
Resources	12
Markets	15
Climate	15
Appendix	
 A. History B. Employment by Industry Division C. Economic Characteristics of the Population D. Climatic Data E. Kentucky Corporation Taxes E-1 Taxes Applicable to a Manufacturing Concern F. City Bond Issues for Industrial Buildings 	

G. Instructions for Filing Articles of Incorporation

H. Cooperating State Agencies

SUMMARY DATA FOR HARTFORD, KENTUCKY

POPULATION, 1950: Hartford - 1,564; Ohio County - 20,840.

1957 (est.) Ohio County - 16,316.

HARTFORD LABOR SUPPLY AREA: Includes Ohio and all adjoining counties.

Estimated number of workers available for industrial jobs in the labor supply area - 3,800 men and 7,100 women. Number of workers available from Ohio County - 600 men and 1,300 women.

TRANSPORTATION:

Railroads: Louisville and Nashville Railroad Company serves Hartford. The Illinois Central Railroad Company operates through Beaver Dam, 4 miles distant.

Air: Owensboro-Daviess County Airport, at Owensboro, Kentucky, 26 miles distant, served by Eastern and Ozark Airlines.

Trucks: Served by Eck Miller Truck Line, Majors Truck Line, and Hayes Lines, Inc.

Bus Lines: Fuqua Bus Lines.

HIGHWAY DISTANCES: From Hartford

To	Miles	To	Miles
Atlanta, Ga.	367	Lexington, Ky.	164
Birmingham, Ala.	330	Louisville, Ky.	119
Chicago, Ill.	354	Nashville, Tenn.	110
Cincinnati, Ohio	230	New York, N. Y.	885
Detroit, Mich.	483	Pittsburgh, Pa.	520
Knoxville, Tenn.	268	St. Louis, Mo.	238

UTILITIES:

Electricity: Kentucky Utilities Company.

Natural Gas: There is no gas distribution system in Hartford.

Water: Hartford Water Works.

Sewerage: Sanitary sewerage only. Raw sewage is chemically treated.

POPULATION AND LABOR

Population

The 1950 population of Hartford was 1,564. Table 1 shows population and recent rates of growth in Hartford, Ohio County, and Kentucky.

Table 1.	Population Growth i	n Hartford,	Ohio Count	y and Kentu	cky, 1900-1950
	Hart	ford	Ohio Cou	nty	Kentucky
Year	Population	% Increase	Population	% Increase	% Increase
1900			27, 287		•
1910	976		27,642	1.3	6.6
1920	860	-11.9	26,473	-4.2	5.5
1930	1,106	28.6	24,469	-7.6	8.2
1940	1,385	25.2	24, 421	-0.2	8.8
1950	1,564	12.9	20,840	-14.7	3.5
1957 (est.	.) 1/		15,274	-26.7	.4
Percent o	of Negro Population is	n Ohio Coun			• • •
	of Foreign Born Popu			.8%.	

Labor Force 2/

Definition and Population Trend. The Hartford, Kentucky, labor supply area is defined for purposes of this statement to include Ohio and the following adjoining Kentucky Counties: Breckinridge, Butler, Daviess, Grayson, Hancock, McLean and Muhlenberg. The population centers of all but two of the counties are within 30 miles of Hartford and these two counties are about 40 miles away. This is the area from which workers could be expected to be attracted on a commuting basis to jobs located at Hartford and, of course, additional persons would probably move to that town if large-scale industrial installations were located there.

The population of the eight-county area was 164,352 in 1956, dropping approximately 6,190 from 1950. Ohio County population decreased from 20,840 to 16,316.

Economic Characteristics. Economically the area is primarily agricultural with about 18,900 jobs reported in this industry by the 1950 Census of Population. Farming is not uniform in its prosperity in the area counties with some being excellent and some very poor. In 1949, 6,835 of the 17,093 farms in the area had a cash income of below \$600 with 1,497 of Ohio County's 2,895 farms falling in this low income category.

Area manufacturing employment totaled 8,719 in March 1958 with 7,440 of these jobs located in Daviess County. With the exception of Daviess County, manufacturing employment is exceedingly thin in all of the other counties in the area.

There are wide differences in per capita income among the area counties, which is probably a reflection of the differences in the economy of the counties. Per capita income in 1956 ranged from \$500 in Butler County to \$1,693 in Daviess County with the Ohio County per capita figure estimated at \$787. During this same year, per capita income was estimated at \$1,337 for Kentucky.

The average weekly covered wage in jobs covered by unemployment insurance was considerably below the state average for all area counties except Daviess in the first quarter of 1958. The statewide average was \$74.61 for all industries and \$84.34 for manufacturing, as compared to the Ohio County average of \$70.69 for all industries and \$43.04 for manufacturing. Daviess County had an average of \$71.00 for all industries and \$74.29 for manufacturing.

Estimated Labor Supply for Industrial Jobs. There are three major components of the estimated area labor supply:

- 1. The current unemployed, measured here by unemployment insurance claimants.
- Men who would shift from low paying jobs such as farming, and women who would enter the labor force if jobs were available.
- 3. The future labor supply due to aging of the population and measured here by the number of boys and girls becoming 18 years of age during the next ten years.

It is estimated that 3,800 men and 7,100 women in the eight-county Hartford area could be attracted to good industrial jobs. This estimate includes 802 men and 541 women who were claimants for unemployment insurance during November 1958. Ohio County alone could probably furnish 600 of the men and 1,300 of the women.

Due to the location of Hartford in relation to other population centers, it is not likely that all of the area labor supply would be available for jobs at that point. It is estimated that 1,500 men and 2,700 women could be recruited for jobs located at Hartford on at least an initial commuting basis.

In addition to the current estimated labor supply, there are 17,800 boys and 17,300 girls in these counties who will become 18 years of age during the

next ten years with Ohio County having 2,117 boys and 2,095 girls in this group. It can be assumed that about 80 percent of the boys and 40 percent of the girls will want jobs upon becoming of working age. A great majority of these young workers would probably be available at any point in the area due to their greater job mobility.

Wages. Some examples of wages in the area are: Clerical and secretarial - \$.80 to \$1.20; Laborer - \$1.00 to \$1.20; Semi-skilled - \$1.00 to \$1.50; Skilled - \$1.50 to \$2.50; Truck Driver (inside) - \$1.00 to \$1.50; Electrician (Non-union) - \$1.50 to \$2.50; Electrician's Helper - \$1.00 to \$1.50; Pipefitter - \$1.50 to \$2.00; Maintenance - \$1.00 to \$1.50.

Labor Management Relations. Labor-management relations in Hartford are described locally as excellent.

EXISTING INDUSTRY

Existing Firms, Products and Employment

The following list of manufacturing firms indicates something of the demand for labor and products available in the immediate area of Hartford.

Table 2. Manufacturing Fin	ms, Products and Employm	ent		
		En	nploymen	t
Firm	Product	Male	Female	Total
Baird Manufacturing Company	Cabinets, millwork	3	0	3
Carmine Carden	Cabinets	3	0	3
Chinn-Sharp Lumber Company	Custom millwork, cabinets	16	1	17
N.W. Dockery Slaughterhouse	Meat	3	1	4
Hartford Printing Company, Inc.	Newspaper publishing,			
	commercial printing	4	3	7
Leach Dairy	Butter	2	0	2
Montpelier Glove Company	Leather work gloves	13	28	41
W. F. Schapmire & Sons	Job printing	2	0	2

TRANSPORTATION

Railroads

Hartford is served by the Louisville and Nashville Railroad operating between Madisonville and Hartford. Beaver Dam, 4 miles distant, is served by the Illinois Central Railroad. The L & N Railroad has 3 local freights weekly and 2 team tracks which will accommodate 20 cars. There is local pickup for Railway Express.

Table 3. Railw	ay Transit Time fro	om Hartford, Kentucky	3/
То	Arrive (hrs.)	То	Arrive (hrs.
Atlanta, Ga.	41	Louisville, Ky.	27 1/2
Birmingham, Ala.	34	Los Angeles, Calif.	145
Chicago, Ill.	32 1/2	Nashville, Tenn.	21
Cincinnati, Ohio	45	New Orleans, La.	61 1/2
Cleveland, Ohio	83 1/2	New York, N. Y.	92 1/2
Detroit, Mich.	85	Pittsburgh, Pa.	67 1/2
Knoxville, Tenn.	46	St. Louis, Mo.	24

Highways

Hartford is served by U. S. Route 231 and State Route 69. U. S. Route 231 intersects U. S. Route 62 four miles south of Hartford. The transportation map on the following page shows railroads, major highways, navigable waterways and recreational areas of Kentucky.

Truck Lines. Truck lines serving Hartford include: Eck Miller Transfer Company, Owensboro, Kentucky; Majors Truck Lines, Caneyville, Kentucky; and Hayes Lines, Inc., Springfield, Illinois.

Bus Lines. The Fuqua Bus Lines operate four buses daily between Owensboro and Bowling Green. Connections with the Southeastern Division of the Greyhound Corporation can be made at these locations. The Kentucky Bus Lines at Beaver Dam, provide service to Louisville and Paducah.

Table 4. Highway Distances from Hartford			
То	Miles	То	Miles
Atlanta, Ga.	367	Lexington, Ky.	164
Birmingham, Ala.	330	Louisville, Ky.	119
Chicago, Ill.	354	Nashville, Tenn.	110
Cincinnati, Ohio	230	New York, N. Y.	885
Detroit, Mich.	483	Pittsburgh, Pa.	520
Knoxville, Tenn.	268	St. Louis, Mo.	238

Airways

The nearest commercial airport is the Owensboro-Daviess County Airport at Owensboro, 26 miles distant. Scheduled service is provided by Eastern and Ozark Airlines.

UTILITIES

Electricity

Electricity is supplied Hartford, by the Kentucky Utilities Company. It has a generating capability of 519,000 kilowatts. In 1959, the company will add a 120,000 KW, \$15,443,000 generating unit at its Green River generating station near Central City, bringing the total capability to 639,000 kilowatts. The company has interconnections with Louisville Gas and Electric Company, Ohio Power Company, Kentucky Power Company, Electric Energy, Inc., Central Illinois Public Service Company, T.V.A., and through Louisville Gas and Electric Company with Ohio Valley Electric Corporation.

Natural Gas

At the present time there is no gas distribution system in Hartford.

Water

Water is supplied Hartford by the Hartford Water Works, which uses the Rough River as its source of raw water. Storage facilities are provided for 75,000 gallons. Pumping capacity is 150,000 gallons per day, and average use is 100,000 gallons per day.

Rates:

50¢ M up to 5,500 gal. per mo.

40¢ M - 5,500 gal. to 7,500 gal. per mo.

All over 7,500 gal. 35¢ M

FUEL

Fuel Oil

There are several local distributors who will make available industrial and commercial fuel oil. Current prices may be obtained from the Department of Economic Development.

Coal and Coke

High volatile bituminous coal is produced from six major seams in the Western Kentucky Field. Production has increased steadily in recent years due to the suitability of the coal to stripping and the excellent rail and water transportation facilities. In 1957, this field produced 30, 365, 081 tons. Total Kentucky production was 75, 775, 936 tons.4/

Current delivered prices of coal and coke will be furnished by the Department of Economic Development on request.

COMMUNICATIONS

Postal Facilities

Hartford has a second class post office with 5 employees. There are 3 rural routes and 1 star route and mail is received 2 times and dispatched 3 times daily. Postal receipts for 1957 were \$15,000.

Telephone and Telegraph

Hartford is served by the Southern Bell Telephone Company and has a dial system with 1,500 subscribers. Telegrams are received and dispatched at the local Louisville & Nashville Railroad station.

INDUSTRIAL SITES

There are several sites suitable for industrial use in the Hartford area. For additional information, contact the Department of Economic Development.

LOCAL GOVERNMENT AND SERVICES

Type Government

Hartford, the county seat, is a fifth class city, governed by a mayor elected for four years, and 6 councilmen, elected for two years.

Laws Affecting Industry

Exemption to Industry. As provided by KRS 92.300, Hartford may allow new industry a five year property tax exemption which cannot be extended.

Business Licenses. Occupational and business licenses are levied in Hartford.

Planning and Zoning. Hartford has an active zoning board.

City Services

Fire Protection. Hartford has a volunteer fire department of twenty-six men. Equipment consists of two trucks and 1,750 feet of hose. There are 27 fire hydrants. Water mains are 6" and 4" and water pressure is 60 lbs. Alarm is by telephone and siren. The town has a Class 7 rating for fire insurance purposes.

Police Protection. The police force consists of two full time men. The city owns a radio equipped 1958 Chevrolet patrol car.

Garbage and Sanitation. Garbage is collected as a free city service.

Sewerage. Hartford has a sanitary sewer system with 6" and 8" mains. Raw sewage is chemically treated and discharged into the Rough River.

TAXES

Table 5 shows the property taxes applying in Hartford and Ohio County for 1958.

Table 5.	Property Tax Rates per \$100 of Asset Hartford and Ohio County, 1958	ssed Value;
-	Hartford	Ohio County
County	\$.60	\$.60
State	. 05	. 05
City	. 75	
School	1.50	1.50
Tota	\$2.90	\$2.15

Ratio of Assessment. - Hartford - 30 %; Ohio County - 30%.

Total Assessment. - Hartford - \$10,800,000; Ohio County - \$19,000,000.

City Income. - \$55, 301.28.

City Expenditures. - \$47,500.75.

City Bonded Indebtedness. - \$15,000.00.

County Income, fiscal year 1957. - \$146,755.

County Expenditures, fiscal year 1957. - \$134, 120.50.

LOCAL CONSIDERATIONS

Housing

There are several houses for rent or sale in Hartford. Rental for two and three bedroom houses ranges from \$30 to \$60 per month, and construction costs for 2 and 3 bedroom houses range from \$8,500 to \$15,000.

Health

The Ohio County Hospital, located in Hartford, is a new hospital with 30 beds and ultra modern facilities.

The Ohio County Health Department has a clinic and county officer and assistant and a part time doctor. Their program comprises sanitation, inspection, school health, preventive medicine and health education.

Education

Graded Schools. Listed below are the schools, enrollment and number of teachers in Hartford, Ohio County.

Table 6. Schools, Enrollment and Number of Teachers in Hartford and Ohio

		County 5/
System	Enrollment	Number of Teachers
Ohio County Elementary (total)	3,135	100
Ohio County High (total)	1,013	45
Hartford Elementary	192	5
Hartford High	288	13

Vocational Schools. Kentucky's vocational education program utilizes thirteen specialized regional schools which are partly integrated with secondary education. These special area trade schools prepare Kentuckians for a variety of trade and industrial occupations. Hartford is served by the Owensboro Technical High School, located in Owensboro.

Colleges. Nearby institutions of higher learning include: Kentucky Wesleyan College and Brescia College, Owensboro, 26 miles; Evansville College, Evansville, Indiana, 62 miles; Western State College, Bowling Green, 48 miles; Murray State College, Murray, 126 miles; University of Kentucky and Transylvania College, Lexington, 164 miles.

Libraries

Library service is offered by the Hartford Public Library with 5,000 volumes. There is a bookmobile which makes scheduled visits to all parts of Ohio County.

Churches

The following denominations are represented in Hartford: Baptist, Methodist, Christian, Church of Christ and Church of God.

Banks

	Statement as of December 31, 195	
	Resources	Deposits
Hartford Deposit Bank	\$2,382,819.68	\$2,175,623.49
Citizens Bank	\$1,408,786.77	\$1,315,073.21

Retail Businesses and Service Establishments

Retail		Service	
Food Stores	10	Drug Stores	3
Clothing Stores	4	Restaurants	5
Farm Equipment and Supply	3	Service Stations	7
Furniture and Appliance	6	Barber and Beauty Shops	6
Automotive Dealers	3	Pressing, Cleaning and	
Lumber, Hardware, Building		Repairing	2
Materials	1	Shoe Shops	2
Other Retail Stores	3	Watch, Electrical Repair	4
		Auto Repair and Service	4

Hotel and Motel Accommodations

Pate Tourist Home

15 rooms

Daniels Motel, Beaver Dam

20 units

Leisures Motel, Beaver Dam

10 units

Tilford Hotel, Beaver Dam

Newspapers, Radio and Television

The Ohio County News, a weekly with a circulation of 2,500, serves Hartford.

Nearby radio stations are WOMI, and WVJS in Owensboro; WSON in Henderson. Television stations in Nashville and Louisville provide Hartford with good reception.

Clubs and Organizations

Clubs and civic organizations in Hartford include: Lions Club, Masons, Eastern Star, Shriners, Chamber of Commerce, American Legion, Womens Club, Younger Womens Club, Progressive Club, Boy Scouts, Girl Scouts, Cub Scouts, Brownies, PTA and the Church Circles.

Recreation

Recreation facilities for Hartford include: Swimming pool, playground, fair ground, Lake Washburn and a supervised summer recreation program. Area facilities include: Audubon State Park, Mammoth Cave, Kentucky Dam Village State Park, Kentucky Lake State Park and Pennyrile Forest State Park.

COMMUNITY IMPROVEMENTS

Improvements in Hartford include: A new swimming pool; a new hospital; a new telephone system; and a new post office building. All of Hartford's streets have been paved.

RESOURCES

Agricultural Products

Ohio County covers an area of 381,440 acres. There are 2,318 farms

covering 243,967 acres, or 64.0% of the total land area of the county. The average size is 105.2 acres per farm. The following table lists agricultural statistics for Ohio County.

Table 7. AGRICULTURAL STATISTICS FOR OHIO COUNTY 1955 6/				
	Acres	Yield Per	Total	
Crops	Harvested	Harvested Acre	Production	
Corn (bu.)	35,500	34.5	1,225,000	
Wheat (bu.)	1,000	16.0	16,,000	
Soybeans (bu.)	5,100	17.0	86,500	
Burley Tobacco (lbs.)	1,390	1,120	1,557,000	
Alfalfa Hay (tons)	450	2.50	1,120	
Clo-Tim Hay (tons)	3,800	1.45	5,510	
Lespedeza Hay (tons)	10,600	1.30	13,780	
Product		Value of F	Farm Product Sold	1954
Crops			\$2,257,000	
Livestock			1,075,000	
Dairy			102,000	
Poultry			170,000	
Forest			28,000	
LIVE	STOCK STATIS	TICS FOR KENTU		
	No. on Farms,	Jan. 1, 1957	Total Value (Doll	ars)
All cattle & calves	1,863	,000	\$165,807,000	
Milk cows	654	,000	76,518,000	
All hogs & pigs	1,239	,000	25,895,000	
Sheep & lambs	605	,000	11,616,000	
Chickens	8,745	,000	7,958,000	
Turkeys	70	,000	308,000	

Forests

Ohio County has 150,000 acres of forested land; this covers 39% of the total land area of the county. The tree types in the area include: oak, hickory, beech, yellow poplar, sweet gum and red cedar.

Kentucky's forests are one of its largest resources. Both the amount of timber cut and the proportion used in manufacture within the state could well be increased. The total annual net growth of Kentucky forests is substantially greater than the amount of drain, and less than one-quarter of the lumber, veneer and bolts produced (611 million board feet in 1948) is used in manufacture in the state.

Mineral Resources

Ohio County. The principal mineral resources of Ohio County are coal and petroleum, both of which are produced in large amounts. During 1957, coal production for the county was as follows:

Total rail, all strip - 3,049,711 tons
Truck strip - 1,500 tons
Truck underground - 19,584 tons

Total County - 3,070,795 tons

Of the four or five seams currently worked, the No. 9 is by far the most productive. Analyses of this seam from local mines show the following ranges:

Moisture 6.7% to 11.1%
Ash 5.0% to 14.4%
Sulphur 2.2% to 6.6%
B.t.u. (dry basis) 14,430 to 14,800

Oil production during 1957 was 1,186,084.88 bbls., and for that year Ohio County was sixth in the State in volume of oil produced.

Of minor importance among the County's mineral resources are clays, limestones, and natural gas. Deposits of transported and residual clays, of quality suitable for ordinary brick and tile manufacture, are found; however, these are not known to be present in commercial quantities. Limestones, suitable mostly for roadway construction purposes, occur. Two commercial quarries are presently (1957) in operation. Small amounts of natural gas are secured in oil drilling.

Kentucky. In 1954, Kentucky ranked 11th in the nation in the production of minerals. Total production was valued at \$327 million and the principal minerals were coal, petroleum, gas and stone. In addition to the minerals shown in Table 8, significant amounts of lead, zinc and native asphalt are mined.

Table 8. Kentucky Mineral Production, 1954			7/
Mineral		Unit	Amount
Coal		Short tons	56, 964, 408
Petroleum		Thousand 42 gal. bbls.	13,791
Natural Gas (Marke	eted Production)	Million cubic feet	72,713
Stone (except limes	tone for cement)	Short tons	10, 129, 725
Fluorspar		Short tons	571,481
Sand and gravel		Short tons	4,729,606
Natural gas liquids		Thousand gal.	218,190

MARKETS

Hartford, Ohio County, is located in the west middle section of Kentucky. Good access to markets is provided by rail and highway transportation. Metropolitan areas of Louisville, Cincinnati, Evansville, Memphis, Nashville and St. Louis are within 300 miles of Hartford.

The retail sales of Ohio County were estimated at \$8,020,000 in 1957. Effective buying income was estimated at \$877 per person and \$3,118 per family.

CLIMATE

The average annual precipitation in Kentucky ranges from 38-40 inches in the northern part of the state to 50 inches or more in the southcentral part. Late summer is normally the driest part of the year.

Winter is usually relatively open with midwinter days averaging 32 degrees \mathbf{F} . in the northern parts, to 40 degrees \mathbf{F} . in the southern for about six weeks duration. Midsummer days average 74 degrees \mathbf{F} . in the cooler uplands, to 79 degrees \mathbf{F} . in the lowland and southern areas. The growing season varies from 180 days in the North to 210 in the South. Seasonal heating degree days average about 4,500 for the state. Sunshine prevails for an average of at least 52 percent of the year, and increases to 60 percent or more to the southwest.

Kentucky's climate is temperate. The climatic elements of sunlight, heat, moisture, and winds are all in moderation without prolonged extremes. Rainfall is abundant and fairly regular throughout the year. The seasons differ markedly, though warm to cool weather prevails with only short periods of extreme heat and cold.

BIBLIOGRAPHY

- Kentucky Agricultural Experiment Station, Population Estimates for Kentucky Counties, July 1, 1957.
- <u>Z/</u> Kentucky Department of Economic Security, Robert MacDonald, <u>Labor</u> Supply Statement for Ohio County, Kentucky, Area.
- 3/ Louisville and Nashville Railroad, General Industrial Agent, Louisville, Kentucky.
- 4/ Kentucky Department of Mines and Minerals, Annual Report, December 31, 1957.
- 5/ Kentucky Public School Directory, 1957-1958, Department of Education, October, 1957, Frankfort, Kentucky.
- 6/ Kentucky Agricultural Statistics, 1956. (Kentucky Crop and Livestock Reporting Service).
- 7/ Minerals Yearbook, 1954. Volume 3, Area Reports.
- 8/ Sales Management Magazine (May 10, 1958).

APPENDIX

History	Appendix A
Employment by Industry Division	Appendix B
Economic Characteristics of the Population	Appendix C
Climatic Data	Appendix D
Kentucky Corporation Taxes	Appendix E
Taxes Applicable to a Manufacturing Concern	Appendix E-1
City Bond Issues for Industrial Building	Appendix F
Instructions for Filing Articles of Incorporation	Appendix G
Cooperating State Agencies	Appendix H

HISTORY

Ohio County, 35th county formed in Kentucky, was created in 1798 out of parts of Hardin County. In later years, Daviess County was formed in its entirety from Ohio County; also parts of Hancock, Butler, McLean and Grayson Counties were taken from Ohio County for their formation. The county is situated in the west middle portion of the state on the Green River. Although its present boundaries do not touch the Ohio River, it was named for that stream.

Hartford, the county seat, was incorporated in 1808. The immediate vicinity of Hartford was settled at a very early period, and was often the scene of bloody strife and acts of noble daring. Hartford and Barnett's stations were about two miles apart, and although never regularly besieged, were frequently harassed by straggling parties of Indians.

Covered Employment by Major Indu			ty, Kentucky		
		County	Kentu	Kentucky	
Industry, Dec., 1957	Number	Percent	Number	Percent	
All Industries	889	100.0	454,964	100.0	
Mining & Quarrying	248	27.9	39,643	8.7	
Contract Construction	91	10.2	28,050	6.2	
Manufacturing	148	16.6	172,876	38.0	
Food and kindred products	29	3.3	24,703	5.4	
Tobacco	0		18,419	4.0	
Clothing, Tex. & Leather	31	3.5	24,041	5.4	
Lumber & furniture	72	8.1	14,456	3.2	
Printing, Pub. and paper Chemicals, petroleum, coal	16	1.8	9,726	2.1	
& rubber	0		13,288	2.9	
Stone, clay & glass	0	-	4,884	1.1	
Primary metals	0		7,539	1.6	
Machinery, metal & equip.	0		53, 150	11.7	
Other	0		2,670	. 6	
Transportation, Communication					
& Utilities	47	5.3	32,346	7.1	
Wholesale & Retail Trade	259	29.1	126,699	27.8	
Finance, Ins. & Real Estate	39	4.4	18,509	4.1	
Services	57	6.4	35,517	7.8	
Other	0		1,324	.3	

Economic Characteristics of the P	Ohio	County		
Subject	Male		Kentu	
	Male	Female	Male	Female
Total Population	10,553	10,287	1,474,987	1,469,8
EMPLOYMENT STATUS				
Persons 14 years old & over	7,519	7,277	1,039,654	1,048,45
Labor force	5,423	682	799,094	214, 16
Civilian labor force	5,420	681	777, 155	213, 9
Employed	5,257	665	748,658	
Private wage & salary	1,947	383	437,752	206,3
Government workers	191	145	45,354	156, 3
Self-employed	2,836	93	235, 407	28,78
Unpaid family workers	283	44	30, 145	15,10
Unemployed	163	16	28, 497	6,06
Experienced workers	162	16	28,082	7,58
New workers	1	10	415	7, 28
5. A			415	30
Not in labor force	2,096	6,595	240,560	024 24
Keeping house	41	5,376	5,495	834, 20
Unable to work	964	368	70,583	665,56
Inmates of institutions	11	1	14, 764	38,56
Other and not reported	1,080	850		7,22
14 to 19 years old	665	652	149,718	122,94
20 to 64 years old	283	161	84, 410	85,89
65 and over	132	37	47,447 17,861	28,95 8,10
AJOR OCCUPATION GROUP				
OF EMPLOYED PERSONS				
ll Employed	5,257	665	748,658	206,32
Professional & technical	131	120	34, 405	25, 41
Farmers & farm mgrs.	2,324	9	169,728	
Mgrs., officials & props.	308	46	57, 432	2, 26
Clerical & kindred wkrs.	106	119	33, 228	9,70
ales workers	124	89	35, 141	47,52
Craftsmen and foremen	595	5	107, 292	20,53
peratives & kindred wkrs.	803	93	152, 280	3,09
Private household wkrs.	7	67	1,584	37,60
ervice workers	70	76	30,522	21,40
arm laborers, unpaid fam.	273	15	29, 165	28,00
arm laborers, other	213	1	38, 358	3,26
aborers, ex. farm & mine	246	5	49,848	788
occupation not reported urce: Bureau of the Census, 1950	67	20	0 675	1,84 4,89

Source: Bureau of the Census, 1950 Census of Population (Washington, 1952), Vol. II, Part 17, Tables 25, 28, and 43.

CLIMATIC DATA FOR HARTFORD, OHIO COUNTY, KENTUCKY

	Temperature Norm 1/	Total Prec. Norm 1/	Average Relati	ve Humidity Readings 2/
Month	Degrees Fahrenheit	Inches	6:30 AM	6:30 PM (CST)
January	36.3	4.18	82	72
February	37.9	3.44	80	68
March	47.4	4.51	78	62
April	57.0	4.14	74	57
May	66.2	4.11	75	58
June	74.5	3.71	77	59
July	78.1	3.66	78	57
August	76.6	3.10	81	61
September	71.4	2.77	83	63
October	59.2	2.76	82	62
November	47.5	3.24	79	65
December	38.1	3.65	82	72
Annual Norm	57.5 degrees F	. 43.27 inches		

1/ Station Location: Beaver, Ohio County, Kentucky

2. Station Location: Evansville, Indiana

Length of record - 6:30 AM readings - 54 years; 6:30 PM readings - 41 years.

Days Cloudy or Clear: (54 years of record) - 112 days clear; 131 days partly cloudy; 122 days cloudy.

Percent of Possible Sunshine: (40 years of record) - annual 62 per cent.

Days with Precipitation over 0.01 Inch: (55 years of record) - 115 days.

Days with 1.0 or More Snow, Sleet, Hail: (54 years of record) - 5 days.

Days with Thunderstorms: (55 years of record) - 50 days.

Days with Heavy Fog: (55 years of record) - 12 days.

Prevailing Wind: (55 years of record) - South.

Seasonal Heating Degree Days: (50 years of record) Approximate long-term means - 4,546 degree days.

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:

	Rate Per Share (Par Value)	Rate Per Share (No Par Value)	
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 rate is 5% on the first \$25,000 of taxable net income and 7% on all over \$25,000 taxable net income. Taxable net

income is that portion of the corporation's entire net income which is attributable to Kentucky operations. Federal income taxes are allowed as a deduction in arriving at taxable net income to the extent that such Federal income tax is applicable to Kentucky operations.

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.

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 corporation 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 their 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. Classification is provided and assessments are required to be at fair cash value. However, Kentucky courts have consistently held that uniformity takes precedence over full value. As of 1955, the statewide assessment level on real estate and tangible personalty is about 35 per cent, and on intangible personalty is approximately full value.

State ad valorem tax rates, applicable to the various classes of property are shown on the table below. Property which may be taxed locally, subject to constitutional or statutory limits, is indicated by the designation "full" or by the maximum rate which may be levied on a particular class of property.

	Rate Per \$100 Assessed Value			
	State	County	City	School
Annuities	\$.05	\$No	\$No	\$ No
Bank deposits	.10	No	No	No
Bank shares	. 50	. 20	. 20	. 40
Brokers accounts receiva	ble, 10	No	No	No
Building and loan associa-				
tion capital stock	.10	No	No	No
Car lines	1.50	No	No	No
Distilled spirits	50	Full 1/	Full	Full
Farm products in storage	. 05	.05 (tobacco)	.05 (tobacco)	No
		. 15 (other)	. 15 (other)	7
Farm products in the hand	ls	•	A A SEC TO CONSTRUCTION FOR	
of producers or agent	. 25	No	No	No
Intangibles, franchise	. 50	Full	Full	Full
Intangibles, franchise				
nonoperating	. 25	No	No	No
Intangibles, not else-				
where specified	. 25	No	No	No
Livestock and poultry	. 50	No	No	No
Machinery, agricultural				
and manufacturing	. 50	No	No	No
Raw materials and produc	ts			
in course of manufacture	. 50	No	No	No
Real property	. 05	Full	Full	Full
Tangible personalty, not				
elsewhere specified 2/	. 50	Full	Full	Full

^{1/} County rates have a maximum of 70¢ but average 62¢; school rates average \$1.56 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.

^{2/} Includes automobiles and trucks, merchants inventories and manufacturers finished goods, business furniture and fixtures, etc.

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 stock-holders 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.

KENTUCKY STATE AND LOCAL TAXES APPLICABLE TO A MANUFACTURING CONCERN

S	tate	
U	Late	۰

Local

Business Taxes

1. Corporation income tax of 5% on first \$25,000 and 7% on all over \$25,000 of taxable net income which is allocated to Kentucky, after deduction of Federal corporation income tax attributable to Kentucky operations.

2. Corporation license tax of 70 cents on each \$1,000 of that part of the value of capital stock represented by property owned or business transacted in Kentucky; minimum tax \$10.

There are no local taxes levied on business firms outside corporate limits of Kentucky cities.

Personal & Individual

Individual income tax consisting of:
(1) a normal tax which ranges from 2% on the first \$3,000 of net income to 6% on net income in excess of \$8,000 after the deduction of Federal individual income tax payments, which is reduced by a tax credit of \$12 for each exemption; and (2) a surtax which ranges from 10% on the first \$25 normal tax to 30% on all over \$100 normal tax.

There are no local individual income taxes levied outside the corporate limits of Kentucky cities.

Real Estate

Five cents on each \$100 of assessed valuation. The average county assessment ratio is approximately 33 percent of current market value.

Machinery & Equipment

Fifty cents on each \$100 of assessed valuation. The average assessment ratio is approximately 33 percent of current market value.

No local taxing jurisdiction allowed to impose a property tax on manufacturing machinery and equipment.

Inventory

Fifty cents on each \$100 of assessed valuation. The average assessment ratio is approximately 33 percent of current market value.

No local taxing jurisdiction is allowed to impose a property tax on manufacturing inventories, raw materials and goods in process.

Sales & Use None

Intangible Property

The assessment ratios and tax rates per \$100 of assessed value for the various classes of intangible property are as follows:

Bank Deposits	100%	10¢
Stocks & Bonds	100	25
Accounts Receivable	85	25

None

No local taxing jurisdiction allowed to impose a property tax on intangible property.

KENTUCKY REVISED STATUTES

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 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 or 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.

COMMONWEALTH OF KENTUCKY DEPARTMENT OF STATE Secretary of State, Frankfort, Kentucky

INSTRUCTIONS FOR FILING ARTICLES OF INCORPORATION FOR FOREIGN CORPORATIONS IN KENTUCKY

- 1. Original articles of incorporation and all existing and subsequent amendments to original articles must be filed with the Secretary of State of Kentucky, certified by the Secretary of State of the state of incorporation, as of the current date, in chronological order. A \$25.00 filing fee for original articles and amendments is required. A fee of \$10.00 is required for recording articles and amendments.
- 2. A statement of corporation designating a process agent and place of business in Kentucky required, for which the filing fee is \$5.00. Our Constitution requires that the process agent reside at the place of business.
- 3. Photostatic copies will be accepted for filing and recording, if they are PLAINLY LEGIBLE and in proper legal form with respect to size, durability, etc., and of such size and quality as to permit them to be rephotostated.

For further information write to

Thelma L. Stovall, Secretary of State, Commonwealth of Kentucky.

COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Department of Economic Development, 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. Since it is a statutory function of the Department of Economic Development "to coordinate development plans," contact with the following state agencies and others concerned may be established through this agency.

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 1955, 2,560 miles of highway and bridges were placed under contract at a total cost of \$49,133,000. This figure does not include \$30,000,000 which was spent on a new turnpike opened in August 1956, between Louisville and Elizabethtown, Kentucky. Kentucky has ranked in the upper fourth of all states in recent years in both the number of miles of highway construction and in the amount of money spent.

The Department of Economic Security will furnish data regarding potential labor supply, prevailing wage rates, characteristics of labor supply and employment and economic characteristics for any area in the State. The Department's Division of Employment Service with offices in 24 cities in the State is available at all times to assist in recruitment of workers for industry both old and new. All local offices in the State are equipped to administer specific aptitude tests for 270 different occupations as a part of the recruitment process. These tests facilitate getting the "round peg" into the "round hole" thereby helping to reduce worker turnover and training time.

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.

The Kentucky Department of Economic Development 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. 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 our present family of industries.