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Industrial Resources: Woodford County - Versailles

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ECONOMIC & INDUSTRIAL SURVEY

of

Versailles, Ky.



Prepared By

WOODFORD COUNTY CHAMBER OF COMMERCE

— and —

THE AGRICULTURAL & INDUSTRIAL DEVELOPMENT BOARD

— of —

KENTUCKY

ECONOMIC AND INDUSTRIAL SURVEY
OF
VERSAILLES, KENTUCKY

Prepared by

The Woodford County Chamber of Commerce
and
The Agricultural and Industrial Development Board
of
Kentucky

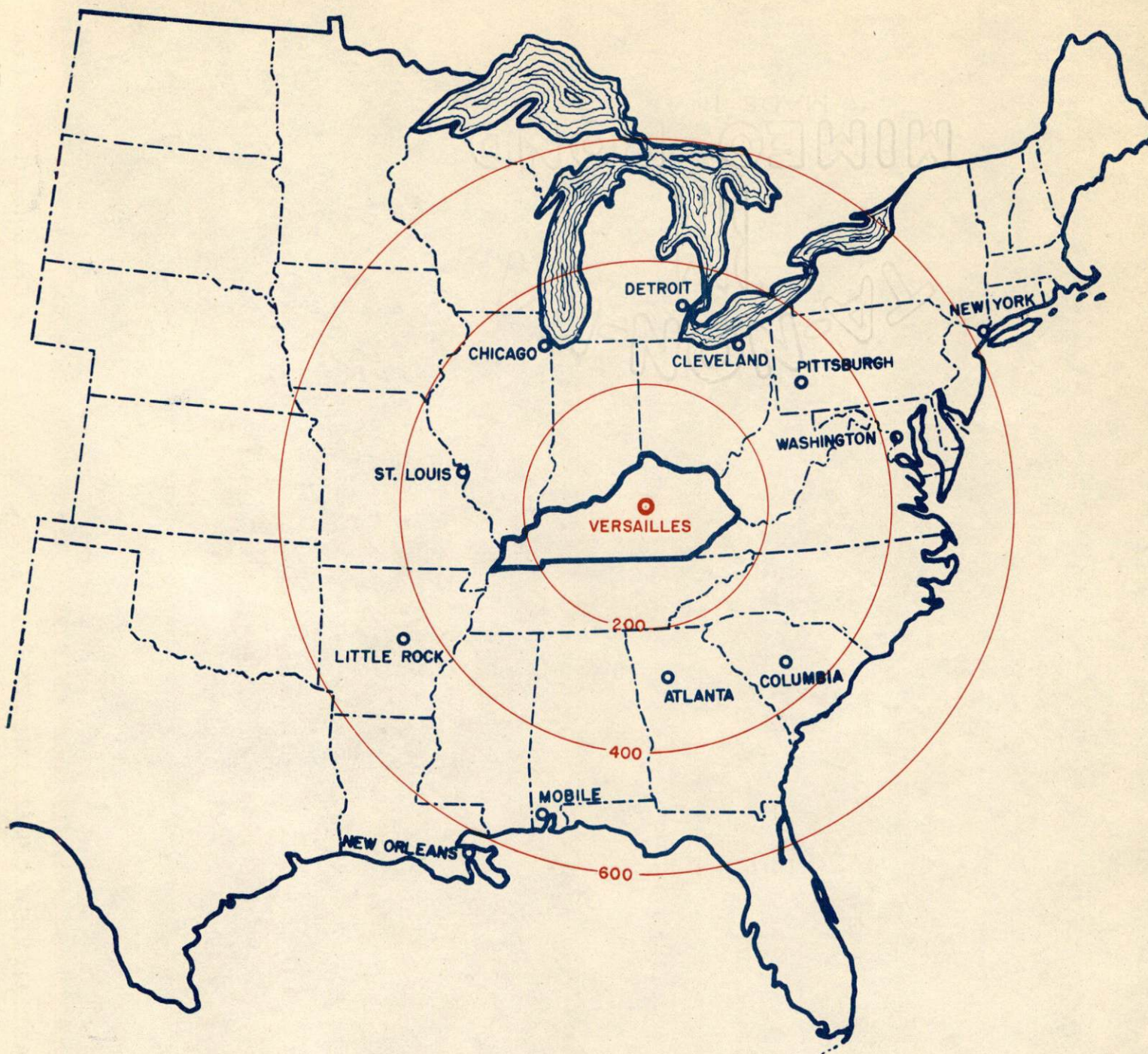
September 27, 1951



AERIAL VIEW OF VERSAILLES

Lexington Herald-Leader
Photo

Photo



VERSAILLES, KENTUCKY

HAS 50,000,000 CUSTOMERS
WITHIN ITS MARKET AREA

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VERSAILLES, KENTUCKY

Versailles, the county seat and trade center of Woodford County, is located in the heart of the Blue Grass Region of Kentucky, 12 miles west of Lexington.

(See Appendix A for History and General Description.)

POPULATION AND LABOR:

Population Figures 1850 to 1950 -

	<u>Versailles</u>	<u>Woodford County</u>
1850	-----	12,423
1860	1,142	11,219
1870	3,268	8,240
1880	2,126	11,800
1890	-----	12,380
1900	2,337	13,134
1910	2,843	12,571
1920	2,061	11,784
1930	2,244	10,981
1940	2,548	11,847
1950	2,755	11,188

Population Characteristics - According to the 1950 census, the population of Woodford County has shown a decrease of 5.6% during the past 10 years, while Versailles registered an increase of 8.1% during the same period. The majority of the residents are native born white (80%), with approximately 20% being colored and less than 1% being foreign born. 54% of the residents are female, 46% male. A numerical study of the productive age group reveals an out-migration, particularly male; this apparently is due to lack of sufficient job opportunities in the locality.

The median school years completed in Versailles is 11.1, which is one of the highest in Kentucky.

Labor Market - For purposes of labor market analysis Versailles is located in an area which includes Woodford, Anderson, Mercer, Jessamine, Fayette, Scott and Franklin Counties.

Industrial Pattern - Agriculture is the most important single industry in this area with approximately one-fourth of the employed persons earning their living by farming. Approximately 3% of the total population of the commuting area is engaged in manufacturing industry. Government employment is a very important factor in Fayette and Franklin Counties.

There were a total of 30,000 persons covered by unemployment insurance in this area in September of 1950. Of this total 9,000 were in manufacturing industries with 4,000 in food and beverages, 2,300 in clothing, and 1,000 in machinery, metal products and equipment (almost entirely in Fayette County). Woodford County had a covered manufacturing employment of 989 in September of 1950, about 900 of whom were employed in the distilling industry. (See Appendix B for Table showing number of workers covered by Unemployment Insurance)

Labor Supply - It is estimated that from 2,000 to 3,000 workers could be recruited in this area if attractive job openings were available. About one-fourth of these workers would be women, and most of the workers would be unskilled.

Existing Industry -

<u>Industry</u>	<u>Product</u>	<u>M</u>	<u>F</u>	<u>T</u>
Barret and Sons	White shirts, wash dresses	1	40	41
Farmers Union Mill	Flour, meal	12	1	13
George Salmon	Brooms	1	1	2
		<u>14</u>	<u>42</u>	<u>56</u>

Union Affiliations - None

TRANSPORTATION:

Railroads - Southern Railway.

Carload Transit Times

To

Atlanta, Ga. - 2nd morning	New Orleans, La. - 3rd morning
Chicago, Ill. - 2nd morning	New York, N. Y. - 5th morning
Cleveland, O. - 3rd morning	Pittsburg, Pa. - 3rd morning
Detroit, Mich. - 3rd morning	St. Louis, Mo. - 2nd morning
Mobile, Ala. - 3rd morning	Washington, D. C. - 5th morning

Highways - U. S. #60; Ky. #33.

Highway Distances to Major Cities in Area

Atlanta, Ga. 416	Louisville, Ky. 64
Birmingham, Ala. 463	Nashville, Tenn. 224
Chicago, Ill. 366	New York, N. Y. 725
Cincinnati, Ohio 104	Pittsburg, Pa. 387
Detroit, Mich. 367	St. Louis, Mo. 332
Knoxville, Tenn. 220	

Bus Lines Serving Versailles - Southeastern Greyhound Lines with a total of 10 buses daily; Cooper Bus Lines, with 3 round trips daily to Lexington.

Truck Lines Serving Versailles - C. & C. Motor Delivery Co., Cincinnati, Ohio; Hayes Freight Lines, Mattoon, Ill.; Ecklar-Moore Express, Inc., Cynthiana, Ky.; Huber & Huber Motor Express, Inc., Louisville, Ky.; Huls Transfer Co., Winchester, Ky.; Reliance Trucking Co., Louisville, Ky.; Yeary Transfer Co., Winchester, Ky.

Air - Blue Grass Airport, six miles distant, is a scheduled stop for Eastern, Delta, and Piedmont Airlines (Class 3 airport).

COMMUNICATIONS:

Postal Facilities - Versailles has a 2nd class post office with 16

employees. There are 2 city routes, 6 rural routes, and 2 star routes. Mail is received four times daily by truck. Postal receipts for 1950 totaled \$26, 000.

Telephone & Telegraph - Served by the Kentucky Telephone Corporation, with 26 employees. There are 1, 125 subscribers in Versailles and vicinity. There is a Western Union office in the city. (See Appendix C-1 for rates.)

UTILITIES:

Water - During 9 months of the year city water is supplied by Big Spring; during the summer months water is also obtained from a 180 ft. deep well (80 gpm) and the Kentucky River, 6 miles away, where two 250 gpm pumps are located. There are two raw water reservoirs with total storage capacity of 300, 000 gallons; plus a 75, 000 gallon receiving tank at filtration plant. Rated capacity of filtration plant is 400 gpm. Basin under filtration plant holds 150, 000 gallons of purified water. There are two elevated tanks, holding 65, 000 gallons and 150, 000 gallons. Average pressure maintained is 60 to 65 pounds per square inch. Most of the city's water mains are 6 inch. There are approximately 900 water connections within the incorporated area. (Rates included in Appendix C-2).

Gas - Supplied by Frankfort Kentucky Natural Gas Company, with average of 1, 100 B. T. U. content. (See Appendix C-3 for rates.)

Electricity - Supplied by Kentucky Utilities from 33, 000 volt transmission line. (See Appendix D for rates.)

Sewage - Sewage disposal plant, completed in 1935, has a maximum

flow of 320,000 gallons. Present daily flow is estimated at 150,000 gallons. Sewage charge is 15% of the water bill.

CITY GOVERNMENT AND SERVICES:

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

Tax Rates and Laws -

Property Tax Rates per \$100 in 1950

	<u>Within City Limits</u>	<u>Outside City Limits</u>
State	\$.05	\$.05
County	.32	.32
School	1.50	.60
City	.75	--
Sinking Fund	<u>.25</u>	<u>--</u>
Total	\$ 2.87	\$.97

*60¢ levy applies to those outside 5 mile radius of the city. Within a 5 mile radius there is a \$1.50 levy.

(See Appendix E for Kentucky Corporation Tax information).

Assessment Practice - City - 30% of sale value
County - 30% of sale value

Total Assessment - City - \$2,938,232
County - \$18,255,395

Bonded Indebtedness - City - \$26,000 (voted), being retired by a 25¢ levy, with last payment due in January, 1957. \$34,000 sewer revenue bonds are retired from sewage charge (15% of water bill within city limits; 30% outside city limits).

County - None

City Income - 1950 - \$157,497.73

City Expenditures 1950 - \$157,497.73

Laws Affecting Industry - (See Appendix F for Statute governing bond issue plan).

Tax Exemption - The city allows a five-year exemption which cannot be extended. Manufacturing machinery and raw materials are exempt from local taxes.

Services -

Fire Protection - Provided by a chief and 10 volunteers. Equipment includes two pumpers, a 1950 Mack (500 gpm) and a 1928 GMC (500 gpm). There are 2900' of 2 1/2" hose, plus 500' of 1 1/2" hose. 85 fire hydrants are spaced conveniently throughout the city. Versailles has a 7th class fire insurance rating. Full protection is given to industrial sites.

Police Protection - The staff includes a chief and 3 patrolmen. Equipment includes one cruiser. Service will be extended to cover industrial sites.

Streets - A city crew of 7 maintain the 12 miles of paved streets within the incorporated area. Equipment consists of a bull-dozer, a dump truck, two pick-up trucks, one air compressor, and a tractor.

Garbage - Private collection weekly. Sanitary land fill provides hygenic method of garbage disposal.

LOCAL CONSIDERATIONS:

Housing - 25 housing permits were issued during 1950 in Versailles.

Single story five room frame houses predominate; average cost estimated at 60¢ per cubic foot.

Health - Woodford County Memorial Hospital with 29 beds.

Doctors and Nurses - 7 M. D.'s in Versailles and 28 RN's serve Woodford County.

Schools -

	Grade			High	
	Enrollment	Capacity		Enrollment	Capacity
City -(6-12)	380	500	(7-12)	340	600
Colored (6-12)	130	100		65	50
County (1-8)	900	1,200		*	*

*County high school is consolidated with city.

Colleges - The following colleges are located in the area;

University of Kentucky and Transylvania, Lexington;

Centre College, Danville; Georgetown College, Georgetown;

University of Louisville, Louisville; and Eastern State

College, Richmond.

Churches - The following 8 denominations are represented:

Baptist, Catholic, Church of Christ, Christian, Episcopal, Holiness, and Presbyterian. Total active membership is estimated at 1,600.

Recreation -

Theaters - 1, changes program 4 times weekly.

Parks and Playgrounds - Big Spring Park, covering 5 acres,

is administered by the city, with directed recreation for

children of all ages. Large pavillion for community meetings

is available.

Camping, fishing, boating and swimming - Clifton Camp, six miles distant, offers excellent facilities.

Tourist Accommodations - Woodford Hotel - 21 rooms;
Greenwood Inn - 8 rooms.

Three motels have a total of 24 units.

Newspapers - Woodford Sun, a weekly, has circulation of 1,800. State, National and international news is provided by Lexington Herald and Leader, and Louisville Courier Journal and Times.

Banks - United Bank and Trust Company with total deposits of \$3,919,000 and total resources of \$4,283,000.

Woodford Bank and Trust Company with total deposits of \$3,215,000 and total resources of \$3,532,000.

Radio Stations - WVLK, 1000 Watts, 590 on your dial.

<u>Retail Businesses</u> -		<u>Service Establishments</u>	
Clothing	7	Barber Shops	4
Drugs	3	Beauty Shops	4
Electrical Appliances	7	Dry Cleaning	3
Furniture	1	Filling Stations	10
Hardware	5	Frozen Food Locker	1
Variety	3	Garages	6
Food, groceries	11		

Retail Sales - Retail and service establishments located in Woodford County, Kentucky, showed a substantial expansion in dollar volume of trade from 1939 to 1948 according to preliminary figures from the 1948 Census of Business.

Retail sales in the county during 1948 aggregated \$5.7 million, an increase of 185% over the \$2.0 million in 1939, when the preceding Census of Business was taken. The service trades included in the

Census of Business recorded receipts totaling \$199,000 in 1948 compared with \$70,000 in 1939.

Clubs and Organizations -

Civic - Kiwanis, Rotary, Chamber of Commerce.

Fraternal - Masonic, IOOF, Knights of Pithias, American Legion.

Women's Clubs - Eastern Star, IOOF Auxilliary, Business

Women's Club, American Legion Auxilliary, D. A. R., Garden Club, and Women's Club.

Youth Clubs - 4H, Boy and Girl Scouts, FFA, and YFA.

Climate -

Average precipitation, Temperature, Humidity and Days of Sunshine over a 34-year period.

	<u>Prec.</u>	<u>Temp.</u>	<u>Rel. Hum.</u>			<u>Sunshine</u>	
			<u>8 am</u>	<u>n</u>	<u>8 pm</u>	<u>Ave. Hrs.</u>	<u>%Possible</u>
Jan.	4.18	32.9	82	73	71	110	36
Feb.	3.62	34.5	82	73	67	118	39
Mar.	4.32	43.7	79	66	64	163	44
Apr.	3.50	54.3	74	59	59	210	53
May	3.81	64.3	75	58	63	262	59
June	4.05	72.2	78	59	66	270	61
July	3.65	75.9	77	56	67	283	63
Aug.	3.45	74.5	80	58	67	266	63
Sept.	3.07	68.5	80	59	62	231	62
Oct.	2.59	50.2	77	58	58	201	58
Nov.	3.	44.8	79	68	66	140	46
Dec.	3.77	35.8	83	76	68	104	35
Ann. Ave.	43.35	55.0	79	64	65	2,358	52

Prevailing Winds - Southwest

<u>Average Number of Days with -</u>	Thunderstorms	45
	Snow	18
	Max. Temp 90 or above	15

Min. Temp. 32 or below	89
Min. Temp. 0 or below	2
Dense Fog	11

The above information was obtained from the Lexington weather station.

INDUSTRIAL MARKET:

There is within the market area of Versailles (600 miles radius) an estimated 50,000,000 customers. The area includes such cities as St. Louis, Chicago, Detroit, Pittsburgh, New York and Atlanta.

AVAILABLE INDUSTRIAL SITES:

There are several industrial sites adjacent to railroad sidings and highways, and within the limits of available utilities. For complete details with photographs of these sites you may write: Mr. William Nave, Chamber of Commerce, Versailles, or the A&ID Board, Frankfort, Kentucky.

APPENDIX

History and General Description	App. A
Table showing number of workers covered by Kentucky Unemployment Insurance	App. B
Telephone Rates	App. C-1
Gas Rates	App. C-2
Water Rates	App. C-3
Power Rates	App. D
Kentucky Corporation Taxes	App. E
Kentucky Revised Statutes - bond issue plan	App. F
Cooperating State Agencies	App. G

HISTORY AND GENERAL DESCRIPTION

Woodford County, generally triangular in shape, is situated just north of the geographical center of the State. It was formed in 1788 and was the last of the nine counties created by the Virginia House of Burgesses before Kentucky became a separate state. The county was named in honor of General William Woodford, an officer of renown in the Revolutionary War. Versailles, the seat of government of Woodford County, was named by General Calmes for Versailles, France, as a tribute to Louis the XVI for his timely aid in the Revolutionary War. The town was established in 1792 on the lands of Hezebiah Briscoe, an infant, the title being vested in "a number of gentleman landowners", among whom was General Marquis Calmes.

NUMBER OF WORKERS IN MANUFACTURING INDUSTRIES COVERED BY
KENTUCKY UNEMPLOYMENT INSURANCE LAW
FOR WOODFORD AND ADJOINING COUNTIES

County	Total	Food & Kindred Products	Tobacco	Clothing, Textiles, Leather	Lumber and Furniture	Printing, Publishing & Paper	Chemicals, Petroleum, Coal and Rubber	Stone, Clay, Glass	Pri- mary metals	Mach., Metal Prod., Equip.	Other
Woodford	997	918	0	70	0	6	3	0	0	0	0
Franklin	2,604	1,315	0	1,122	27	123	0	11	0	6	0
Scott	235	127	1	0	0	0	0	0	0	22	85
Fayette	5,342	973	2,045	422	151	484	35	137	0	984	111
Jessamine	189	93	1	95	0	0	0	0	0	0	0
Mercer	717	180	96	419	0	16	0	6	0	0	0
Anderson	459	202	0	257	0	0	0	0	0	0	0
Totals	10,543	3,808	2,143	2,385	178	629	38	154	0	1,012	196

NUMBER OF WORKERS COVERED BY
KENTUCKY UNEMPLOYMENT INSURANCE LAW
FOR WOODFORD AND ADJOINING COUNTIES

County	All Industries	Mining and Quarrying	Contract, Con- struction	Manufac- turing	Transpor- tation, Com- munication, & Utilities	Whole- sale, Retail Trade	Finance, Insurance & Real Estate	Services	Other
Woodford	1,284	0	13	997	95	114	23	42	0
Franklin	5,417	69	425	2,604	275	1,066	151	827	0
Scott	802	20	23	235	59	269	37	159	0
Fayette	21,862	51	1,793	5,342	2,029	8,952	779	2,730	186
Jessamine	506	17	31	189	36	178	24	31	0
Mercer	1,333	0	45	717	112	310	24	125	0
Anderson	756	17	17	459	63	146	25	25	4
Totals	31,960	174	2,347	10,543	2,669	11,035	1,063	3,939	190

Appendix C

TELEPHONE RATES - App. C-1

	Individual	Two-party	Extension
Business	\$7.50	\$6.25	\$1.50
Residential	4.50	4.00	1.00

GAS RATES - App. C-2

First	4,000 cu. ft.	55¢ per 1,000 cu. ft.
Next	4,000 cu. ft.	45¢ per 1,000 cu. ft.
Over	8,000 cu. ft.	40¢ per 1,000 cu. ft.
3% state tax		

WATER RATES - App. C-3

	3,000 gal. or less	\$1.50	.05 tax	.22 sewer rental
Next	7,000 gal.	.40 per M gal.	-Sewer rental 15% of rev.	
Next	15,000 gal.	.30 per M gal.	-Sewer rental 15% of rev.	
Next	75,000 gal.	.20 per M gal.	-Sewer rental 15% of rev.	
Over	100,000 gal.	.15 per M gal.	-Sewer rental 15% of rev.	

Rates Outside City

	3,000 gal. or less	\$2.25	.07 tax	.67 sewer rental
Next	4,000 gal.	.60 per M gal.	-Sewer rental 30% of water revenue. Tax 3% of water revenue	
Next	7,000 gal.	.40 per M gal.		
Next	15,000 gal.	.30 per M gal.		
Next	75,000 gal.	.20 per M gal.		
All over		.20 per M gal.		

Kentucky Utilities Company
Incorporated

Revised 2/1/46
Reworded 3/1/48

COMBINED LIGHTING & POWER SERVICE - RATE LP

AVAILABILITY

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

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

RATE

Maximum Load Charge

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

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

Plus an Energy Charge

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

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

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

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

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

.7¢ per kilowatt-hour for all in excess of 500,000 kilowatt-hours per month

DETERMINATION OF MAXIMUM LOAD

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

MINIMUM ANNUAL BILL

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

DUE DATE OF BILL

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

RULES AND REGULATIONS

Service will be furnished under the company's general RULES AND REGULATIONS OR TERMS AND CONDITIONS.

PRIMARY DISCOUNT

Applicable to customers having a maximum load of 50 kilowatts or more.

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

KENTUCKY CORPORATION TAXES

Corporation Organization Tax

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

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

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

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

Corporation License Tax

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

Corporation Income Tax

The corporation income tax of 4 1/2%¹ applies to the entire net income allocable to this state. Federal income taxes are allowed as a deduction. State and national banks, trust companies, domestic building and loan associations, insurance companies, and 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

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

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

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

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

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

Franchise Company Taxes

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

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

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

General Property Taxes

Kentucky's constitution provides that all property, unless specifically 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

415 Ann Street
Frankfort, Kentucky

KENTUCKY REVISED STATUTES
1948

103.200 - 103.280

INDUSTRIAL BUILDINGS FOR CITIES GENERALLY

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

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

103.220 Interest on Bonds; terms. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or 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.

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.