

8-1960

## Industrial Resources: Laurel County - London

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# INDUSTRIAL RESOURCES LONDON, KENTUCKY



INDUSTRIAL RESOURCES

LONDON, KENTUCKY

21862

Prepared by

The London-Laurel County Development Association  
and  
The Kentucky Department of Economic Development

Frankfort, Kentucky  
August, 1960

# INDUSTRIAL RESOURCES-LONDON, KENTUCKY

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## SUMMARY DATA FOR LONDON, KENTUCKY

POPULATION, 1950: London - 3,426; Laurel County - 25,640.  
1960 (est.) Laurel County - 24,895.

LONDON LABOR SUPPLY AREA: Includes Laurel and all adjoining counties.  
Estimated number of workers available for industrial jobs in the labor supply area - 10,305 men and 9,811 women. Number of workers available from Laurel County - 1,568 men and 977 women.

### TRANSPORTATION:

Railroads: London is served by the Cincinnati Division of the Louisville and Nashville Railroad with two local freights daily.

Air: The London Municipal Airport, three miles distant, is served by Piedmont Airlines, with six daily flights.

Trucks: Cumberland Motor Freight has a terminal in London. Four major interstate lines have local franchises.

Bus Lines: Southeastern Greyhound Lines and Black Brothers Bus Lines serve the London area.

### HIGHWAY DISTANCES: From London, Kentucky

To	Miles	To	Miles
Atlanta, Ga.	312	New York, N.Y.	824
Chicago, Ill.	492	Pittsburgh, Pa.	456
Detroit, Mich.	436	St. Louis, Mo.	456

### UTILITIES:

Electricity: Kentucky Utilities Company serves London.

Natural Gas: London is served by the London Gas Company, a municipally owned system, whose source of supply is the Petroleum Exploration Company.

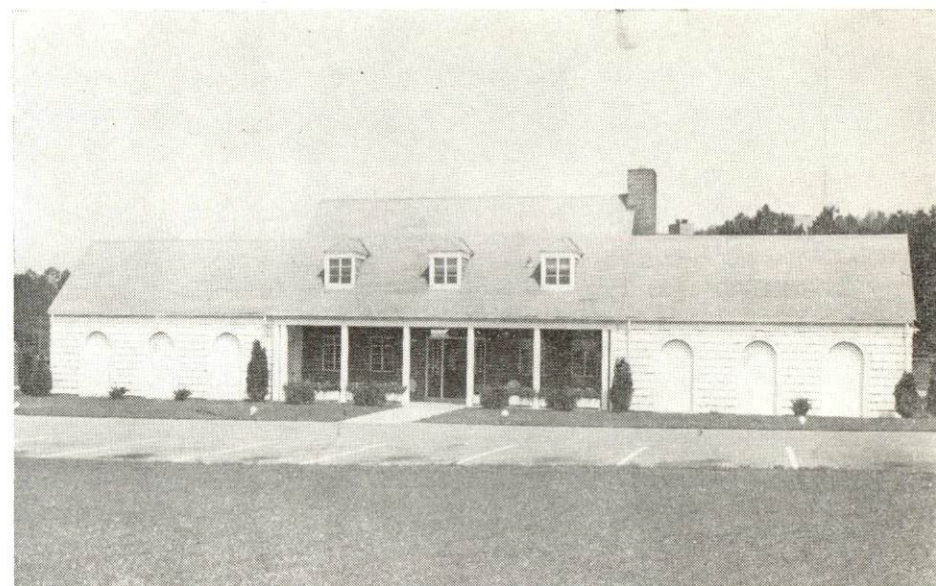
Water: The City of London Utility Commission, a municipally owned system, serves the city. On the peak day there was an excess of 540,000 gallons.

Sewerage: Separate storm and sanitary sewers are maintained by the City of London Utility Commission. The system is presently operating at capacity.

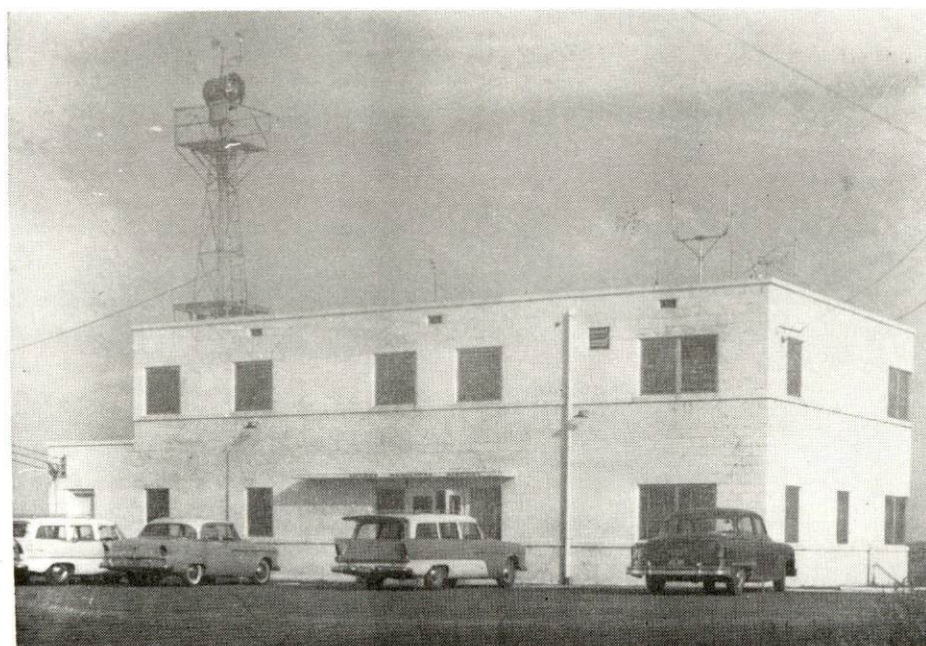




LONDON CITY HALL



KENTUCKY STATE POLICE BARRACKS



LONDON MUNICIPAL AIRPORT—ADMINISTRATION BUILDING

Class III. Three daily flights by Piedmont. CAP radio, traffic control and weather station  
London's accessibility brings state police barracks and Federal and post office buildings



FEDERAL BUILDING IN BACKGROUND

US 25 and KY 80, two principal Kentucky through-highways, carry highest permissible  
pay-load trucks in all directions—north, south, east and west.



## POPULATION AND LABOR

### Population

The 1950 population of London was 3,426. Table 1 shows the population and recent rates of growth in London, Laurel County, and Kentucky.

Table 1. Population Growth in London, Laurel County and Kentucky, 1900-1960

Year	London		Laurel County		Kentucky
	Population	% Increase	Population	% Increase	% Increase
1900			17,592		15.5
1910	1,638		19,872	13.0	6.6
1920	1,707	4.2	19,814	-.3	5.5
1930	1,950	14.2	21,109	6.5	8.2
1940	2,263	16.1	25,640	21.5	8.8
1950	3,426	51.4	25,797	.6	3.5
1960 (est.) 1/			24,895	-3.5	2.4
Per cent of Negro Population in City and County: London - 2.9					
Laurel - 1.1					
Per cent of Foreign Born Population in City and County: London - .5					
Laurel - .3					

### Labor Force 2/

Definition and Population Trend. The London labor supply area is defined to include Laurel and the following adjoining Kentucky counties: Clay, Jackson, Knox, McCreary, Pulaski, Rockcastle, and Whitley. The population centers of six of the seven adjoining counties are within 36 miles of London, which makes commuting feasible from most any point in the area.

Population of this eight-county area was estimated at 182,468 in 1957 by the University of Kentucky Department of Rural Sociology, which was an increase of 447 from the 1950 Census count of 182,021. Net out-migration from the London Area totaled 35,864 between 1950 and 1957 with 2,812 of this number migrating from Laurel County.

Economic Characteristics of the Area. Employment-wise, the area is heavily dominated by agriculture with approximately 18,615 working in this industry according to the 1950 Census of Agriculture. Laurel County had about 1,911 employed on farms in that year. Farming is not generally prosperous in the London Area as 3,908 of the 8,157 farms in the area listed as commercial by the 1954 Census of Agriculture had cash sales below \$1,200.

Manufacturing employment totaled only 2,280 in September 1959, with 42.3 per cent of these jobs located in Pulaski County. Laurel County had only

390 working in manufacturing during this month. This area is capable of supporting a very substantial amount of manufacturing from the employment standpoint.

A lack of balance in the economy, plus a heavy number of jobs on low income farms, has resulted in a low income position for the area. Per capita income, as estimated by the University of Kentucky Bureau of Business Research, was \$1,368 for the state as a whole in 1957. Area counties ranged from \$441 in Knox to \$783 in Pulaski with Laurel in between with \$497.

The average weekly wage for industries covered by unemployment insurance during the second quarter of 1959 was \$80.05 for all industries in the state and \$92.09 for manufacturing. Comparable figures for Laurel County were \$60.19 for all industries and \$61.63 for manufacturing.

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

1. The total currently unemployed.
2. Men who would shift from low paying jobs such as farming, and women not now in the labor force, but who would join if jobs were available.
3. The future labor supply due to the 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 there are 10,305 men and 9,811 women in the eight-county London Area who could be recruited for industrial jobs. This total includes 1,568 men and 977 women from Laurel County.

Due to the dislike of commuting and other factors, not all of the area labor supply would be available for industrial jobs located at London or any other one site in the area. However, it is estimated that around 3,915 men and 2,845 women in the London Area would be available for industrial jobs located there.

This very substantial current labor supply will be continually augmented and replenished during the next ten years by 25,496 boys and 24,354 girls in the area who will become 18 years of age during the next ten years, with 3,349 and 3,156 girls of this number residing in Laurel County. It is likely that at least 80 per cent of the boys and 40 per cent of the girls will want jobs upon reaching working age. This young labor supply would probably be available for employment at any point in the area due to their greater mobility.



Wages. Some examples of wages in the area are: clerical and secretarial - \$1.00-\$1.50 per hour; laborer - \$1.00-\$1.25 per hour; semi-skilled \$1.25-\$1.75 per hour; skilled- \$1.50 to \$2.25 per hour.

Labor Management Relations. Labor management relations in London 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 London.

Table 2. Manufacturing Firms, Products and Employment

Firm	Product	Male	Female	Total
Oner Allen	Lumber	17	0	17
J. L. Bill	Lumber	3	0	3
Binder Bros.	Lumber	17	2	19
Curtis Brewer	Sawmill	5	0	5
Bullock Lumber Co.	Grade stakes	1	0	1
Chaney Lumber Co.	Lumber	8	0	8
Cumberland Forest Products, Corp.	Rotary veneer	18	0	18
Cumberland Frozen Foods, Inc.	Frozen strawberries	1	1	2
Griffin Pie Co., Inc.	Bakery products	24	17	41
Holt & Sons Lumber Co.	Lumber	2	0	2
Kentucky Concrete Pipe Co.	Concrete pipe	10	1	11
Kern's Bakery, Inc.	Bread & rolls	155	6	161
Knoxville Fertilizer Co.	Fertilizer	35	3	38
London Bucket Co., Inc.	Drilled well buckets, sheet metal ducts	13	1	14
London Concrete Block Co.	Concrete blocks	1	0	1
London Ready-Mix Concrete	Concrete	4	0	4
O. P. Link Handle Co.	Handle blanks			
Middlesboro Hardwood Lumber Co.	Lumber curing	5	0	5
Moore Products	Neon signs, aluminum awnings	3	0	3
E. D. Nicholson & Son	Lumber	2	0	2
Standard Manufacturing Corp.	Caskets	4	1	5
The Sentinel-Echo	Newspapers	8	0	8
Robert L. Taylor	Rough lumber	2	0	2
Wilson & Williams Co.	Rough lumber	5	0	5

### Unionization

One union, the Carpenters and Joiners Union, AFL-CIO, is represented in the area.

## TRANSPORTATION

### Railroads

London is served by the Cincinnati Division of the Louisville and Nashville Railroad. The service includes four local freights and two passenger trains daily.

Daily switching service is provided on 9 tracks which will accommodate 150 cars. Package car service is available daily from Louisville and Cincinnati to all points south. Outbound loads per month average 55 cars of coal, fertilizer, and feed. Inbound loads per month average 200 cars of stone, feed and building materials. Railway Express service is available.

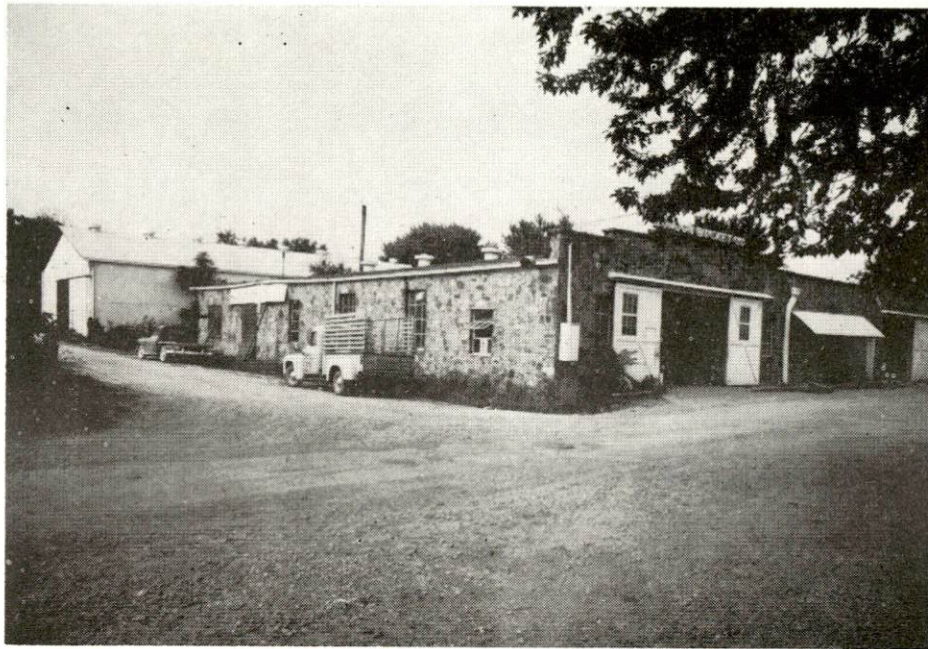
Table 3.      Railway Transit Time from London, Kentucky      3/			
To	Arrive (hrs.)	To	Arrive (hrs.)
Atlanta, Ga.	23	Louisville, Ky.	19
Birmingham, Ala.	46 1/2	Los Angeles, Calif.	177 1/2
Chicago, Ill.	31 1/2	Nashville, Tenn.	40
Cincinnati, Ohio	11	New Orleans, La.	64
Cleveland, Ohio	34	New York, N.Y.	79
Detroit, Mich.	35 1/2	Pittsburgh, Pa.	42
Knoxville, Tenn.	15 1/2	St. Louis, Mo.	50

### Highways

London is served by U.S. Route 25 and State Routes 472, 80, 229, 363, and 192. At present, plans call for the location of Interstate Route I-75, seven miles west of the city. The transportation map on the following page shows the major highways, railroads, navigable waterways and recreation areas in Kentucky.

Truck Lines. Common carrier truck service is provided by Cumberland Motor Freight with a terminal in London; Huber and Huber, Louisville, Kentucky; Dixie Ohio Express, Inc., Akron, Ohio; Dance Freight Lines, Lexington, Kentucky (interstate only); and Silver Fleet Motor Express, Louisville, Kentucky (trailer-loads only).





**LONDON BUCKET COMPANY** Established 1931  
Sheet metal products



**LONDON READY MIX** Established 1950  
Cement products



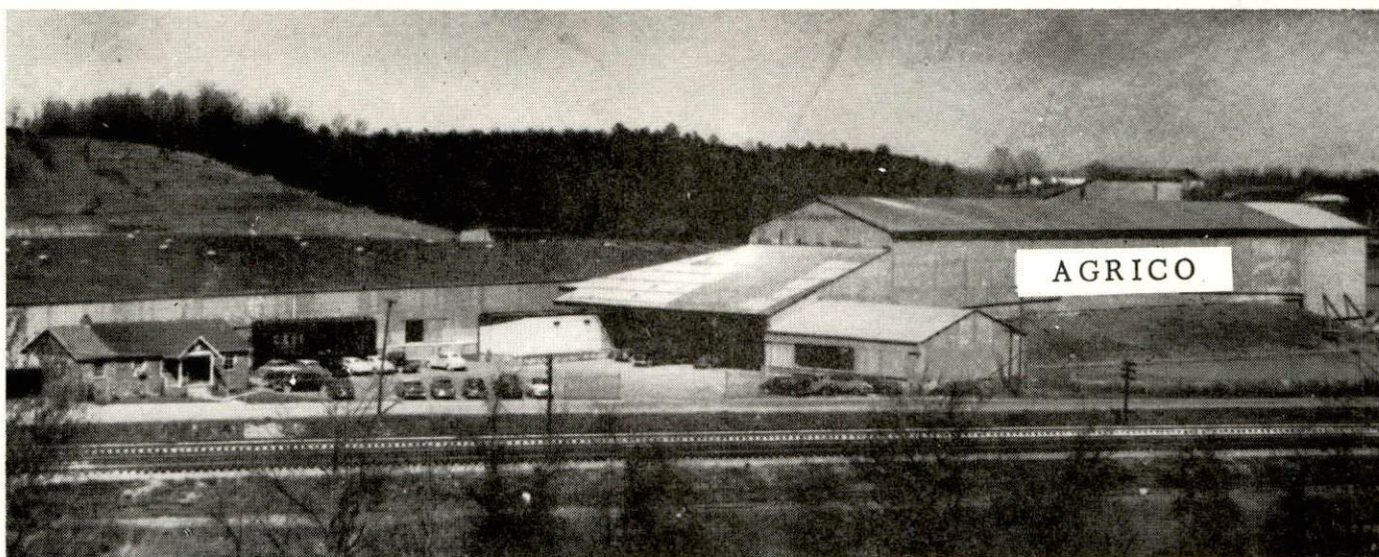
**CUMBERLAND FOREST PRODUCTS** Established 1951  
Veneers and furniture plywoods



**LONDON CHURCH FURNITURE COMPANY** Established 1953  
Complete church furniture line

Community co-operation and participation brought these two factories to London

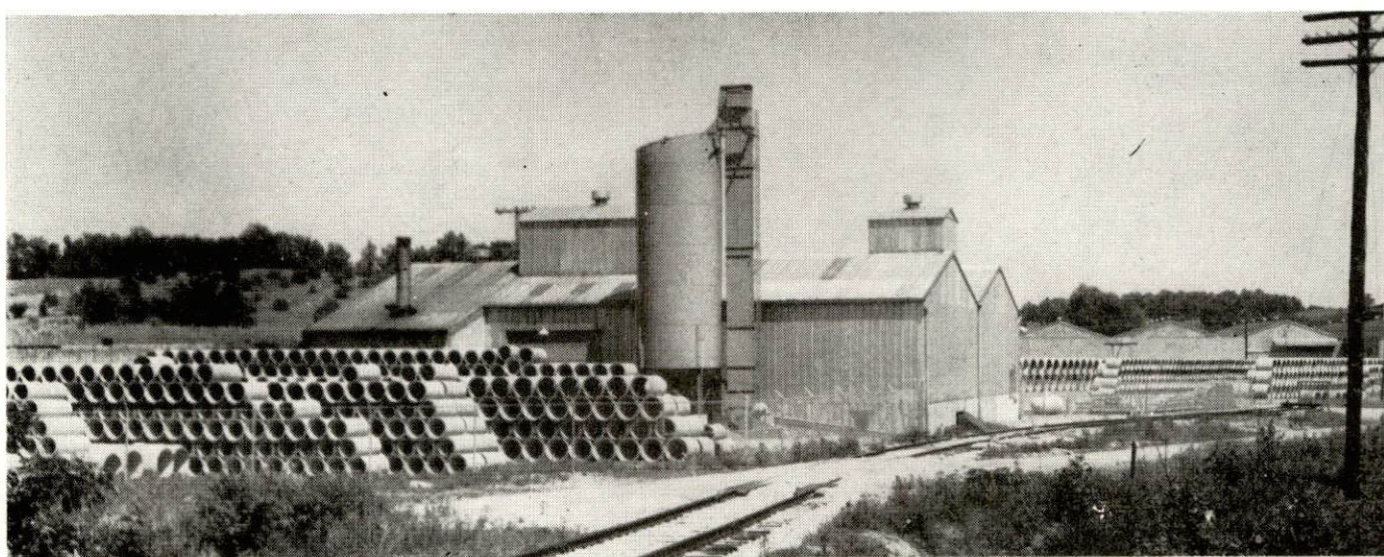




Americal Agricultural Chemical Co., Established 1947



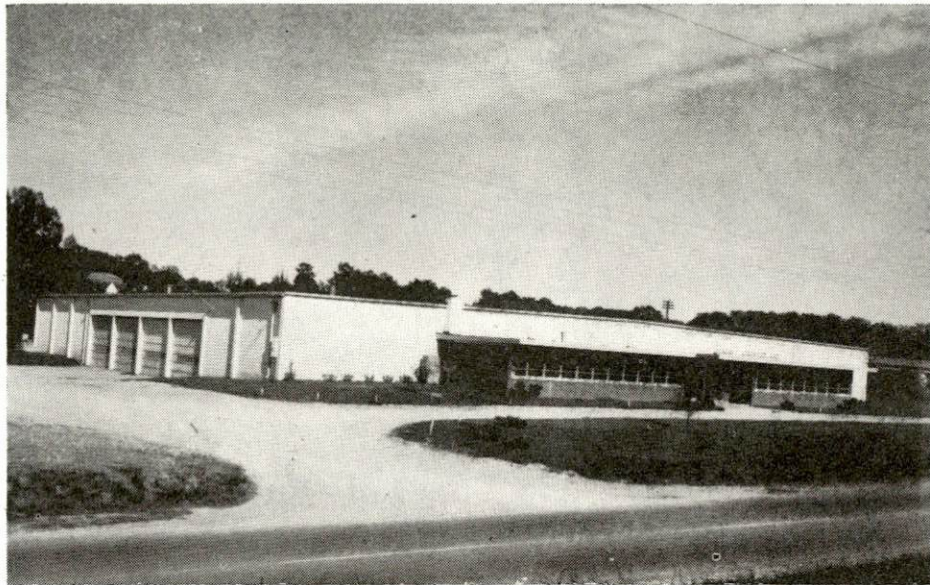
KERN'S BAKERY Established 1948



KENTUCKY CONCRETE PIPE COMPANY Established 1956

Favorable business climate was an important factor in bringing these industries to London





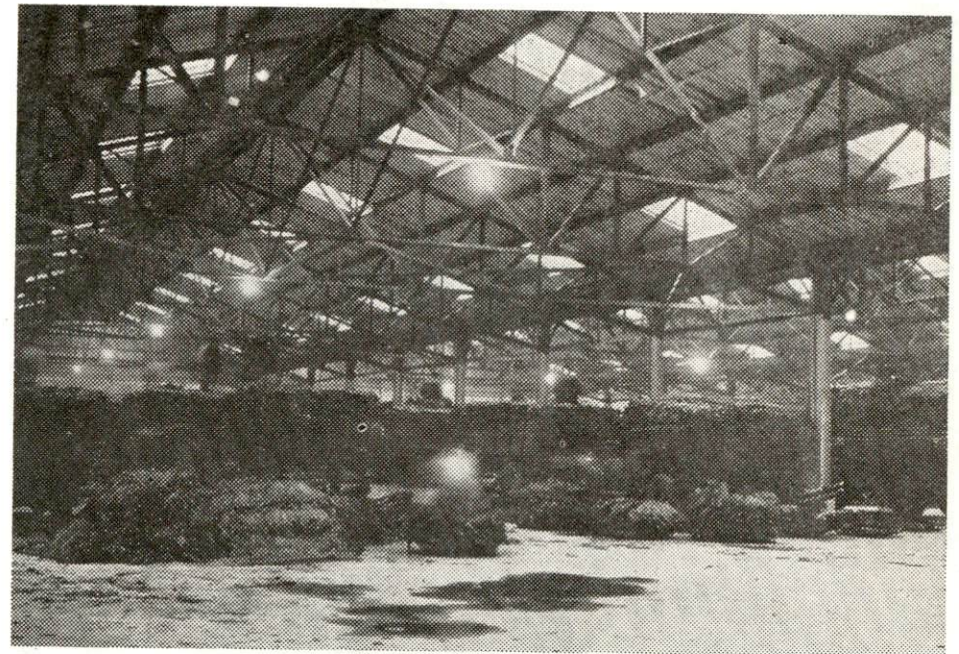
**LAUREL GROCERY COMPANY**



**LONDON GROCERY COMPANY**



**NORTHEASTERN TELEPHONE COMPANY**



**ONE OF LONDON'S FIVE TOBACCO WAREHOUSES**

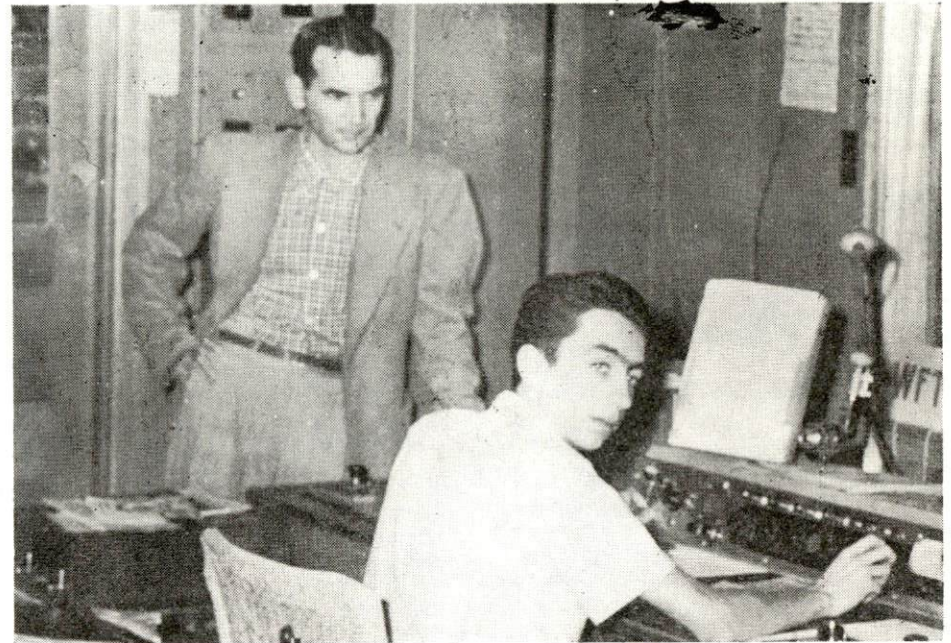
Super highway US 75 will have interchange about six miles west of London. London wholesale distributors radiate from US 25 and KY 80 to serve all of Kentucky east of US 31-W  
 Northeastern's \$138,000 regional office building, with \$180,00 local and regional Bell toll equipment, mostly below street level, nearing completion Oct. 1957





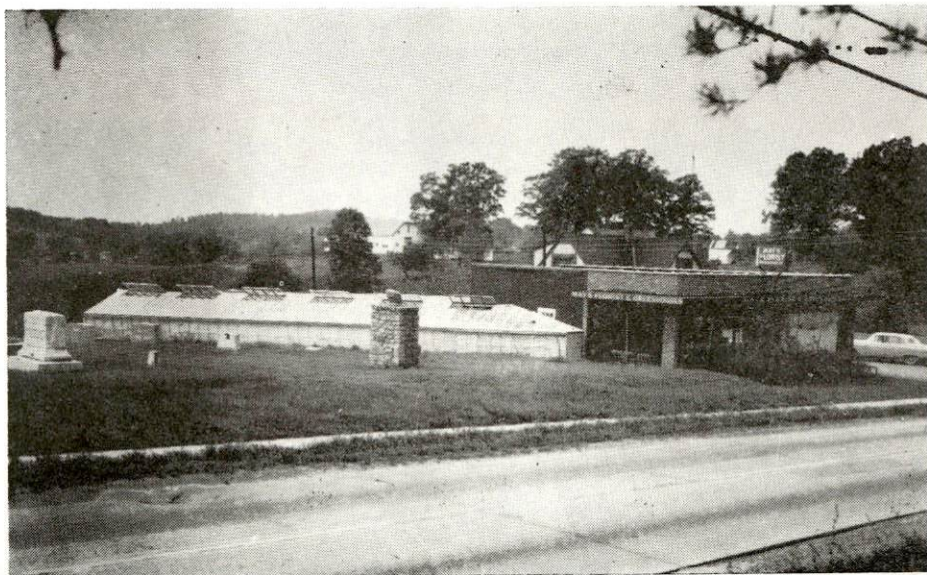
**THE SENTINEL-ECHO** Established 1873

**Publishing and printing. Third generation of present family ownership**



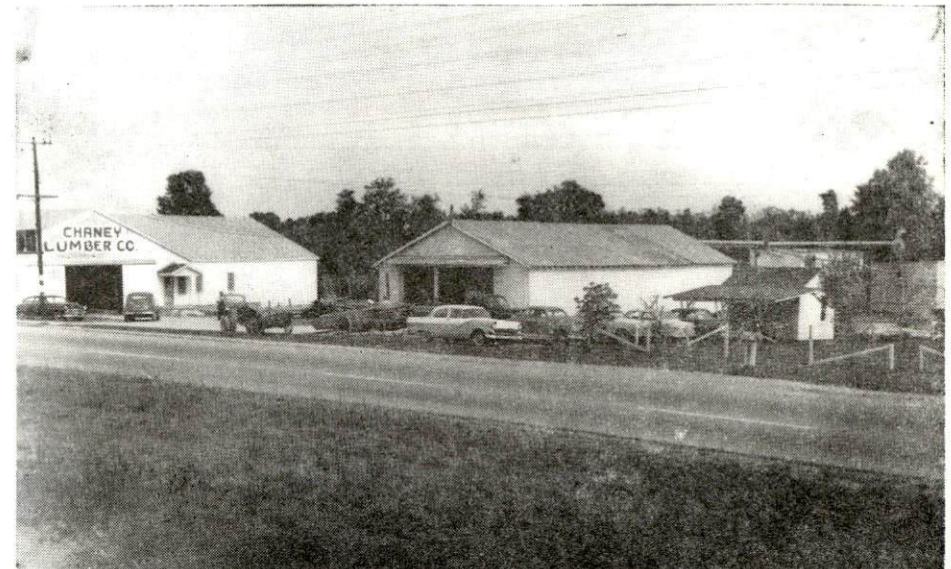
**RADIO STATION WFTG CONTROL ROOM** Established 1955

**Elmo Mills, owner, standing, and Charles Nelson, at controls**



**MAYS FLORISTS, GREENHOUSES** Established 1942

**Flowers and plants**



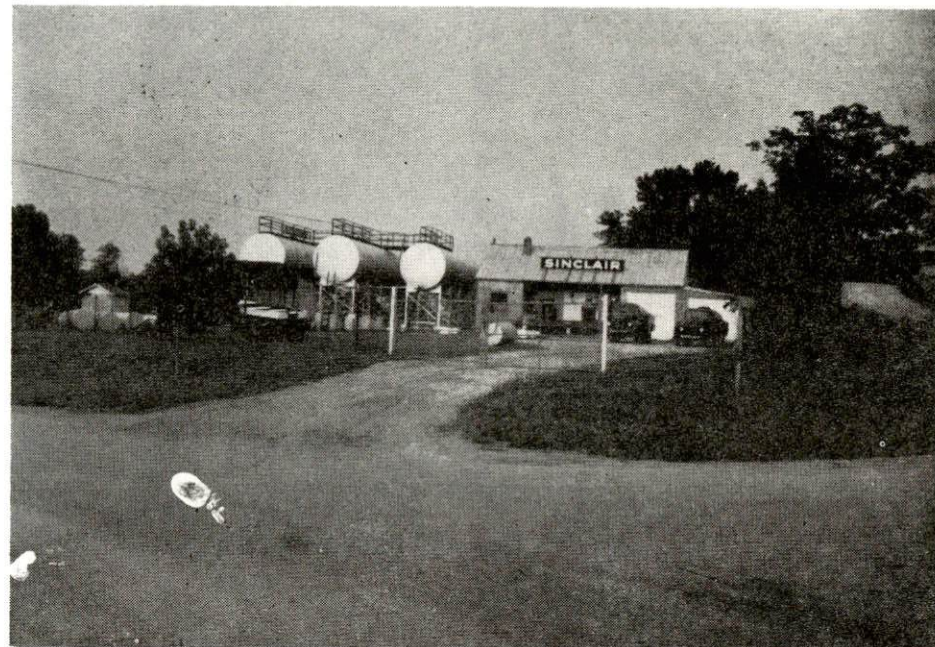
**CHANEY LUMBER COMPANY** Established 1956

**Moulding, frames, yellow pine flooring, finishing lumber**





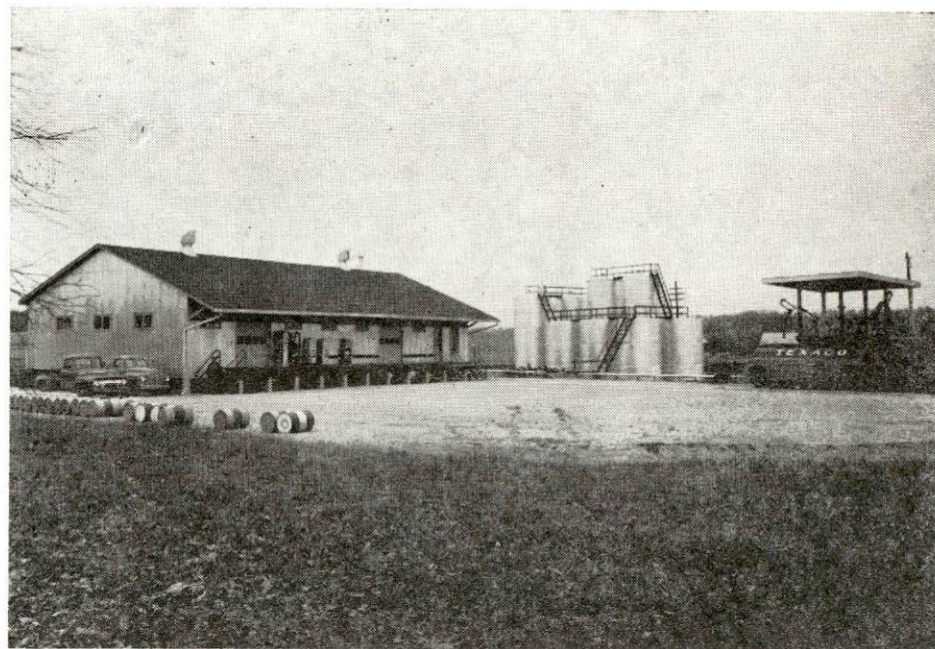
CURRY OIL COMPANY (SHELL)



SINCLAIR REFINING COMPANY



STANDARD OIL COMPANY



R. C. MILLER OIL COMPANY (TEXACO)



Table 4. Truck Transit Time from London, Kentucky		4/
To	LTL	TL
Atlanta, Ga.	3rd morning	3rd morning
Birmingham, Ala.	3rd morning	3rd morning
Chicago, Ill.	3rd morning	2nd morning
Cincinnati, Ohio	2nd morning	2nd morning
Cleveland, Ohio	3rd morning	3rd morning
Detroit, Mich.	3rd morning	3rd morning
Knoxville, Tenn.	3rd morning	2nd morning
Louisville, Ky.	overnight	overnight
Los Angeles, Calif.	7 days	7 days
New Orleans, La.	2nd morning	3rd morning
New York, N. Y.	4-5 days	4-5 days
Pittsburgh, Pa.	3rd morning	3rd morning
St. Louis, Mo.	2nd morning	2nd morning

Bus Lines. Southeastern Greyhound Lines maintains eight round trips daily. Trailways operates eight round trips daily, and Black Brothers Bus Lines schedules six round trips daily to Corbin and Manchester.

Table 5. Highway Distances from London, Kentucky			
To	Miles	To	Miles
Atlanta, Ga.	312	Lexington, Ky.	85
Birmingham, Ala.	376	Louisville, Ky.	146
Chicago, Ill.	492	Nashville, Tenn.	309
Cincinnati, Ohio	173	New York, N. Y.	824
Detroit, Mich.	436	Pittsburgh, Pa.	456
Knoxville, Tenn.	116	St. Louis, Mo.	456

#### Airways

The London Municipal Airport, a third class airport, is located 3 miles south of London off U. S. Highway 25. The airport has one runway 4,000 feet long and 100 feet wide and is equipped for night operations. The field has a FAA radio, air traffic control facilities and a weather station. Charter and private flying services are available.

Piedmont Airlines serves the airport with 6 flights daily.

## UTILITIES

### Electricity

London is supplied electricity by the Kentucky Utilities Company. Kentucky Utilities Company provides electric service in 77 Kentucky counties. The company has a generating capacity of 575,000 KW in its five generating stations which are located in Eastern, Central and Western Kentucky. The company also has major interconnections with its neighboring utilities - Louisville Gas and Electric, Ohio Power Company, Kentucky Power Co., Electric Energy, Inc., Central Illinois Public Service Company, TVA, and through Louisville Gas and Electric and Ohio Power with Ohio Valley Electric Corporation. These interconnections provide a means of interchanging substantial blocks of electric power when desired. Rates for industry will be furnished by the company's Industrial Development Department in Lexington, Kentucky.

### Natural Gas

The London Gas Company, whose source of supply is the Petroleum Exploration Company, serves London. The transmission lines are 2, 4, and 6 inches, and pressure is maintained at 20 psi with a Btu content of 1200 and specific gravity of .62. Rates are as follow:

#### Domestic:

First	1,000 cu. ft.	\$1.61 Minimum
Over	1,000 cu. ft.	.91 Mcf

#### Commercial & Residential:

First	1,000 cu. ft.	\$1.61 Minimum
Next	3,000 cu. ft.	.91 Mcf
Next	10,000 cu. ft.	.83 Mcf
Over	10,000 cu. ft.	.77 Mcf

### Water

The City of London Utility Commission, a municipally owned and operated system, serves the city. The source of supply is two natural lakes. Storage facilities include a 400,000 gallon elevated tank and a recently completed 540,000 gallon concrete reservoir. The mains range in size from 3 to 8 inches and pressure is maintained at 52 to 95 psi.

Average daily use is 300,000 gallons, and maximum daily use has been 400,000 gallons. The filter capacity is 2,400 gpm. The average pumping time to meet requirements is 12 hours. Rates are found on the following page.

3/4" to 5/8" Meter	First	2,000 gal.	\$2.50 Minimum
	Next	4,000 gal.	.60 per M
	Next	14,000 gal.	.50 per M
	Next	80,000 gal.	.40 per M
	Next	100,000 gal.	.30 per M
	Over	800,000 gal.	.25 per M

#### Minimum Charge for Large Meter

<u>Size Meter</u>	<u>Minimum for 2,000 gal.</u>
1 inch	\$ 5.50
1 1/4 to 1 1/2 inches	10.00
2 inches	16.00
3 inches	32.50
4 inches	50.00

### FUEL

#### Fuel Oil

There are several local sources available for users of industrial and commercial fuel oil. Current prices will be furnished by the Department of Economic Development.

#### Coal & Coke

London is located near the Eastern Kentucky Coal Field. This field produced 39,531,802 tons of coal in 1958, representing 58.3% of the state total. 5/

Current prices for coal and coke will be furnished by the Department of Economic Development.

### COMMUNICATIONS

#### Postal Facilities

London has a first class post office with twenty employees. Mail is received and dispatched seven times daily. Mail is delivered twice daily in the business district and once daily in residential areas. Postal receipts for 1959 were approximately \$73,000.



### Telephone and Telegraph

The Northeastern Telephone Company provides a dial telephone system to 2,706 subscribers in London and the surrounding area. Long distance service is described as excellent.

Western Union Telegraph Company serves the area.

### INDUSTRIAL SITES

Site # 1. This is a level, 5.5 acre site located on a light-duty county road. This site, owned by the London-Laurel County Development Association, has electricity and water facilities. Gas can readily be made available.

Site # 2. This level 8 acre site is adjacent to the Louisville and Nashville Railroad. It is bounded on two sides by a light-duty county road. The City of London owns this site. Electricity is available, and water is available 2,000 feet south.

Site # 3. This is a 65 acre sloping site, located just outside the city limits. The Louisville and Nashville Railroad is slightly over 300 feet distant, and access is by way of a light-duty county road. Water, electricity and gas are available.

Site # 4. This level, 10 acre site is bounded by State Route 80 on the north and the Louisville and Nashville Railroad on the south. Water, electricity, and gas are available.

Site # 5. This level, 5 acre site is located adjacent to a city street. Water, electricity, gas and sewers are available.

Site # 6. This 25 acre site is bounded by U.S. Highway 25 on the west and the Louisville and Nashville Railroad on the east. The City of London owns this site. Gas and electricity are available.

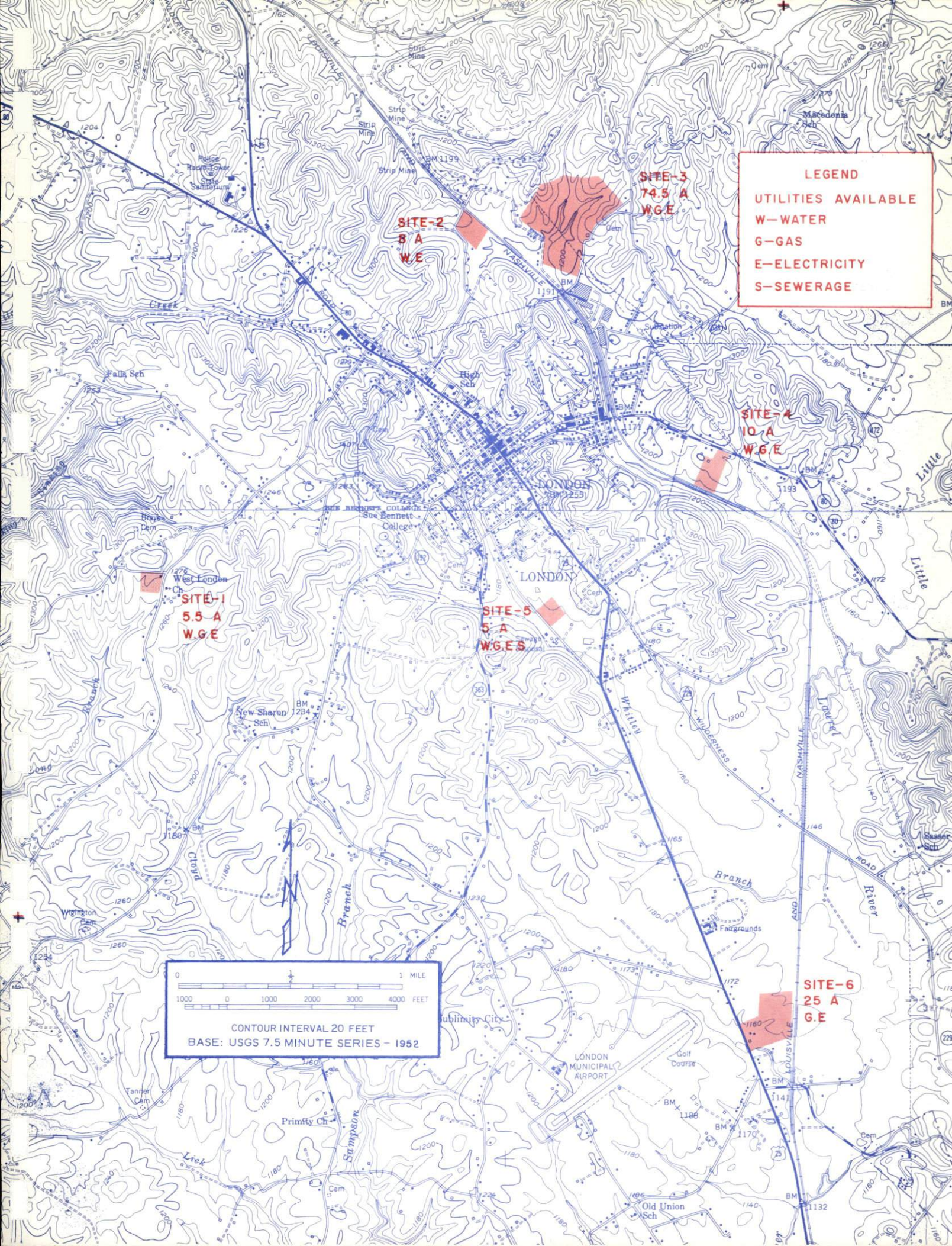
### LOCAL GOVERNMENT AND SERVICES

#### Type Government

London is a fourth class city governed by a mayor elected for a four year term, and six councilmen, elected for two year terms.

Laurel County is governed by a county judge and fiscal court.





LEGEND

UTILITIES AVAILABLE

W-WATER

G-GAS

E-ELECTRICITY

S-SEWERAGE

CONTOUR INTERVAL 20 FEET  
BASE: USGS 7.5 MINUTE SERIES - 1952



### Laws Affecting Industry

Exemption to Industry. As provided by state law (KRS 92.300) London may allow a five year city property tax exemption to new industry. This provision may not be extended beyond the five year period.

Business Licenses. London has an occupational license which varies from \$5 to \$100, depending upon the type of occupation.

Planning and Zoning. The City of London has a contract with the Planning and Zoning Division of the Kentucky Department of Economic Development. The following studies have been completed: Base Map, Land Use Map, Land Use Analysis, and the city council has adopted the Zoning Ordinance.

### City Services

Fire Protection. The London Fire Department consists of a chief and 20 volunteer firemen. Motorized equipment includes a 1955 Mack with a 750 gpm pump, a 1940 International with a 500 gpm pump, and an emergency squad car and an ambulance. The department uses 4,000 feet of 2 1/2 inch hose and 1,000 feet of 1 1/2 inch hose.

The department utilizes a phone alarm system, which automatically dials all volunteers. London has a Class 7 fire insurance rating.

Police Protection. The London Police Department includes a chief and three patrolmen. Motorized equipment consists of one radio-equipped patrol car. County police protection is provided by the County Sheriff's Office. A district office of the Kentucky State Police is located in London.

Garbage and Sanitation. Garbage is collected daily by the city in the business district and weekly in residential areas. Disposal is by means of a local sanitary fill.

Sewerage. The City of London Utility Commission maintains separate storm and sanitary sewers. The mains range from 4 to 12 inches. The average daily flow is approximately 240,000 gallons, which is the capacity of the system.

The disposal plant consists of a primary clarifier, high rate filter, secondary clarifier, and sludge drying beds. Liquids are discharged into a local creek. The sewerage charge is 50% of the water bill.

## TAXES

Table 6 shows the property taxes applying in London and Laurel County for 1959.

Table 6. Property Tax Rates per \$100 of Assessed Value; London and Laurel County, 1959.		
	<u>London</u>	<u>Laurel County</u>
County	\$ .65	\$ .65
State	.05	.05
City	1.10	
School	2.00	1.50
Total	<u>\$3.80</u>	<u>\$2.20</u>

<u>Ratio of Assessment.</u>	London -	30.0%
	Laurel County -	28.6%
<u>Total Assessment.</u>	London -	\$ 4,700,000.00
	Laurel County -	\$18,450,000.00
<u>City Income, 1959.</u>	\$	94,901.74
<u>City Expenditures, 1959.</u>	\$	90,700.40
<u>City Bonded Indebtedness.</u>	\$	75,000.00 (general obligation bonds)
	\$	21,000.00 (airport)
<u>County Income, fiscal year 1959.</u>	\$	111,800.00
<u>County Expenditures, fiscal year 1959.</u>	\$	111,800.00
<u>County Bonded Indebtedness.</u>	None	

## LOCAL CONSIDERATIONS

### Housing

At present several housing units are for rent or sale in London. The rental range for 2 and 3 bedroom houses is \$50-\$75 per month. Construction cost for 2 and 3 bedroom houses is \$10,000-\$25,000, depending upon the type of construction and materials used.

### Health

Hospitals. The Marymount General Hospital, located in London, contains 35 beds and has all modern equipment, including complete emergency and operating facilities. A 108-bed State Tuberculosis Hospital is also located in London.

County Public Health Service. The Laurel County Health Department has a full-time doctor, sanitarian, registered nurse and clerk. The department's program consists of immunizations and tests, communicable disease control, maternal and child health services, and general sanitation.

### Education

Graded Schools. The London School System consists of one new elementary school and one high school. The elementary school is a 24-classroom structure which has an enrollment of 730 students and a student-teacher ratio of 34-1. The high school, a 20-classroom building, has 320 students and a student-teacher ratio of 20-1. The system is presently operating at capacity.

The Laurel County School System consists of four high and nine elementary schools, and has a student-teacher ratio of approximately 31-1.

Table 7. Schools, Enrollment and Number of Teachers in London and Laurel County, 1959-1960.

System	Enrollment	Number of Teachers
Laurel Co. Elementary (total)	2,868	74
Laurel Co. High (total)	1,216	56
East Bernstadt (Elem.)	291	10
London (Elem.)	730	23
London High	305	17
St. Williams (Par.) (Elem.)	53	3
The London Seventh Day Adventists (Par.) (Elem.)	10	1



Vocational Schools. Kentucky's vocational education program utilizes fourteen highly specialized regional schools, which are partly integrated with secondary education. These area trade schools prepare Kentuckians for a variety of trade and industrial occupations.

London is served by the Somerset Vocational School, Somerset, 35 miles. Courses offered include auto mechanics, drafting, electricity and woodworking.

Colleges. Located in London is Sue Bennett College, established in 1897. The college provides a program at the junior college level for teaching and business training, and is accredited by the Southern Association of Colleges and Secondary Schools.

Other institutions of higher learning in the area include: University of Kentucky, College of the Bible and Transylvania College, Lexington, 91 miles; Centre College, Danville, 65 miles; Union College, Barbourville, 21 miles; Cumberland College, Williamsburg, 31 miles; Eastern Kentucky State College, Richmond, 61 miles; Berea College, Berea, 46 miles; Lindsey Wilson Junior College, Columbia, 80 miles; Fugazzi Business School, Somerset, 35 miles; and Cumberland Extension Center of the University of Kentucky, Cumberland, 95 miles..

#### Libraries

Library facilities are provided by the London Public Library. This library contains a total of 9,000 volumes, and has an annual circulation of 4,900.

Sue Bennett College Library, which is open to the public, has 14,597 volumes and an annual circulation of 8,690.

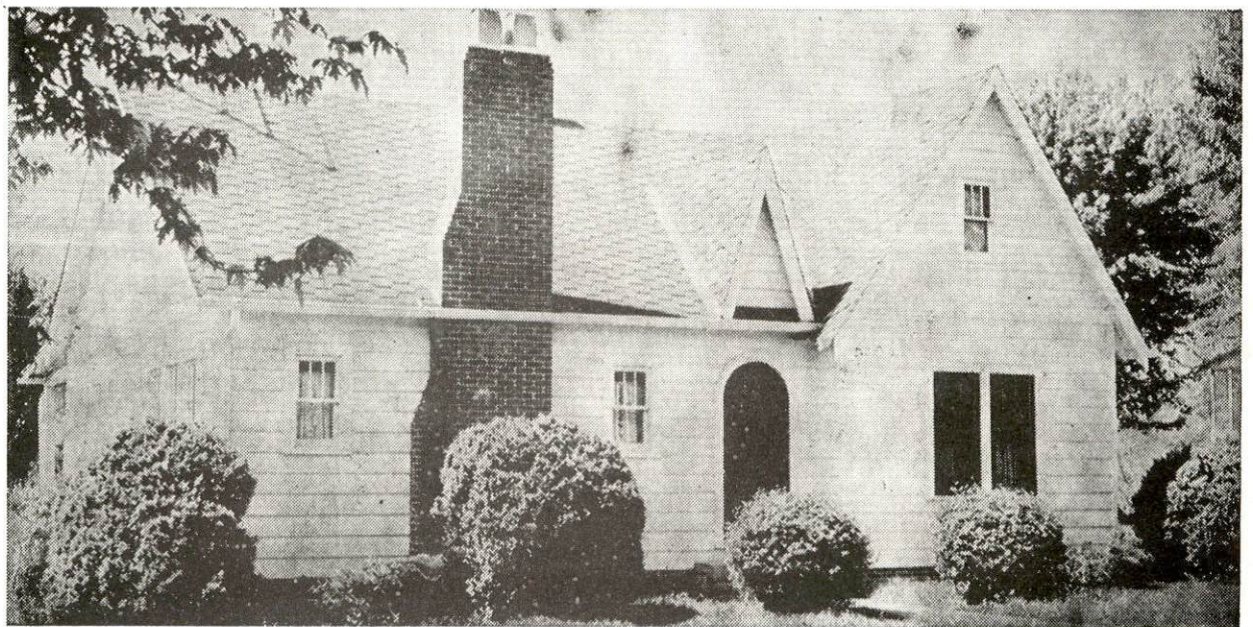
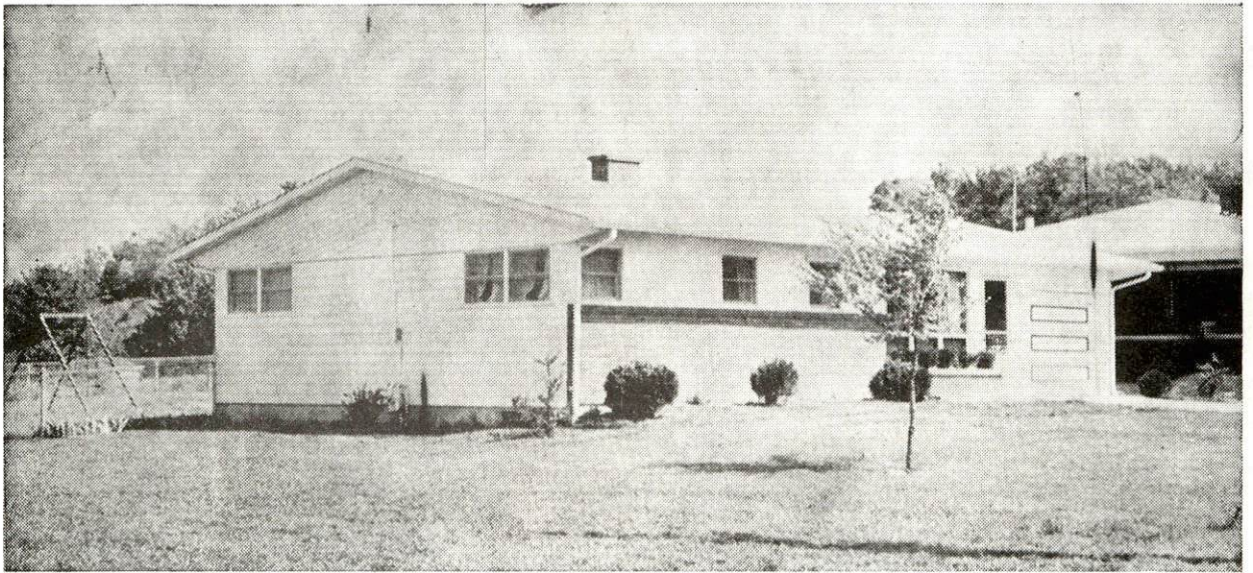
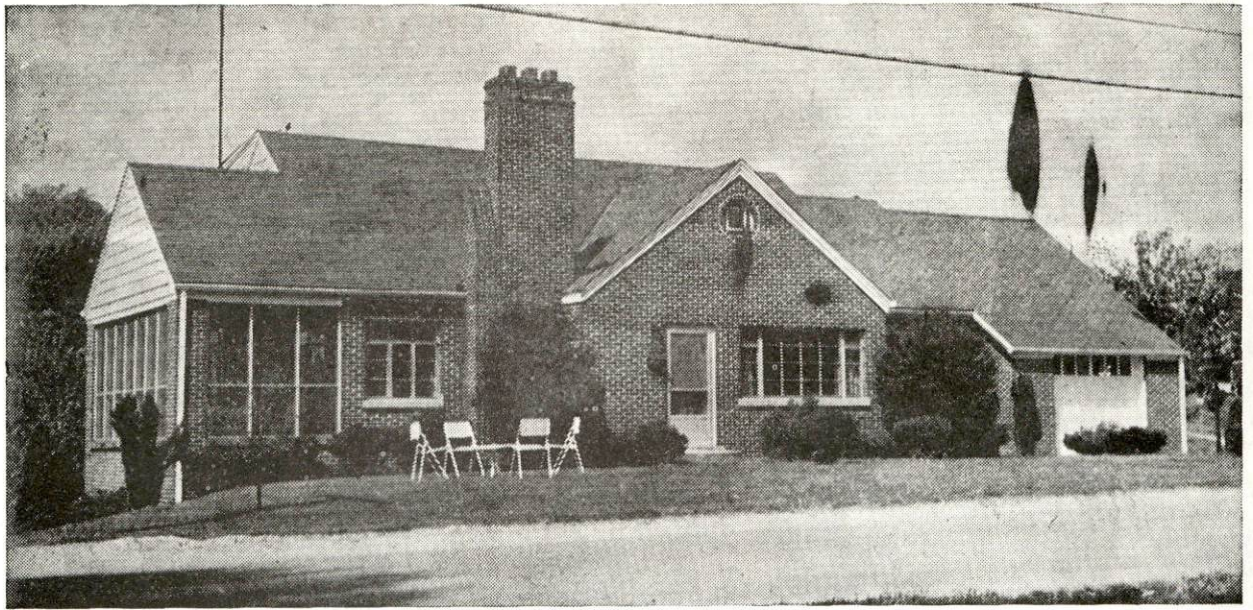
#### Churches

The following denominations are represented in London: Assembly of God, Baptist, Catholic, Christian, Methodist, Nazarene, Pentecostal, Presbyterian, and Seventh Day Adventist.

#### Banks

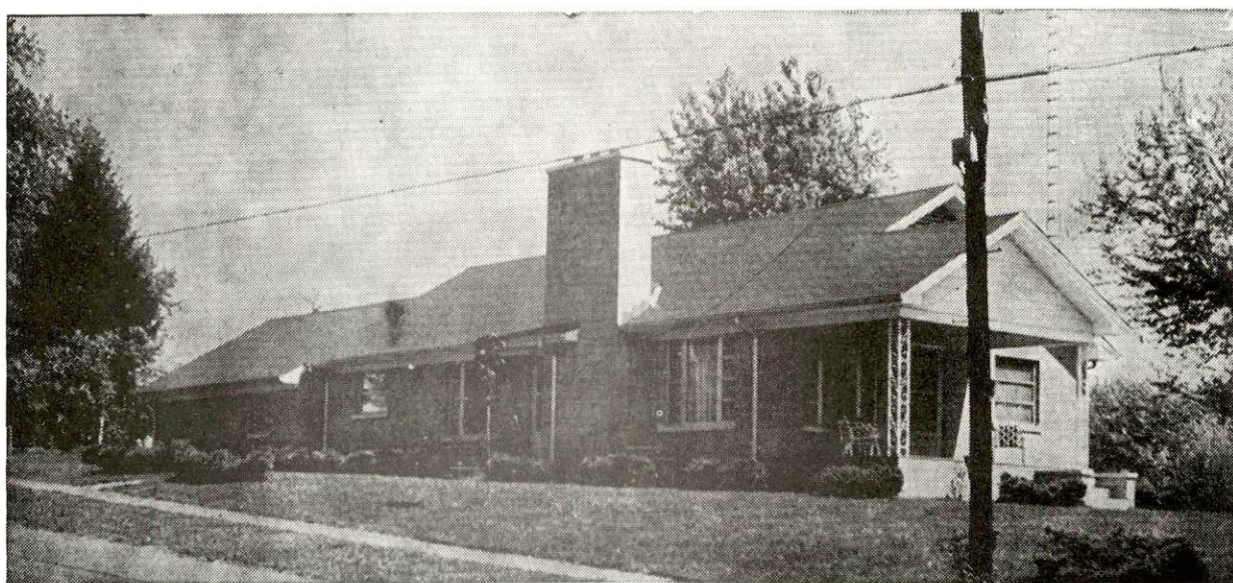
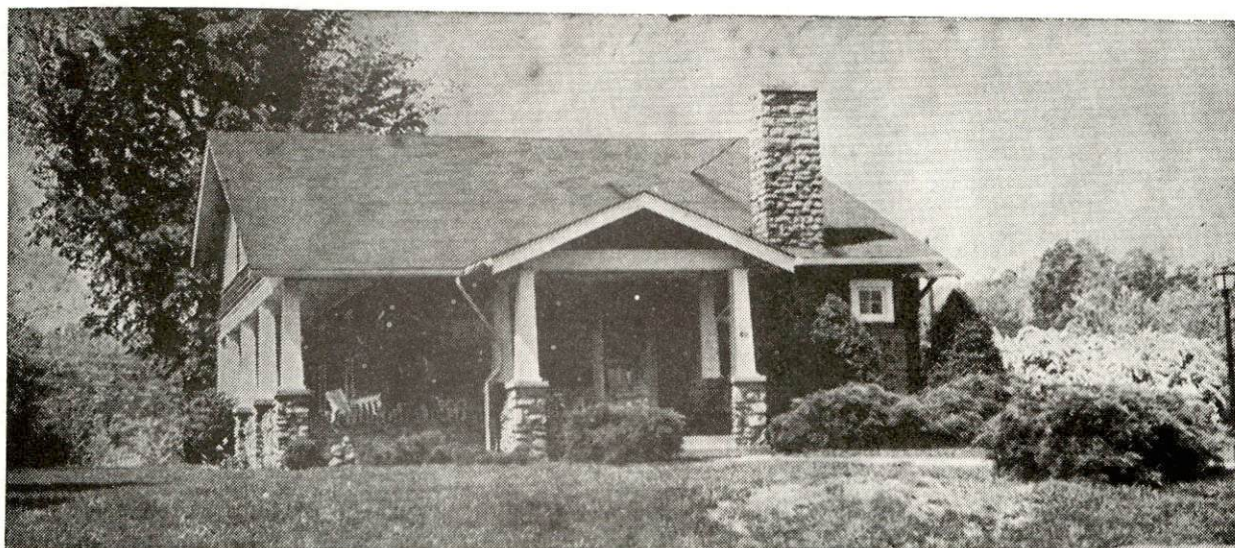
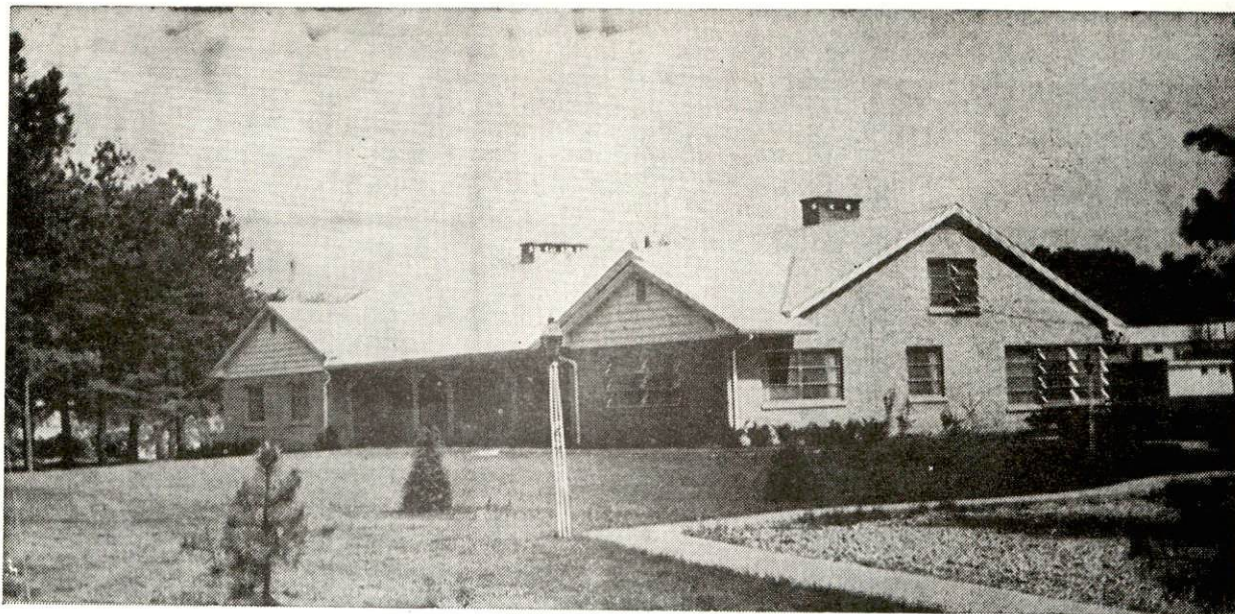
	<u>Statement as of December 31, 1959</u>	
	<u>Assets</u>	<u>Deposits</u>
First National Bank	\$6,228,186.94	\$5,722,638.75
Second National Bank	7,012,111.28	6,521,855.12





**TYPICAL HOUSING IN LONDON**





**TYPICAL HOUSING IN LONDON**

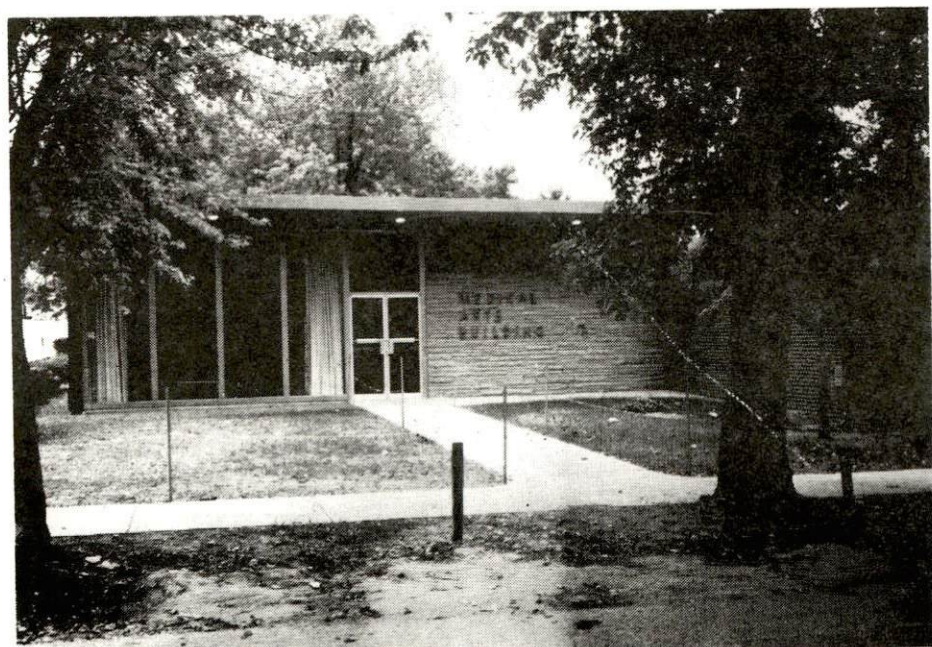




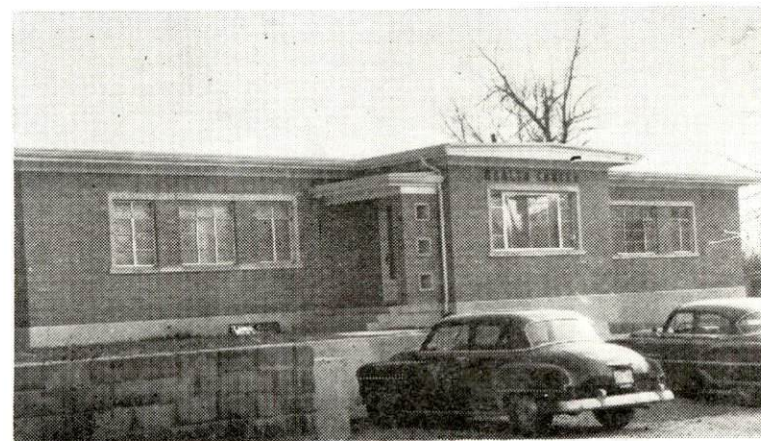
MARYMOUNT HOSPITAL



KENTUCKY STATE TUBERCULOSIS HOSPITAL

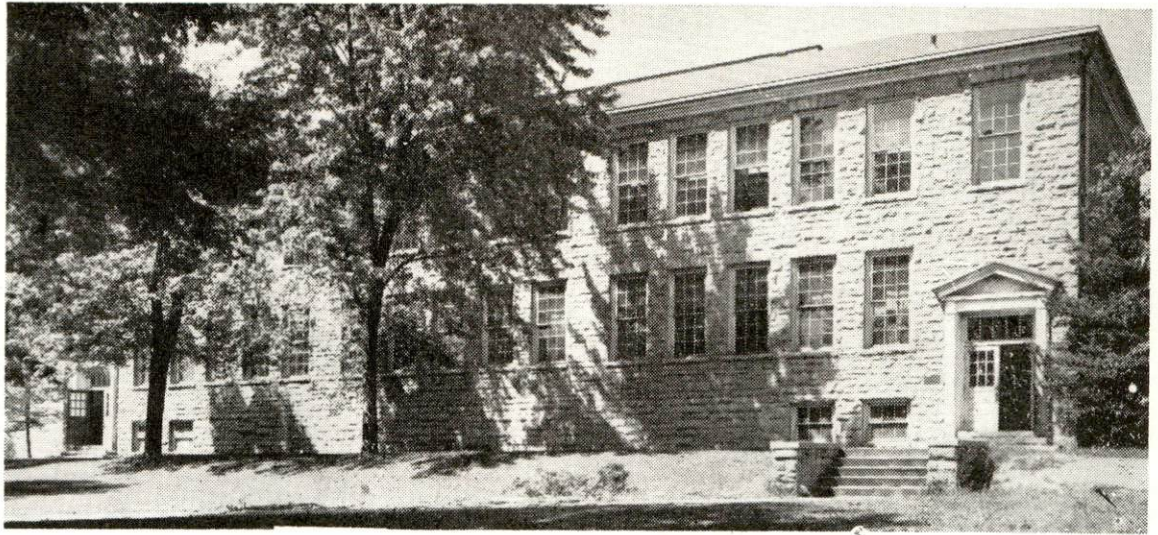


MEDICAL ARTS BUILDING ENTRANCE

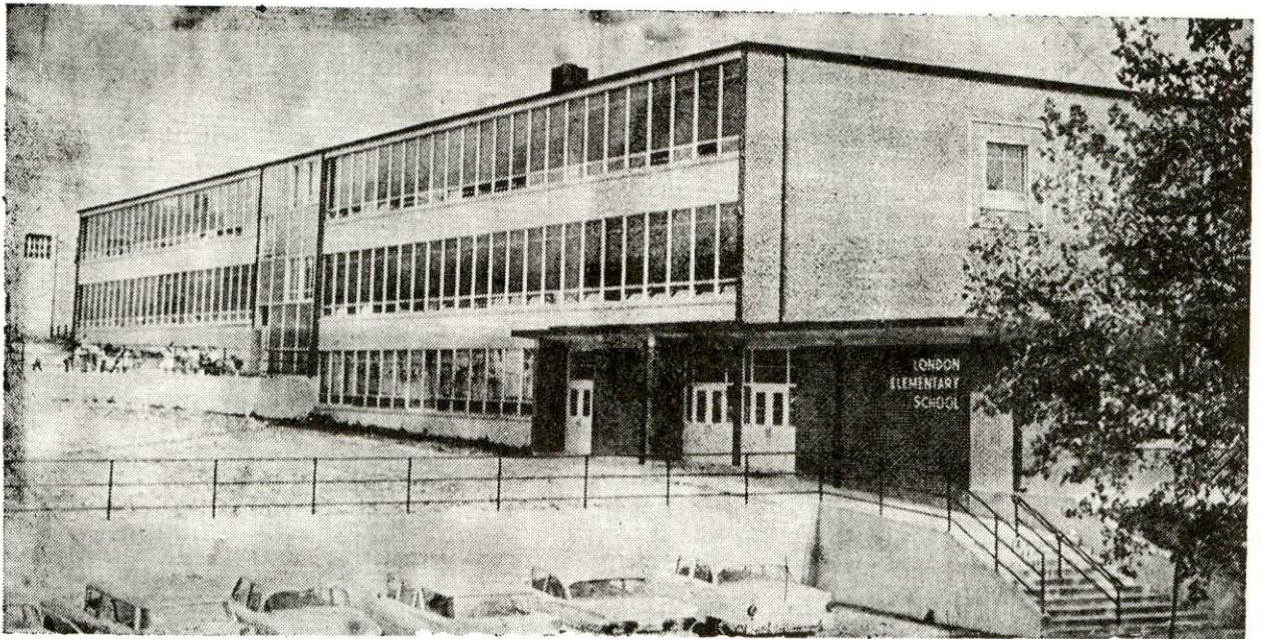


LAUREL COUNTY HEALTH CENTER





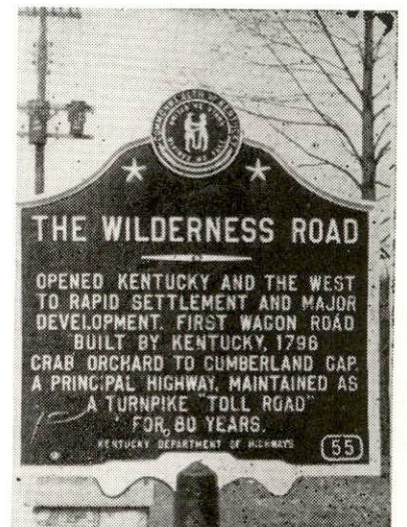
LONDON HIGH SCHOOL



LONDON ELEMENTARY SCHOOL



LAUREL COUNTY FREE PUBLIC LIBRARY  
KENTUCKY STATE REGIONAL LIBRARY NO. 2



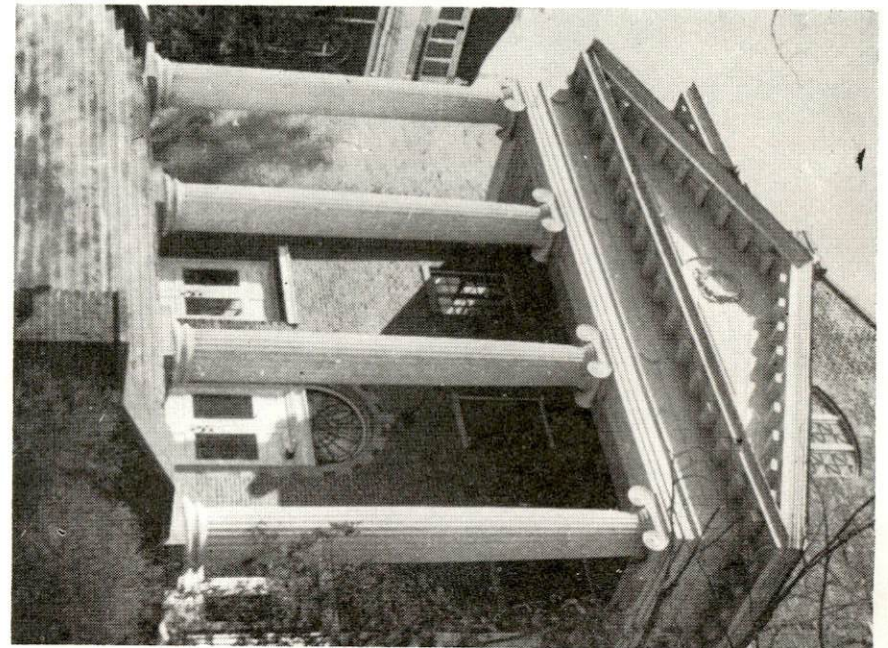




LONDON CITY SCHOOL GYM



KENTUCKY NATIONAL GUARD ARMORY



SUE BENNETT JUNIOR COLLEGE—AUDITORIUM  
Established 1896



ONE OF LONDON'S NINE FINE CHURCHES



### Hotel and Motel Accommodations

	<u>Units</u>		<u>Units</u>
Town Center Motel	48	Laurel Lodge Motel	18
London Hall Court	37	Laurel Hotel	20
The Southmoor Motel	22	London Hotel	23
The Village Motel	20	Four Paw Hotel	23
Cardinal Court	26	South London Motel	5

### Newspapers, Radio and Television

Newspapers. The Sentinel Echo, a weekly paper, serves London and Laurel County. Daily papers are received from Louisville, Lexington and Knoxville.

Radio. London is served by WFTG, London, and also Lexington, Mt. Vernon, Corbin and Somerset stations.

Television. Television reception is good from Knoxville, Tennessee.

### Clubs and Organizations

Civic. London-Laurel County Development Association, Rotary Club, Lions Club and Junior Chamber of Commerce.

Fraternal. Masons, Shriners, American Legion, VFW, and DAV.

Women's Clubs. Woman's Club, Junior Woman's Club and B & PW.

Youth. Boy Scouts, Girl Scouts, Cub Scouts, FFA, FHA, and 4-H Club.

### Recreation

Local Facilities. There are two swimming pools open to the public, one at Sue Bennett College and one at London Hall. Golf facilities are available at a nine-hole municipal course. The construction of a country club with a nine-hole golf course will be completed in 1960. A baseball park, tennis courts, and playground equipment are located on the city school grounds.

The J. M. Feltner Memorial Boy Scout Camp, two miles east of London, serves a 19-county area with a modern, well equipped camping area. Levi Jackson State Park is located three miles south of the city. Facilities at this park include a new swimming pool, a bridge path, camping and picnic facilities, and house trailer facilities.

Area Facilities. Cumberland Falls State Park, 35 miles, has complete facilities for swimming, picnicking and horseback riding. Cumberland Lake, 42 miles, offers complete facilities for all types of water recreation, camping and picnicking. Other area recreational facilities include: Pine Mountain State Park, Pineville, 40 miles; Herrington Lake, Danville, 62 miles; and Cumberland Gap National Historical Park, Middlesboro, 64 miles.

## COMMUNITY IMPROVEMENTS

This is the seventh straight year that London has been a finalist in the Community Development Contest sponsored by the Kentucky Chamber of Commerce. Recently completed projects include the following: a renovation of the Levi Jackson State Park, including a swimming pool, tenting and trailer area, a bridal path, and complete recreational facilities; completion of a modern 4-H Club camp, which serves a 19-county area and contains a renovated amphitheater and various recreational facilities; completion of a 1,200 seat, lighted football stadium; a \$100,000 modernization of the London Municipal Airport, including extension of the loading ramp, additional drainage facilities and installation of an OMNI aircraft guidance system; installation of 61 mercury vapor street lights in the business district; completion of a 540,000 gallon concrete water reservoir; considerable water main extension to outlying districts of the city; establishment of a regional library which serves Laurel and surrounding counties.

Under construction or planned for the near future are the following: a country club with a nine-hole golf course, clubhouse and swimming pool; construction has begun on a \$420,000 courthouse; the bid for \$70,000 post office has been let; the city council has leased an area for the construction of a new forty-car parking lot; the contract has been let for a \$13,090 repairing of Broad Street; two new schools (one elementary and one high school) are under construction in the county.

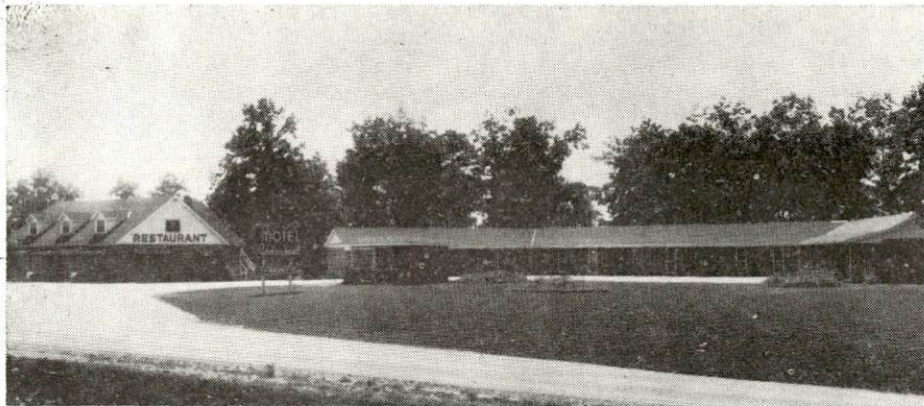
## RESOURCES

### Agricultural Products

Approximately 53% of the total land area of Laurel County is devoted to farming. In 1954, there were 3,008 farms with an average size of 50 acres per farm. Tobacco and corn are the principal crops, and beef and dairy cattle are the dominant livestock of the county.

The following table gives the agricultural statistics for the Laurel County area and Kentucky.





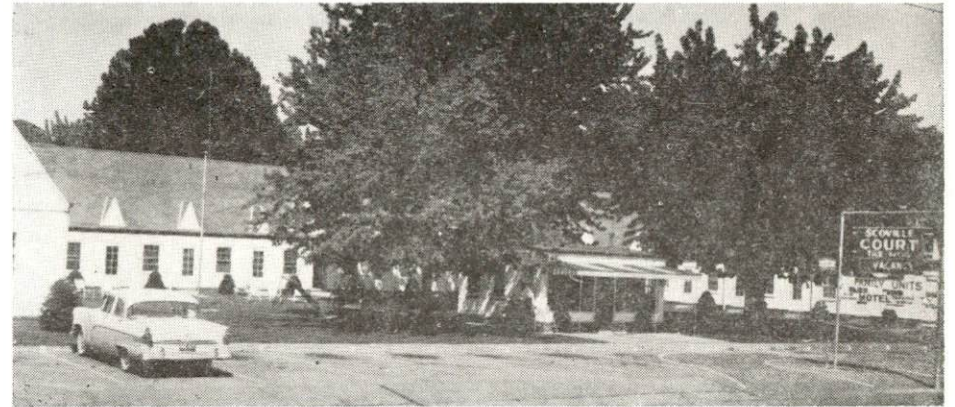
**LAUREL LODGE MOTEL**



**VILLAGE MOTEL**



**LONDON HALL DINING ROOM**



**TOWN CENTER MOTEL**



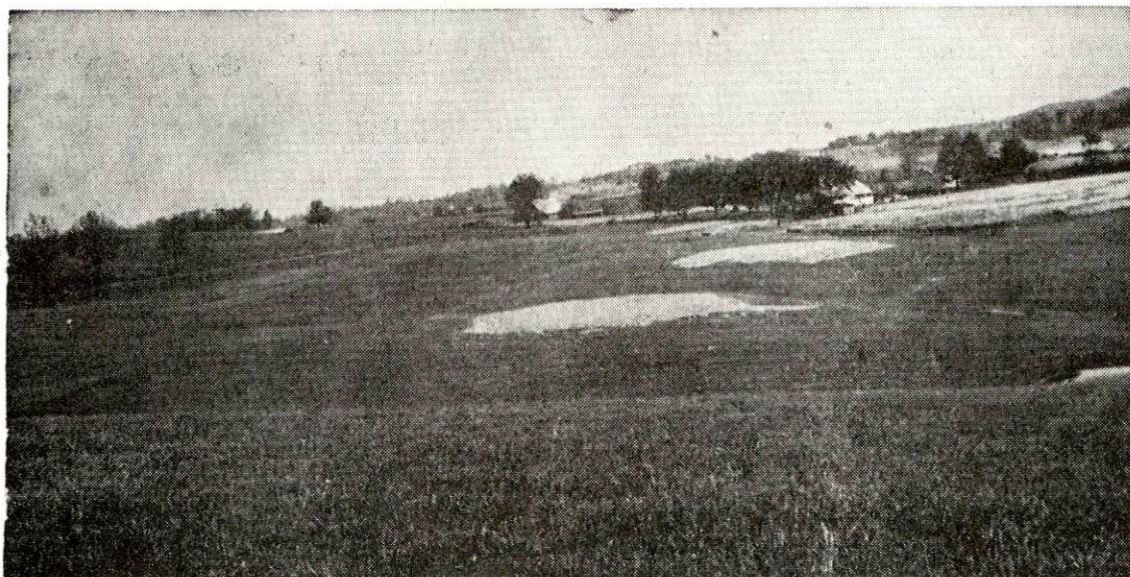
**CARDINAL COURT**



**SOUTHMOOR MOTEL**

London, with its many attractions and facilities, is a favorite tourist stop and vacation center

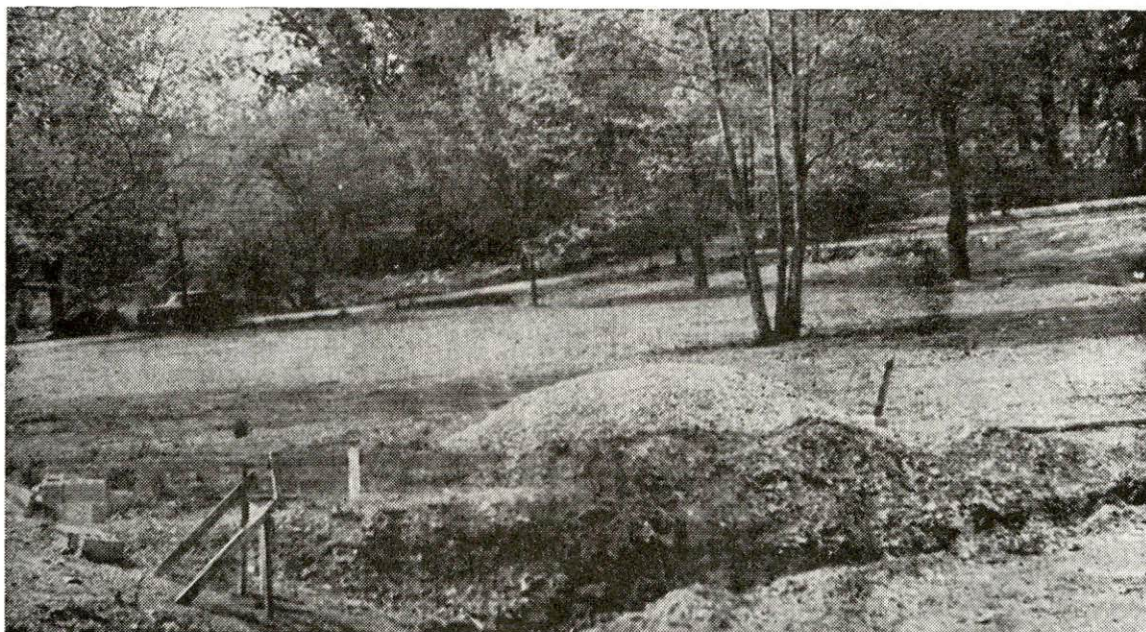




**LONDON'S NEW COUNTRY CLUB, 112 ACRES. SWIMMING POOL NOT SHOWN**

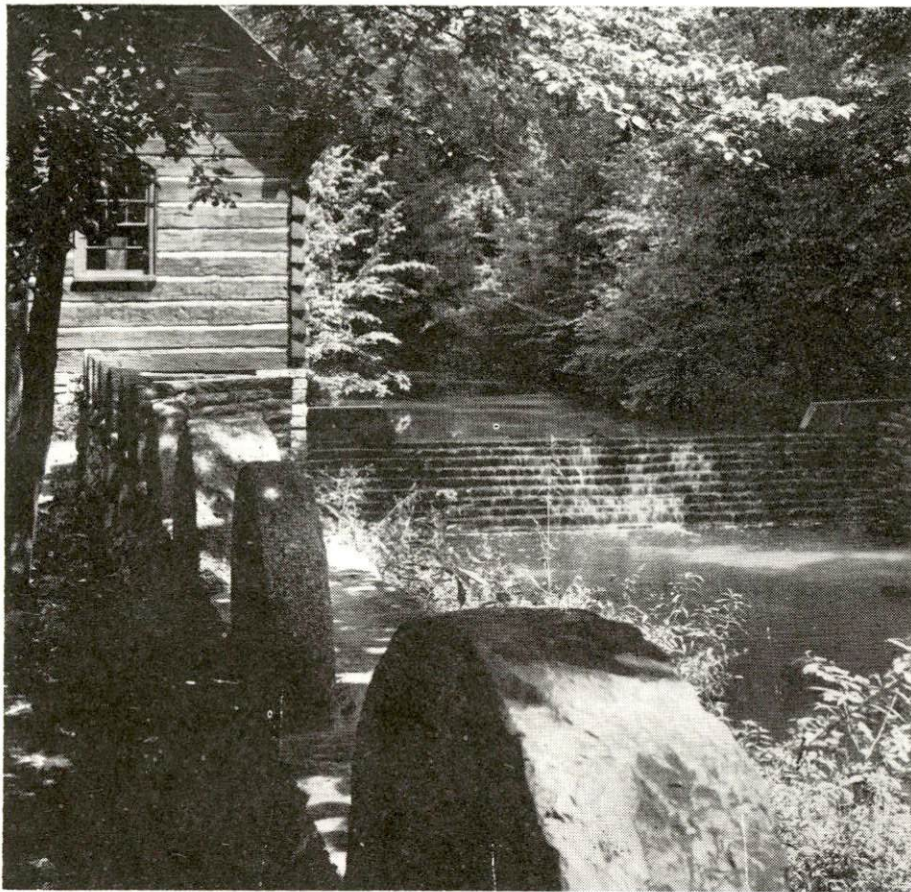


**DINING ROOM-KITCHEN UNIT IN J. M. FELTNER MEMORIAL 4-H CLUB CAMP  
LOCATED IN LEVI JACKSON STATE PARK**



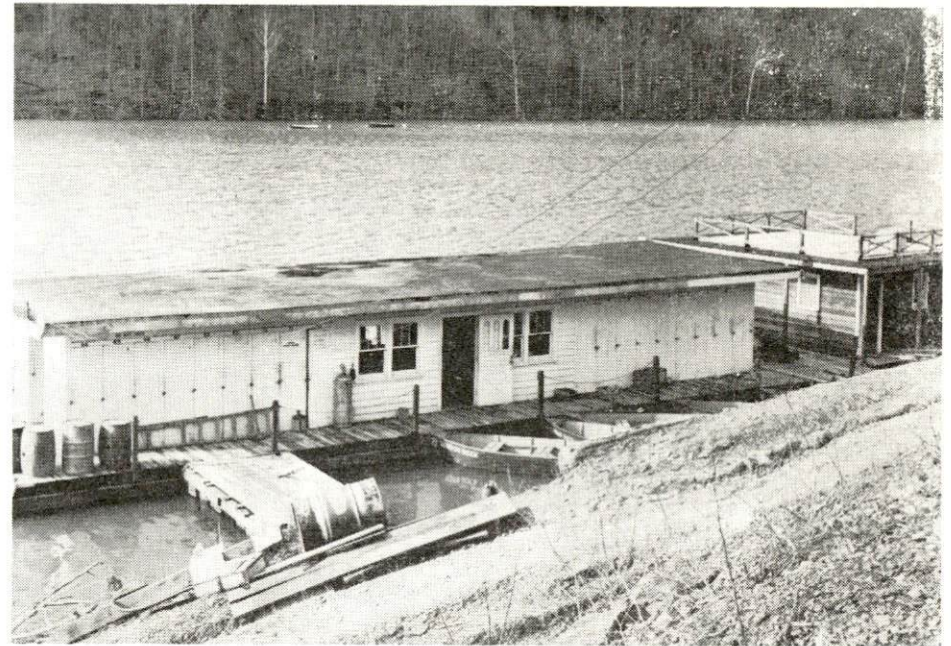
**NEW MUNICIPAL PLAYGROUND UNDER CONSTRUCTION IS IN CENTER OF TOWN**





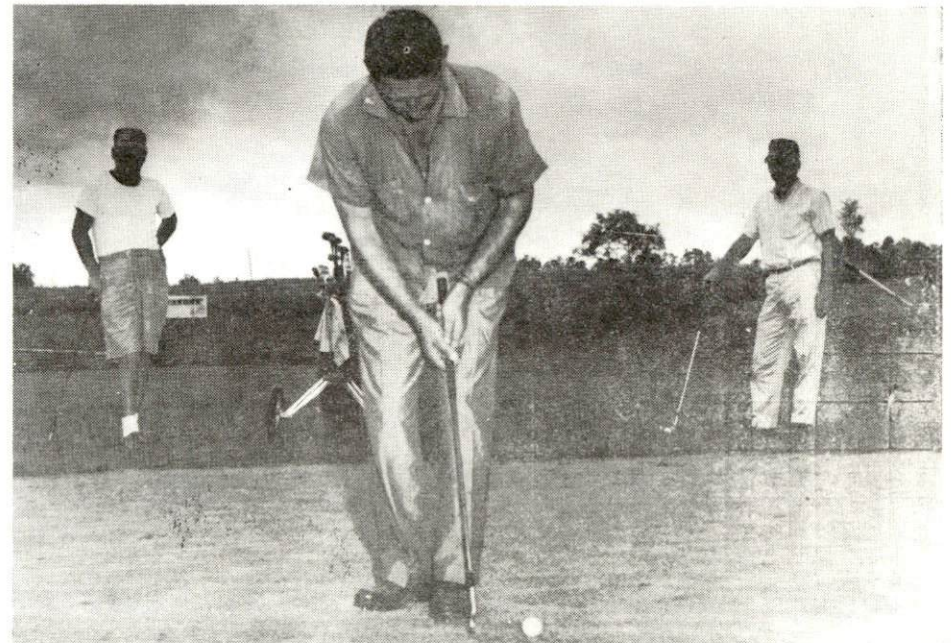
#### LEVI JACKSON WILDERNESS ROAD STATE PARK

Shown are McHargue Water Mill and Mountain Life Museum. Over 800 beautiful acres. Has many attractions, including world's largest collection of old millstones, most popular state park picnic grounds, natural amphitheatre with up to 7,000 attending single programs of Laurel County Homecomings weekends of full moon in August, group camp. Swimming pool and large district 4-H Club camp under construction October 1957



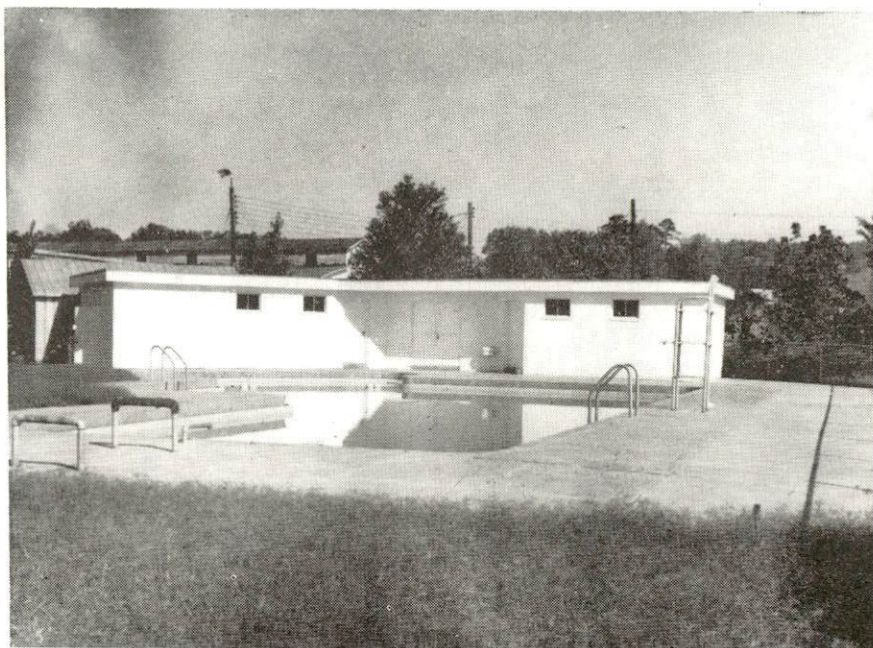
#### LONDON DOCK ON LAKE CUMBERLAND

Largest volume reservoir east of Dakotas, has largest known bass population per acre

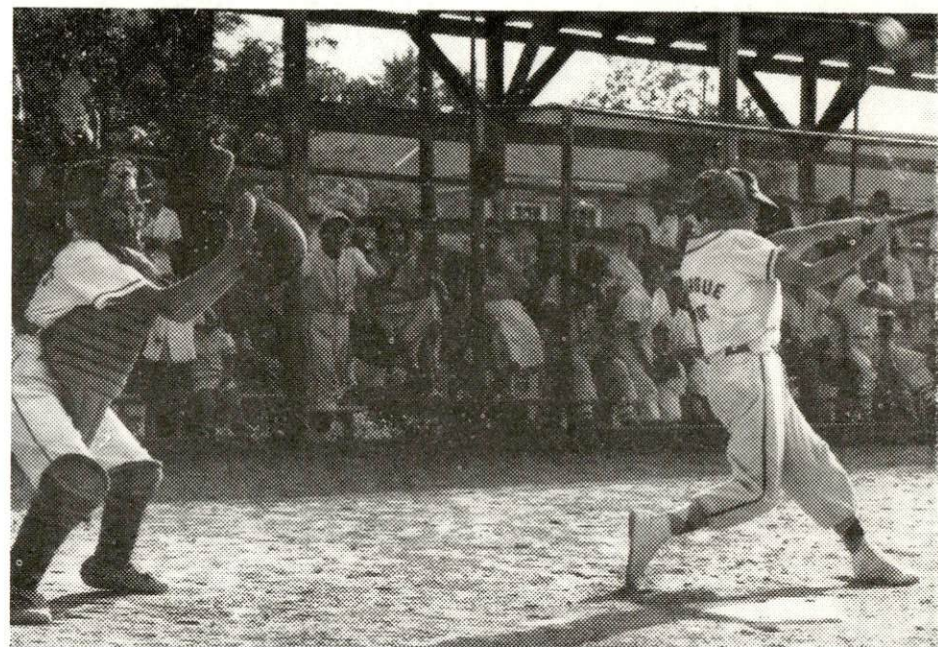


#### ON LONDON'S 9-HOLE GOLF COURSE





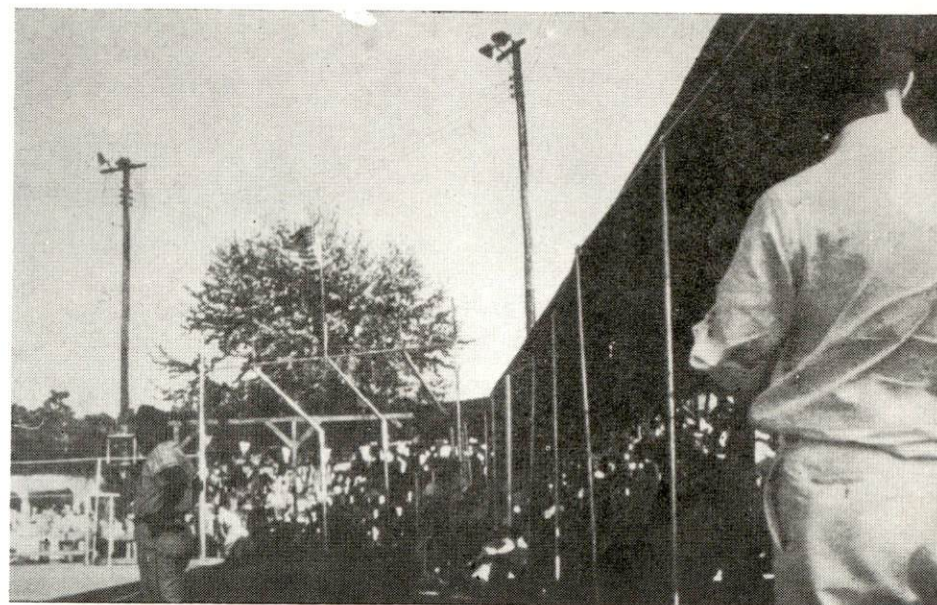
LONDON HALL SWIMMING POOL



MIDGET LEAGUE BASEBALL TOURNAMENT

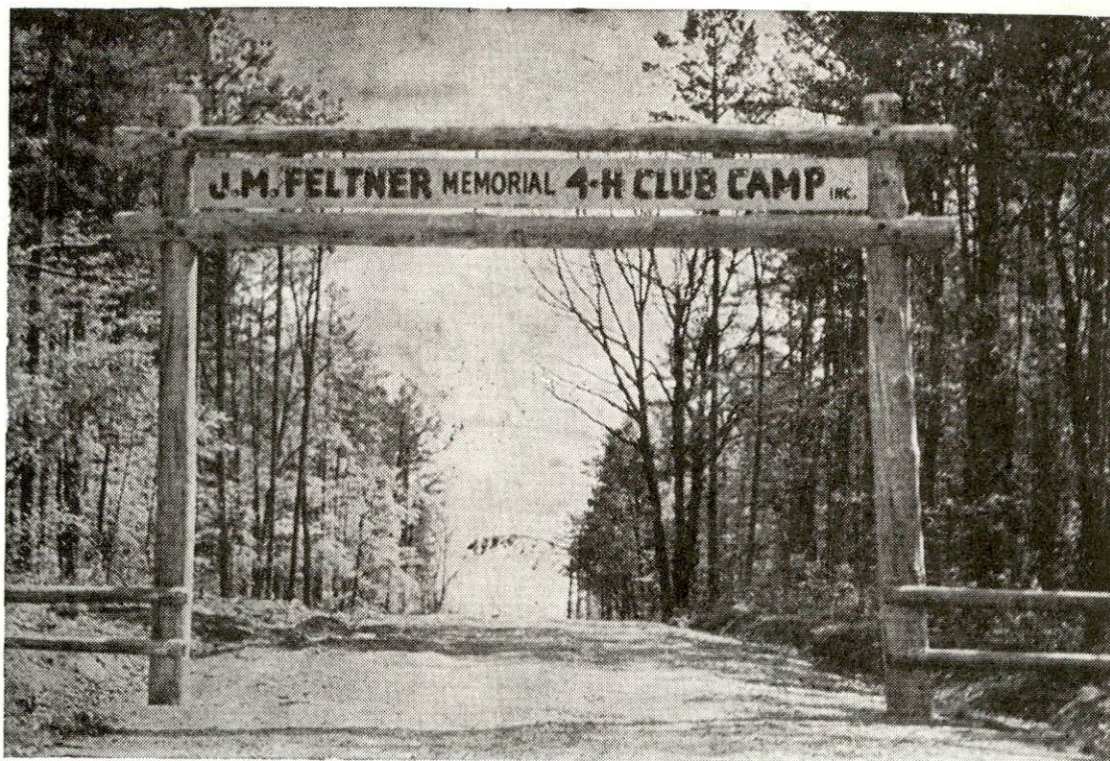


AMERICAN LEGION HALL AND CLUB ROOM

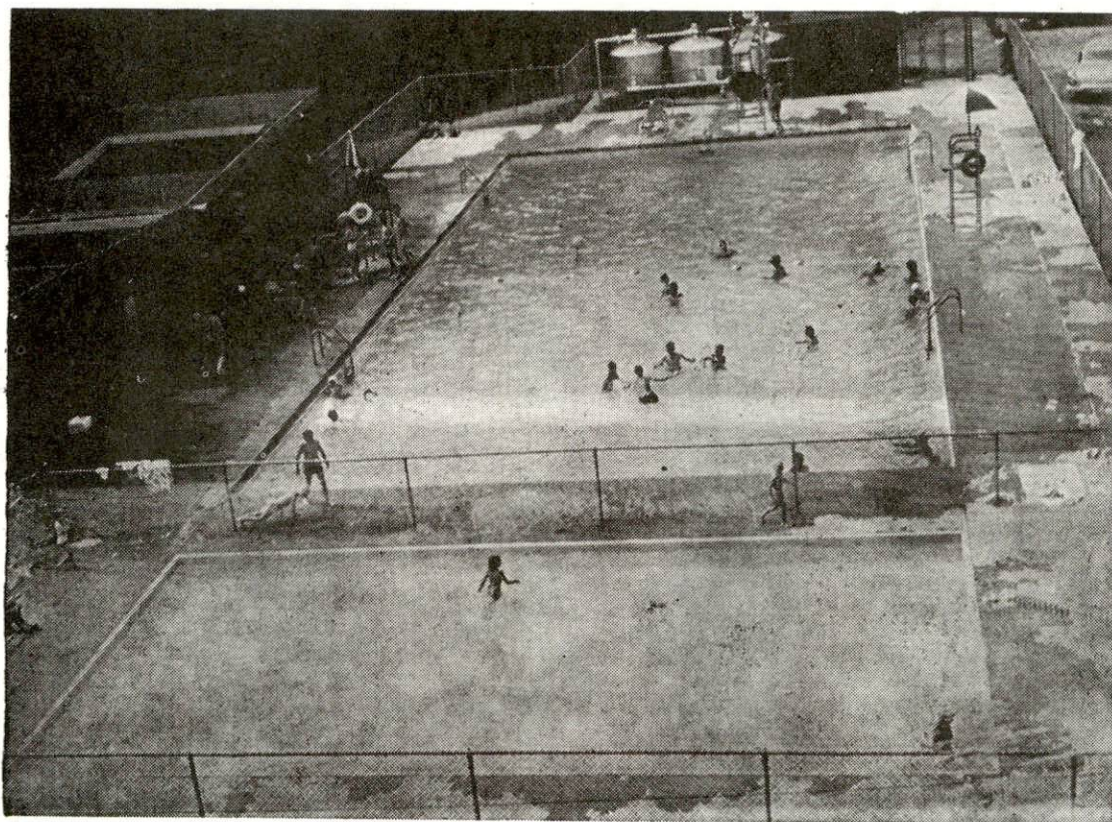


KENTUCKY AMATEUR BASEBALL TOURNAMENT  
Held here each Labor Day weekend. (From color transparency)





**ENTRANCE TO DISTRICT 4-H CLUB CAMP WHICH SERVES NINETEEN COUNTIES**



**SWIMMING POOL IN LEVI JACKSON STATE PARK**



Table 8. Agricultural Statistics for Laurel County Area\* and Kentucky, 1958 7/

Crops	Acres Harvested	Yield per Acre	Total Production
<u>Corn:</u>			
Laurel Co. Area(bu)	75,200	41.0	3,083,000
Kentucky (bu)	1,501,000	49.0	73,549,000
<u>Wheat:</u>			
Laurel Co. Area(bu)	2,010	19.2	385,000
Kentucky (bu)	168,000	23.5	3,948,000
<u>Soybeans:</u>			
Laurel Co. Area(bu)	50	20.0	1,000
Kentucky (bu)	155,000	24.5	3,798,000
<u>Burley Tobacco:</u>			
Laurel Co. Area(lbs.)	9,619	1,605.5	15,464,000
Kentucky (lbs.)	199,000	1,510.0	300,490,000
<u>Alfalfa Hay:</u>			
Laurel Co. Area(tons)	6,050	2.3	13,600
Kentucky (tons)	305,000	2.3	702,000
<u>Clo-Tim Hay:</u>			
Laurel Co. Area(tons)	42,000	1.1	48,210
Kentucky	515,000	1.3	721,000
<u>Lespedeza Hay:</u>			
Laurel Co. Area(tons)	53,800	1.3	68,360
Kentucky	698,000	1.3	942,000

Livestock	Number on Farms as of January 1, 1959
<u>All cattle and calves:</u>	
Laurel Co. Area	89,450
Kentucky	1,843,000
<u>Milk cows:</u>	
Laurel Co. Area	39,950
Kentucky	628,000
<u>Sheep:</u>	
Laurel Co. Area	
Kentucky	604,000

\* Laurel County area includes Laurel and the surrounding counties of Clay, Jackson, Knox, McCreary, Pulaski, Rockcastle, and Whitley.

#### Mineral Resources

The principal mineral resource of Laurel County is coal. Other minerals include petroleum and natural gas, clay and clay shales, sand and sandstone, and limestone. The total value of mineral production in 1958 was \$1,026,014 from coal and petroleum.



Coal. Bituminous coal is by far the most important mineral resource of Laurel County. The coal from this district is used for both general industrial and domestic purposes. Coal activities are centered chiefly near the cities of London, Bernstadt and Corbin.

Production: For the period of 1890 through 1958, a total of 1,456,661 tons was produced. Peak production was in the late forties. A total of 206,774 tons was secured in 1958 from twenty-four truck mines and two stripping operations. Local names of the more important seams are Horse Creek, Jellico and Pittsburg.

Reserves: In the recent publication, "Coal Resources of Eastern Kentucky", by the U.S. Geological Survey, the total original reserves for Laurel County are estimated at 332.37 millions of short tons. This includes measured, indicated and inferred resources.

Petroleum and Gas. Small amounts of oil have been produced along with a lesser amount of gas. Oil was first reported in 1947 and 1948, and again in 1956, 1958 and 1959. Due to the fact that oil was found in the Knox dolomite, significance has been placed on a recently drilled well near the Clay-Laurel County line. Through 1959, a total of 2,590 barrels had been produced in Laurel County.

Clay and Clay Shales. Recent investigations indicate that some shale members of the Lee and Breathitt formations are suitable for common brick, structural tile and lightweight aggregates. These might be developed if sufficient quantities are found.

Sand and Sandstone. Unconsolidated sands suitable for general construction purposes occur along the major streams. Sandstones which can be used for local building and roadway construction are also available. Recent investigations indicate that some of these sandstones might be used for low grade glass purposes.

Limestone. Limestone occurs along the drainage area of the Rockcastle River. These can be obtained for general construction and possible agricultural purposes.

Water Resources. The largest supply of surface water is from the Rockcastle River. Local sources are from impoundments of small streams.

The occurrence of ground water is from the rocks of the Pennsylvania System. This is summarized in the "Hydrologic Investigation Atlas "HA-10 (USGS) as follows:

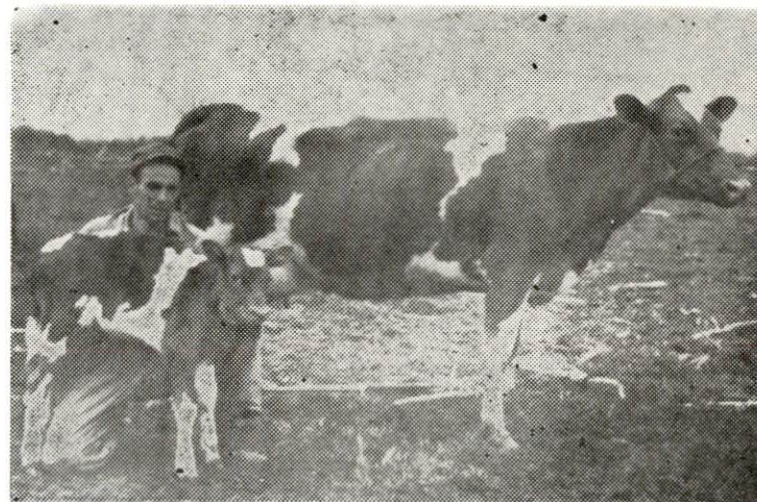
Pennsylvanian System. "Where sandstone, siltstone, or conglomerate crops out in broad uplands or in valleys, it yields enough water for domestic use to most drilled wells. A number of wells yield more than 50 gpm for public and industrial supplies. Some water is obtained from limestone and coal beds.



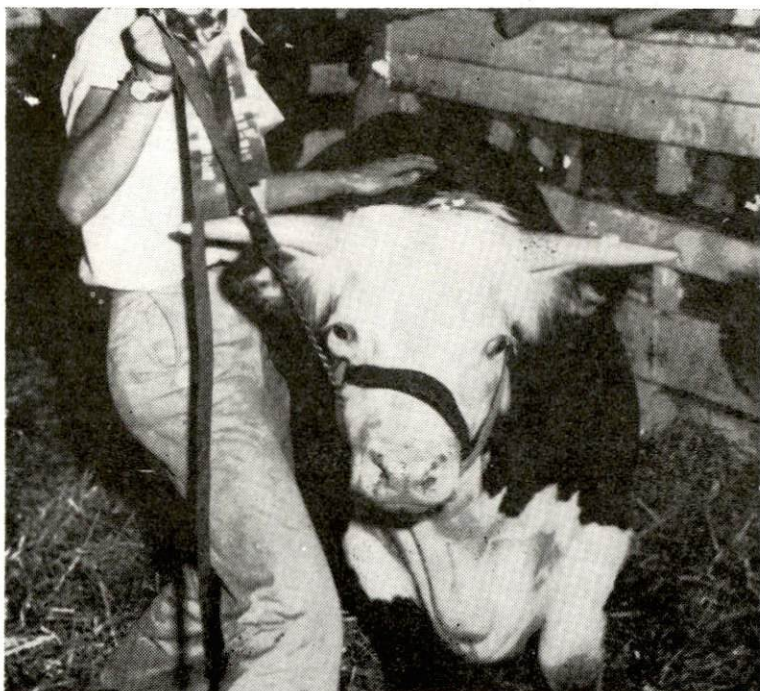


**LAUREL COUNTY TOBACCO FIELD**

Agriculture is basic to Laurel County's economy. Tobacco, dairying and beef cattle are the principal cash crops, while broiler production is becoming increasingly important

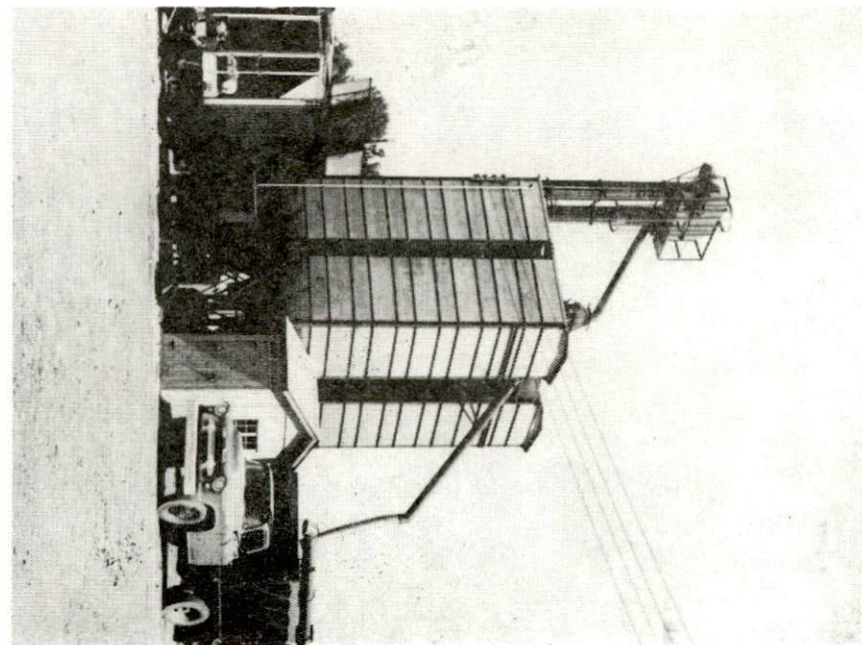


**GUERNSEY COW WITH ARTIFICIALLY BRED CALF**



**HEREFORDS PREDOMINATE**

Though Angus strongly compete in 4-H Club and FFA District Fat Baby Beef Show and Sales held annually, alternating between London's two livestock markets.



**COTTONGIM FEED BINS**

of Cottongim Feed Store serves growing broiler production



Little water is available from shale. Sandstone and conglomerate yield water to numerous springs and seeps, but most of the springs are small and go dry in late summer".

In 1958, Kentucky ranked tenth in the nation in the value of minerals produced. Total production was valued at \$402,121,000 and the principal minerals were coal, petroleum, natural gas and stone. Among the states, Kentucky ranked third in bituminous coal, second in ball clay production and fourth in fluorspar.

Table 9.	Kentucky Mineral Production in 1958	8/
Minerals	Unit	Quantity
Clays	Short Tons	737,000
Coal	Short Tons	66,312,000
Fluorspar	Short Tons	25,861
Gem Stones		(1)
Lead (Recoverable Content of Ores, etc.)	Short Tons	516
Natural Gas	Million Cubic Feet	72,248
Natural Gas Liquids		
Natural Gasoline	Thousand Gallons	37,926
LP Gases	Thousand Gallons	150,655
Petroleum (Crude)	Thousand 42-gal. bbls.	17,509(2)
Sand and Gravel	Short Tons	4,685,000
Silver (Recoverable Content of Ores, etc.)	Troy Ounces	99
Stone	Short Tons	12,597,000
Zinc (Recoverable Content of Ores, etc.)	Short Tons	1,285,000

(1) Quantity not canvassed.

(2) Preliminary figures.

## MARKETS

Kentucky and the seven adjoining states make up one-fourth of the national market. In 1957, the population was 39,901,000 or 23.4% of the U.S.; personal income was \$80,029,000,000 or 23.2% of the U.S.; and value added by manufacturing was \$40,684,782,000 or 28.2% of the U.S. In 1958, retail sales in this area totaled \$44,817,920,000 or 22.3% of the U.S. 9/

In 1958, retail sales for Laurel County were at \$16,352,000. 10/  
In 1957, per capita income was \$497. 11/



## 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 in the northern parts, to 40 degrees in the southern for about six weeks duration. Midwinter days average 74 degrees in the cooler uplands, to 79 degrees 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 per cent of the year, and increases to 60 per cent 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. Warm to cool weather prevails with only short periods of extreme heat and cold.



## BIBLIOGRAPHY

- 1/ United States Bureau of Census, Unofficial Estimate, 1960.
- 2/ Labor Supply Statement for London, Laurel County, Kentucky Area, Kentucky Department of Economic Security.
- 3/ Director of Industrial Development, Louisville and Nashville Railroad Company, Louisville, Kentucky.
- 4/ Traffic Manager, Dance Freight Lines, Inc., Cincinnati, Ohio.
- 5/ Annual Report, Kentucky Department of Mines and Minerals, December 31, 1958.
- 6/ Kentucky Public School Directory 1959-60, Kentucky Department of Education, October, 1959.
- 7/ Kentucky Agricultural Statistics 1959, Kentucky Crop and Livestock Reporting Service.
- 8/ Minerals Yearbook 1958, Vol. III, Bureau of Mines, Area Reports.
- 9/ Kentucky Industrial Directory, 1959-60, Kentucky Department of Economic Development, September 1959.
- 10/ 1958 Census of Business, Retail Trade, Kentucky, United States Bureau of Census.
- 11/ Personal Income In Kentucky Counties 1957, Bureau of Business Research, University of Kentucky, Lexington, Kentucky.



## 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

London and Laurel County were created by an Act of the Legislature in 1825 under the sponsorship of John and Jarvis Jackson, a father and son team who gave the county the town site on the Wilderness Road. The town was incorporated in 1866.

Being "in the middle of the Wilderness", Laurel County was a quarter century behind Central Kentucky in its settlement. It was about 1800 before families began to settle in sizeable numbers.

In the past, the principal sources of county income have been: agriculture from the beginning; pine tar up to the Civil War; vacationing at Rockcastle and Sublimity Springs, 1850 to 1905; coal and timber beginning with the coming of the railroad in 1882; and more recently, stock and tobacco raising on the farm, and manufacturing in town. In the earliest days, Boone's and Skagg's Traces parted at the "Hazel Patch". An Indian trail from Tennessee probably prompted most of the great massacres in the "Wilderness" to take place in Laurel County. The Wilderness Road to Crab Orchard, and the State Road to Richmond forked at Pittsburg, while the Knoxville Road came in at London. The great north-south artery, U. S. #25, and Southern Kentucky's only through east-west road, Ky. #80, cross at London. This makes London one of the most important trading areas in southeastern Kentucky.

The Mountain Echo, one of the mountain pioneer newspapers, was moved from Barbourville to London in 1875. The reason given for this move was transportation and better mail service to the area it served. Seventy-five years later the same considerations were an influence in decisions of Kern's Bakery, Knoxville Fertilizer and the State Tuberculosis Sanitarium to locate in London.

Education has played an important part in the development of London and Laurel County, the Laurel Seminary opening its doors in 1885, and Sue Bennett College in 1907.



## Appendix B

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 Covered Employment by Major Industry Division Laurel County, Kentucky
 

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Industry, September 1959	Number	Per cent	Number	Per cent
All Industries	1,831	100	454,589	100
Mining & Quarrying	87	4.8	31,954	8.0
Contract Construction	319	17.4	38,424	9.4
Manufacturing	390	21.3	173,021	42.4
Food and kindred products	192	10.5	26,404	6.5
Tobacco			9,550	2.4
Clothing, Tex. & Leather			24,820	6.1
Lumber & furniture	167	9.1	15,464	3.8
Printing, Pub. and paper	9	.5	10,239	2.5
Chemicals, petroleum, coal & rubber	2	.1	13,122	3.2
Stone, clay & glass	19	1.0	5,681	1.4
Primary metals			10,415	2.6
Machinery, metal & equip.	1	.06	59,911	13.3
Other			2,141	.5
Transportation, Communication & Utilities	284	15.5	33,821	8.3
Wholesale & Retail Trade	575	31.4	116,611	28.7
Finance, Ins. & Real Estate	48	2.6	19,290	4.8
Services	128	7.0	36,455	9.0
Other			1,842	.4

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## Appendix C

Economic Characteristic of the Population for Laurel County and Kentucky, 1950				
Subject	Laurel County		Kentucky	
	Male	Female	Male	Female
Total Population	13,030	12,767	1,474,987	1,469,819
<b>EMPLOYMENT STATUS</b>				
Persons 14 years old & over	8,471	8,459	1,039,654	1,048,459
Labor force	6,166	1,070	799,094	214,162
Civilian labor force	6,162	1,070	777,155	213,916
Employed	5,978	1,041	748,658	206,328
Private wage & salary	2,545	554	437,752	156,377
Government workers	282	201	45,354	28,787
Self-employed	2,664	134	235,407	15,104
Unpaid family workers	487	152	30,145	6,060
Unemployed	184	29	28,497	7,583
Experienced workers	180	28	28,082	7,281
New workers	4	1	415	307
Not in labor force	2,305	7,389	240,560	834,297
Keeping house	56	5,738	5,495	665,564
Unable to work	779	311	70,583	38,564
Inmates of institutions	32		14,764	7,223
Other and not reported	1,438	1,304	149,718	122,946
14 to 19 years old	942	1,013	84,410	85,890
20 to 64 years old	417	291	47,447	28,952
65 and over	79	36	17,861	8,104
<b>MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS</b>				
All Employed	5,978	1,041	748,658	206,328
Professional & technical	190	163	34,405	25,410
Farmers & farm mgrs.	2,039	43	169,728	2,264
Mgrs., & officials & props.	378	89	57,432	9,706
Clerical & kindred wkrs.	124	154	33,228	47,520
Sales workers	212	149	35,141	20,534
Craftsmen and foremen	627	3	107,292	3,096
Operatives & kindred wkrs.	1,045	55	152,280	37,609
Private household wkrs.	3	97	1,584	21,403
Service workers	114	179	30,522	28,000
Farm laborers, unpaid fam.	458	79	29,165	3,260
Farm laborers, other	321	11	38,358	788
Laborers, ex. farm & mine	412	6	49,848	1,843
Occupation not reported	55	13	9,675	4,890

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



## CLIMATIC DATA FOR LONDON, LAUREL COUNTY, KENTUCKY

Month	Temperature Norm 1/	Total Prec. Norm 1/	Average Relative Humidity Readings 2 /	
	Degrees Fahrenheit	Inches	6:30 AM	7:30 PM(CST)
January	35.4	4.25	83	69
February	36.6	3.66	81	64
March	46.2	4.76	78	59
April	55.0	3.86	75	53
May	64.0	4.20	78	58
June	71.9	4.11	89	63
July	75.2	4.11	83	66
August	74.3	4.10	86	68
September	69.0	3.19	86	66
October	57.3	2.69	86	63
November	45.7	3.24	83	64
December	37.0	3.86	84	69
Annual Norm	55.6°F	46.03inches	82	64

1/ Station Location: Science Hill, Pulaski County, Kentucky

2/ Station Location: Knoxville, Tennessee

Length of record - 6:30 AM readings - 64 years; 7:30 PM readings - 64 years.

Days Cloudy or Clear: (81 years of record) 120 days clear; 121 days partly cloudy; 124 days cloudy

Per cent of Possible Sunshine: Annual 57%

Days with Precipitation over 0.01 inch: (81 years record) 133 days

Days with Thunderstorms: (71 years record) 48 days

Days with 1.0 or More Snow, Sleet, Hail: (68 years record) 3 days

Days with Heavy Fog: (71 years of record) 18 days

Prevailing Wind: (83 years record) S W

Seasonal Heating Degree Days: (51 years record) Approximate long-term means - 3,777 degree days.

Frost Free Period: April 22 to October 16.

Growing Season: 177 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:

	<u>Rate Per Share</u> <u>(Par Value)</u>	<u>Rate Per Share</u> <u>(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 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 receivable	.10	No	No	No
Building and loan association capital stock	.10	No	No	No
Car lines	1.50	No	No	No
Distilled spirits	.50	Full <u>1/</u>	Full	Full
Farm products in storage	.05	.05 (tobacco) .15 (other)	.05 (tobacco) .15 (other)	No
Farm products in the hands of producers or agent	.25	No	No	No
Intangibles, franchise	.50	Full	Full	Full
Intangibles, franchise nonoperating	.25	No	No	No
Intangibles, not elsewhere specified	.25	No	No	No
Livestock and poultry	.50	No	No	No
Machinery, agricultural and manufacturing	.50	No	No	No
Raw materials and products in course of manufacture	.50	No	No	No
Real property	.05	Full	Full	Full
Tangible personalty, not elsewhere specified <u>2/</u>	.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 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.



KENTUCKY STATE AND LOCAL TAXES  
APPLICABLE TO A MANUFACTURING CONCERN

	<u>State</u>	<u>Local</u>									
Business Taxes	<p>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, <u>after</u> deduction of Federal corporation income tax attributable to Kentucky operations.</p> <p>2. Corporation license tax of 70 cents on each \$1,000 of that part of the value of capitol stock represented by property owned or business transacted in Kentucky; minimum tax \$10.</p>	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 <u>after</u> the deduction of Federal individual income tax payments, which is reduced by a tax credit of \$13 for each exemption.	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	Three percent retail sales and use tax with broad exemptions for industry.	None									
Intangible Property	<p>The assessment ratios and tax rates per \$100 of assessed value for the various classes of intangible property are as follows:</p> <table> <tr> <td>Bank Deposits</td><td>100%</td><td>1/10 of 1¢</td></tr> <tr> <td>Stocks &amp; Bonds</td><td>100</td><td>25</td></tr> <tr> <td>Accounts Receivable</td><td>85</td><td>25</td></tr> </table>	Bank Deposits	100%	1/10 of 1¢	Stocks & Bonds	100	25	Accounts Receivable	85	25	No local taxing jurisdiction allowed to impose a property tax on intangible property.
Bank Deposits	100%	1/10 of 1¢									
Stocks & Bonds	100	25									
Accounts Receivable	85	25									



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.

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 is 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

Henry H. Carter,  
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 1959, 2,645 miles of highway and bridges were placed under contract at a total cost of \$62,905,575. 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.