

1967

Industrial Resources: Bell County - Middlesboro

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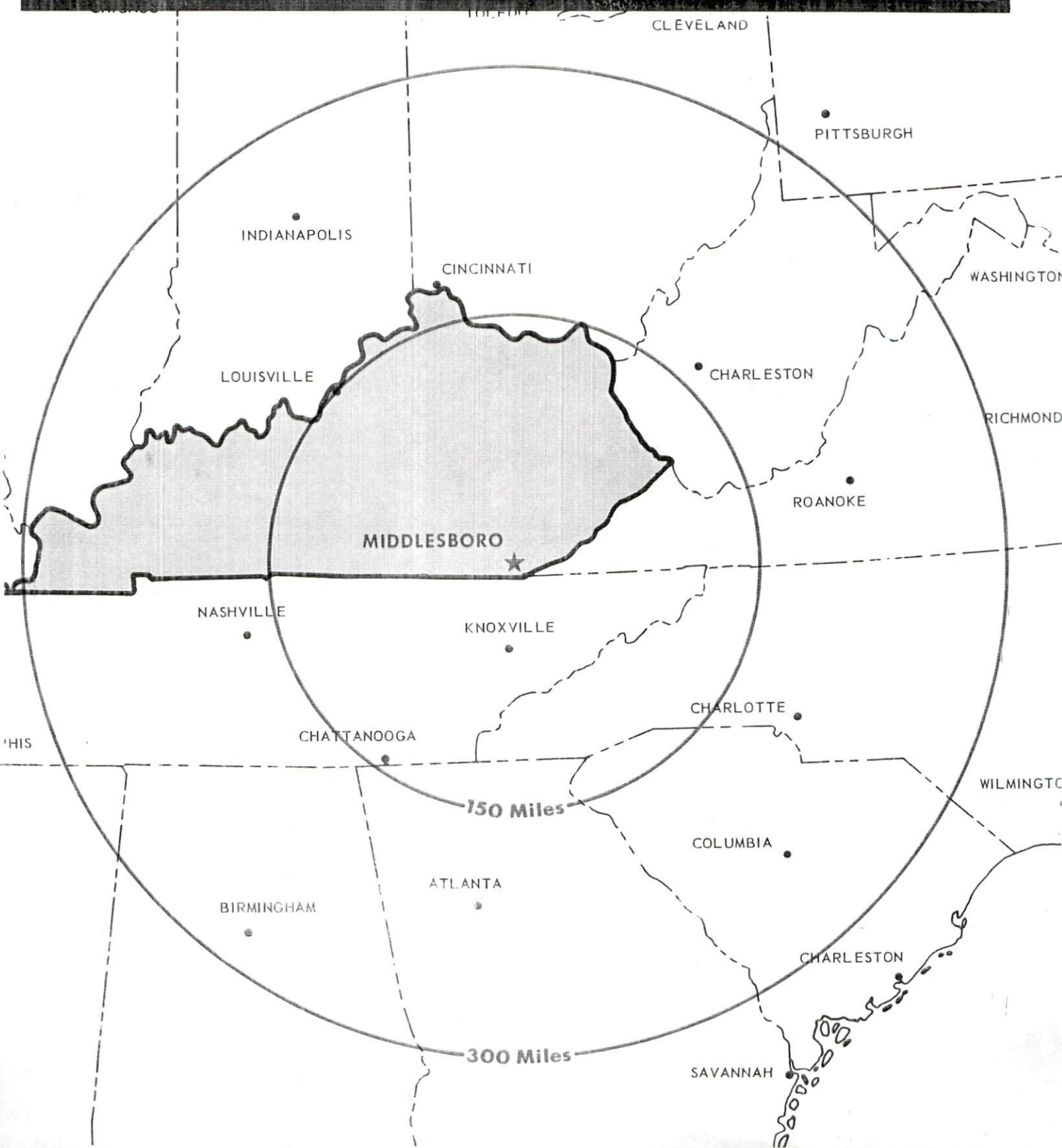
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INDUSTRIAL RESOURCES

MIDDLESBORO KENTUCKY



INDUSTRIAL RESOURCES
MIDDLESBORO, KENTUCKY

Prepared by
The Middlesboro Chamber of Commerce
and
The Kentucky Department of Commerce
Frankfort, Kentucky
1967

This copy has been prepared by the Kentucky Department of Commerce,
Division of Research, and the cost of printing paid from state funds.

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**POPULATION AND
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INDUSTRIAL SITES

**LOCAL GOVERNMENT
AND SERVICES**

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**INDUSTRIAL
RESOURCES**

Middlesboro

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**INDUSTRIAL
RESOURCES**

Middlesboro

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SUMMARY DATA

POPULATION:

1960: Middlesboro - 12,607

Bell County - 35,336

MIDDLESBORO LABOR SUPPLY AREA:

Includes Bell and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area: 7,800-8,200 men and 6,600-7,000 women. Number of workers available from Bell County: 1,700-1,800 men and 2,050-2,150 women.

The future labor supply will include 8,284 boys and 7,867 girls who will become 18 years of age by 1973.

LOCAL MANUFACTURING:

Manufacturing firms, their products, employment, prevailing wage rates, and current unionization are shown in detail in the Manufacturing Chapter.

TRANSPORTATION:

Railroads: Middlesboro is served by the Louisville & Nashville Railroad and the Southern Railway System.

Air: The Middlesboro-Bell County Airport has a paved 3,650 by 75-foot runway. The nearest major airports are at London, Kentucky, 56 miles distant, and Knoxville, Tennessee, 61 miles south of Middlesboro.

Trucks: Middlesboro is served by six truck lines, two of which maintain terminals in Middlesboro.

Bus Lines: Bus service is provided by Southern Greyhound Bus Lines and the Middlesboro-LaFollette Bus Lines.

Highways: Middlesboro is served by U. S. Highways 58 and 25-E, and Kentucky Routes 74 and 186. Interstate 75 is 50 miles west of Middlesboro.

UTILITIES:

Electricity:

City: Two 69,000 volt transmission circuits of the Kentucky Utilities Company provide Middlesboro with adequate electric power.

County: Cumberland Valley RECC serves 436 consumers in Bell County.

Gas: Gas Service Company, Inc., privately owned, obtains natural gas from gas fields in Bell and Knox Counties through the Cumberland Valley Pipe Line Company and from Petroleum Exploration, Inc., which has interconnections with Texas Eastern Transmission Corporation.

Water: The Kentucky Water Service Company, Inc., privately owned, serves Middlesboro with an excellent quality of water through its 2,100,000 gpd treatment plant.

Sewer System: The Middlesboro Sewer System provides the city with separate storm and sanitary mains and a modern 4,200,000 gpd disposal plant.

INDUSTRIAL SITES:

Middlesboro has two industrial sites of 19.2 and 28 acres. Both sites are served by rail, have access to major highways, and have all needed utilities.

POPULATION AND LABOR MARKET

Population

Middlesboro has shown a large increase in population since 1900, the largest being 3,143 from 1900 to 1910. There has been an increase in each decade of this century except the sixth.

The Bell County population has followed the same pattern as that of Middlesboro, showing an increase for each decade since 1900 except 1950-1960.

TABLE 1

POPULATION DATA FOR MIDDLESBORO AND BELL COUNTY
WITH COMPARISONS TO THE KENTUCKY RATE OF CHANGE, 1900-60

Year	Middlesboro		Bell County		Kentucky
	Population	% Change	Population	% Change	% Change
1900	4,162		15,701		15.5
1910	7,305	75.5	28,447	81.2	6.6
1920	8,041	10.1	33,488	19.5	5.5
1930	10,350	28.7	38,747	14.0	8.2
1940	11,777	13.8	43,812	13.1	8.8
1950	14,482	23.0	47,602	8.7	3.5
1960	12,607	-12.9	35,336	-25.7	3.2

Source: U. S. Bureau of the Census, U. S. Census of Population: 1960, "General Population Characteristics," Kentucky.

Economic Characteristics

In December of 1966, 1,308 persons employed in manufacturing comprised the largest employment group in Bell County. Almost as large was the group of 1,155 workers employed in wholesale and retail trade. Mining and quarrying industries employed 716. Total covered employment in all industries in Bell County in December of 1966 was 4,265.

TABLE 2

BELL COUNTY LABOR MARKET, AVERAGE WEEKLY INCOME,
TOTAL AND PER CAPITA PERSONAL INCOME

County	Weekly Wages, 1965*		Personal Income, 1963		
	All Industries	Manufacturing	Total (000)	Per Capita	Rank**
Bell	\$71.98	\$ 72.08	\$ 34,252	\$1,071	84
Harlan	92.45	88.26	58,674	1,293	57
Knox	72.36	77.14	16,950	707	115
Whitley	70.33	68.31	27,333	1,129	79
KENTUCKY	\$96.66	\$110.10	\$5,566,097	\$1,799	--

*Average Weekly Wage presented here is an annual average for companies covered by unemployment insurance and is derived by dividing the total wages paid during the year (including all employees--corporate officials, clerical and production workers, etc.) by the average monthly employment for the year and then by 52 weeks.

**County rankings presented here are the per capita personal income for that county among the total 120 Kentucky counties.

Sources: Kentucky Department of Economic Security (Average Weekly Wage for All Industries and Manufacturing, 1965) for Weekly Wages; Bureau of Business Research, College of Commerce, University of Kentucky, Kentucky County Income, 1963, 1965, for Personal Income.

Labor Market

Supply Area: The Middlesboro labor supply area includes Bell and the adjoining counties of Harlan, Knox, and Whitley. The population of the labor supply area was 137,516 in 1960.

Current Labor Potential: Fantus Area Research, Inc., estimated in November, 1966, that there were from 7,800 to 8,200 males and from 6,600 to 7,000 females in this area between the ages of 18 and 45 who are currently recruitable for manufacturing jobs. The county distribution of this current labor supply is shown in Table 3.

The potential male labor supply is available from the unemployed plus the underemployed. The underemployed are principally men earning below \$2,500 a year. Most of the underemployed would come from seasonal agricultural employment or marginal nonmanufacturing jobs.

Part of the female labor supply will come from the unemployed but a much greater proportion will come from increased participation in the labor force when jobs are available. The participation rate of women in the labor force is relatively low in much of Kentucky.

TABLE 3
CURRENT POTENTIAL LABOR SUPPLY, BELL COUNTY,
KENTUCKY AREA, NOVEMBER, 1966

County	Current Labor Potential		
	Total	Male	Female
Area Total:	14,400-15,200	7,800-8,200	6,600-7,000
Bell	3,750- 3,950	1,700-1,800	2,050-2,150
Harlan	5,800- 6,000	3,100-3,200	2,700-2,800
Knox	2,550- 2,750	1,700-1,800	850- 950
Whitley	2,300- 2,500	1,300-1,400	1,000-1,100

Source: Fantus Area Research, Inc.

Future Labor Supply: The future labor supply in the area will include some proportion of the 8,284 males and 7,867 females who will become 18 years of age by 1973. An exact forecast of the figure that would enter the area work force would be impossible; however, the most influential internal factor would be the type of local employment available. The distribution of the future labor supply is shown in the following table.

TABLE 4
DISTRIBUTION OF THE FUTURE LABOR SUPPLY,
MIDDLESBORO AREA

	18 Years of Age by 1973	
	Male	Female
Area Total:	8,284	7,867
Bell	2,111	2,000
Harlan	3,282	3,116
Knox	1,496	1,443
Whitley	1,395	1,308

Source: U.S. Bureau of the Census, U.S. Census of Population: 1960, "General Population Characteristics," Kentucky.

Area Employment Characteristics: The following three tables show the area employment in agriculture and the covered employment of manufacturing and all industries, respectively.

TABLE 5

MIDDLESBORO AREA AGRICULTURAL EMPLOYMENT, FALL, 1964

	Family Workers	Hired Workers*	Total
Area Total:	7,739	24	7,763
Bell	533	0	533
Harlan	546	14	560
Knox	3,875	10	3,885
Whitley	2,785	0	2,785

*Regular Workers (Employed 150 days or more during the year).

Source: U. S. Bureau of the Census, U. S. Census of Agriculture: 1964, Kentucky.

TABLE 6

MIDDLESBORO AREA MANUFACTURING EMPLOYMENT,
DECEMBER, 1966

	Area Total	Bell	Harlan	Knox	Whitley
Total manufacturing	3,379	1,308	487	945	639
Food and kindred products	633	206	295	13	119
Tobacco	3	1	0	2	0
Clothing, textile and leather	1,111	400	0	302	409
Lumber and furniture	702	308	166	204	24
Print., publ. and paper	114	35	21	7	51
Chemicals, coal, petroleum and rubber	61	61	0	0	0
Stone, clay and glass	60	25	0	10	25
Primary metals	0	0	0	0	0
Machinery, metal products and equipment	684	272	0	407	5
Other	11	0	5	0	6

Source: Kentucky Department of Economic Security (Number of Workers in Manufacturing Industries Covered by Kentucky Unemployment Insurance Law Classified by Industry and County).

TABLE 7
MIDDLESBORO AREA COVERED EMPLOYMENT,
ALL INDUSTRIES, DECEMBER, 1966

	Area Total	Bell	Harlan	Knox	Whitley
Mining and Quarrying	3,193	716	2,234	68	175
Contract Construction	1,121	171	156	98	696
Manufacturing	3,379	1,308	487	945	639
Transportation, Communication and Utilities	621	365	171	22	63
Wholesale and Retail Trade	3,727	1,155	1,232	263	1,077
Finance, Ins. and Real Estate	487	190	131	44	122
Services	1,198	358	449	119	272
Other	31	2	6	17	6
Total	13,757	4,265	4,866	1,576	3,050

Source: Kentucky Department of Economic Security (Number of Workers Covered by Kentucky Unemployment Insurance Law Classified by Industry and County).

LOCAL MANUFACTURING

TABLE 8

MIDDLESBORO MANUFACTURING FIRMS WITH PRODUCTS
AND EMPLOYMENT, 1967

Firm	Product	Employment		
		Male	Female	Total
Bell Printing Co.	Offset and letterpress printing	2	0	2
Citizens News Co.	Newspaper and job printing	19	4	23
Coppinger Machinery Co.	Industrial machinery	30	1	31
Cumberland Gap Corp.	Sawmill	30	0	30
Giles Industries, Inc.	Mobile homes	230	0	230
J. R. Hoe & Sons, Inc.	Coal mining equip- ment, iron castings, fabricated structural steel	50	1	51
Robert Hyde	Ice cream			2
International Drilling & Machine Corp.	Machine shop	5	0	5
F. Jacobson & Sons, Inc.	Men's garments	20	185	205
Kentucky Leather	Soft cut leather	48	1	49
Kirby Koal Kars Co.	Mobile home frames, trailers, mining haulage equipment, truck beds	11	0	11
Martin Mfg. Corp.	Elastic webbing, yarn bleach, dyeing, athletic supporters		N. A.	
Middlesboro Block Co., Inc.	Concrete blocks	7	0	7
Middlesboro Coca-Cola	Soft drinks	37	3	40
Middlesboro Milling Co.	Flour, meal, feed	17	2	19
Middlesboro Monument Co.	Monuments	3	0	3
Middlesboro Tanning Co. of Delaware	Tanning sole leather	202	3	205
Millett Hardwood Lumber Co.	Lumber, wood chips	49	1	50

(cont'd.)

Firm	Product	Employment		
		Male	Female	Total
Perma Pipe Corp. Royal Crown Bottling Co.	Plastic pipe and tubing	32	3	35
J. F. Schneider & Son	Carbonated beverages	12	0	12
Stewart Lumber Co.	Meat packing	35	12	47
Tenn-Flake of Middlesboro, Inc.	Sawmill	31	0	31
Three States Printing Co.	Flake board	146	4	150
	Job printing	3	1	4

Prevailing Wage Rates

Specific wage rates for various industries in Middlesboro may be obtained from the Kentucky Department of Commerce or the Middlesboro Chamber of Commerce.

Unions

<u>Name of Union</u>	<u>Name of Company</u>
United Mine Workers of America, District 50	Middlesboro Tanning Company of Delaware
United Construction Workers, District 19	Giles Industries, Inc.



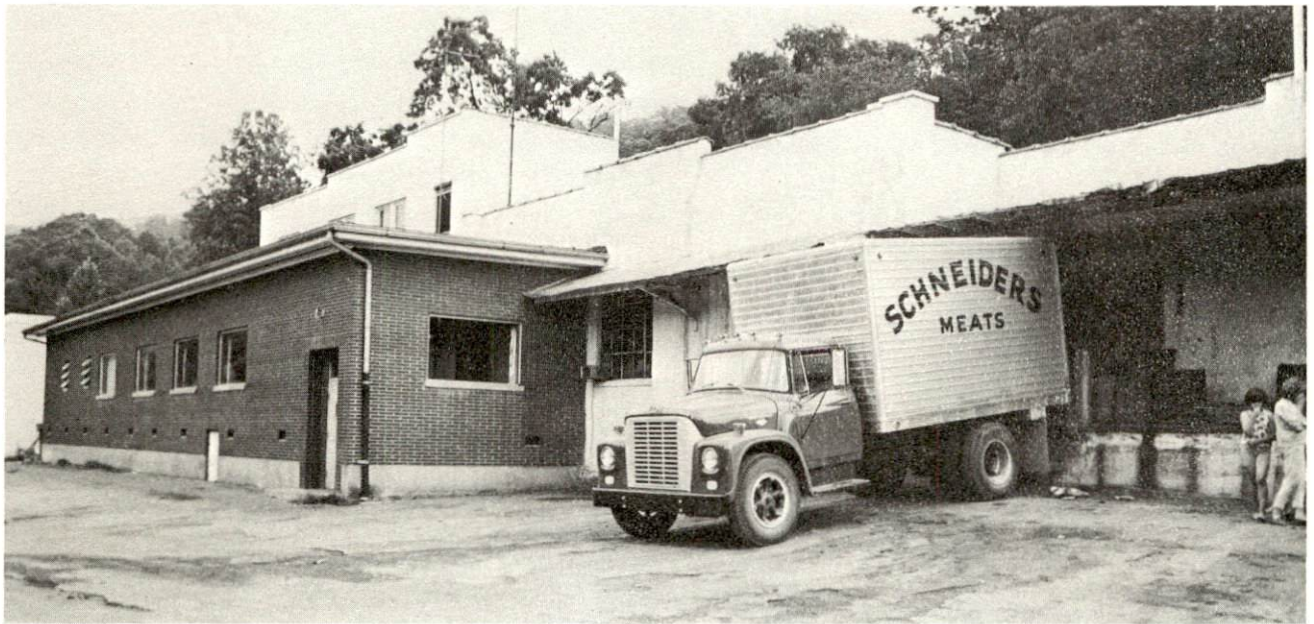
Excello Shirt Co.



Perma-Pipe Corp.



Tenn-Flake of Middlesboro, Inc.



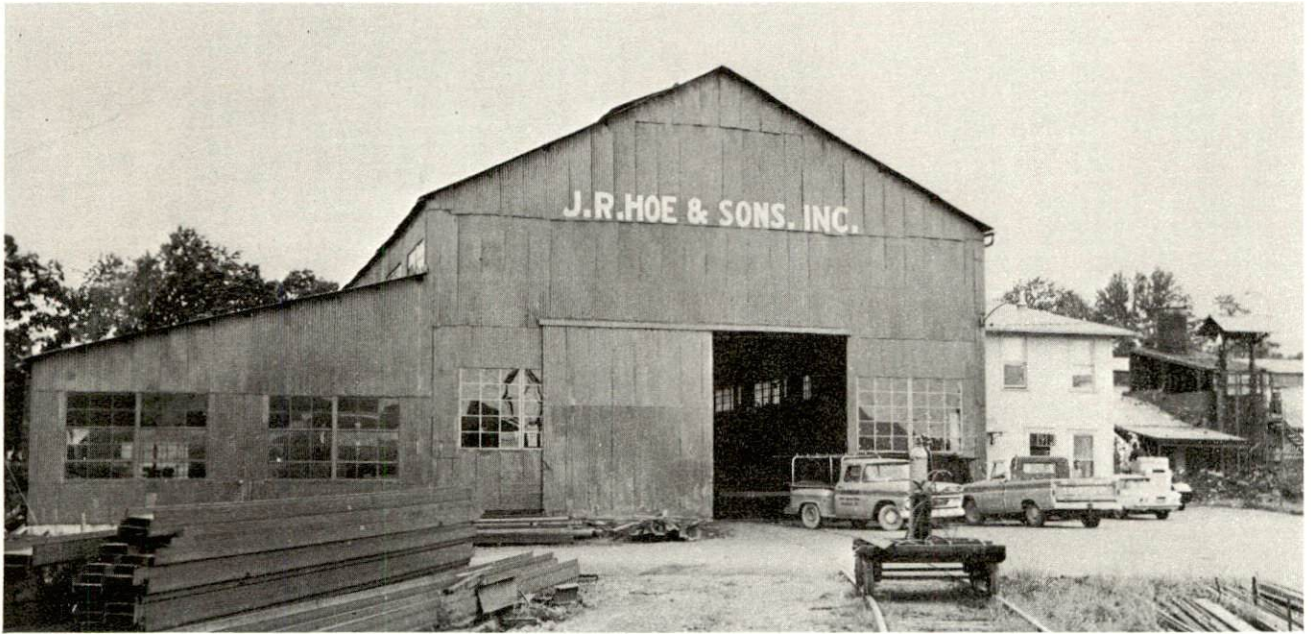
J. F. Schneider & Son, Inc.



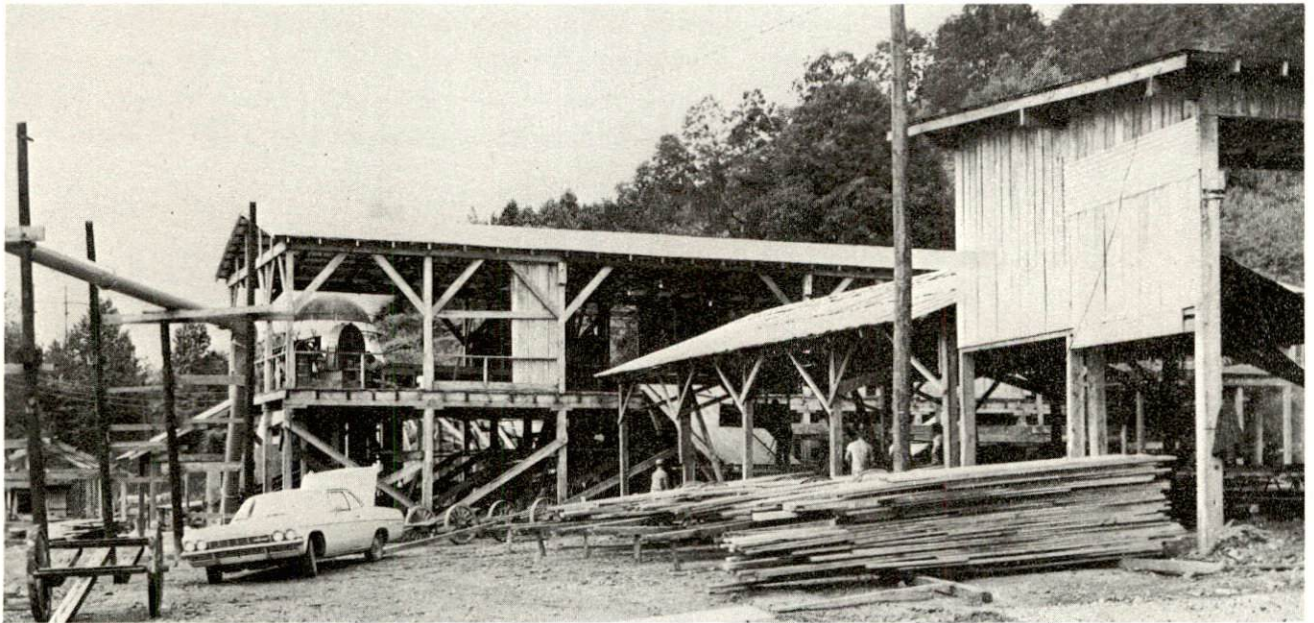
Giles Industries, Inc.



Martin Mfg. Corp.



J. R. Hoe & Sons, Inc.



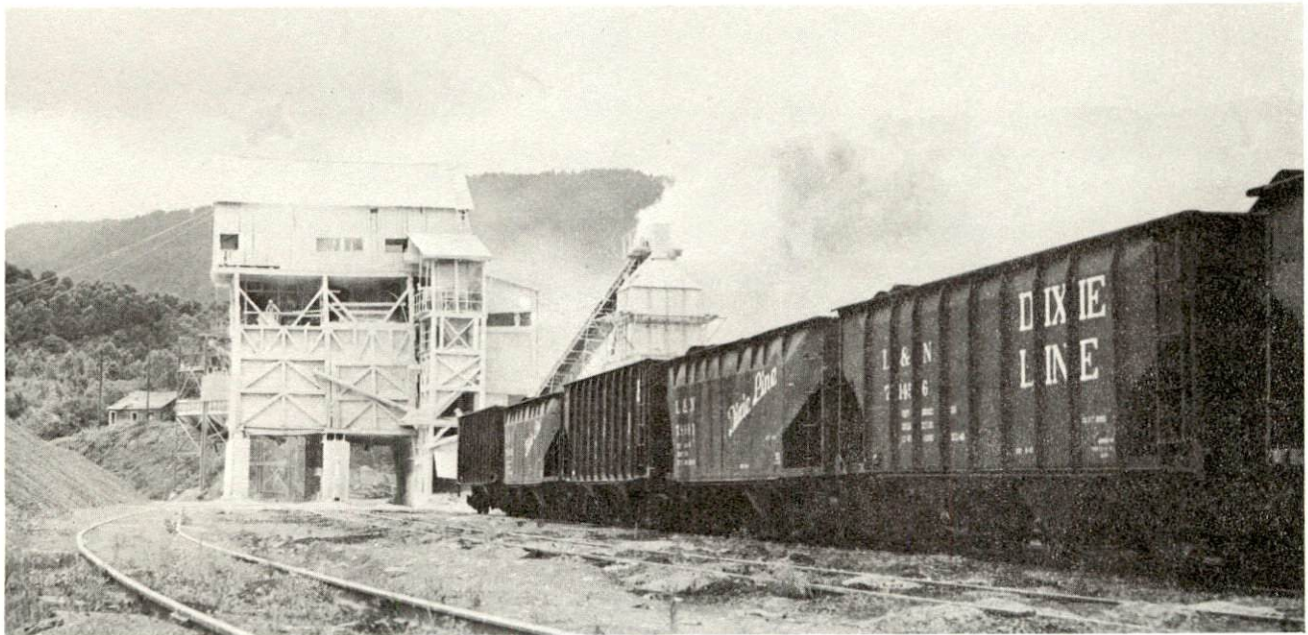
Millett Hardwood Lumber Co.



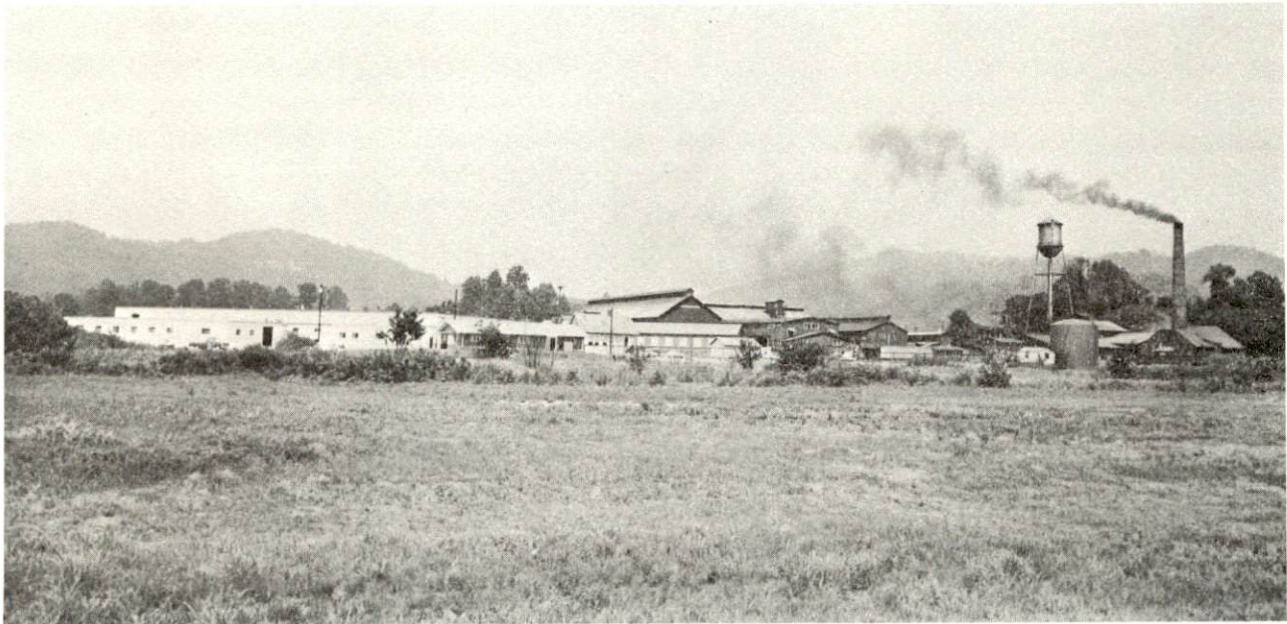
Cumberland Gap Corp.



Coppinger Machinery Service



Kentucky-Virginia Stone Co.



Middlesboro Tanning Co. (Left)
Kentucky Leather Co. (Right)

TRANSPORTATION

Railroads

Middlesboro is served by two railroad companies. The Cumberland Valley Division of the Louisville & Nashville operates between Norton, Virginia; Cincinnati, Ohio; and Louisville, Kentucky. The Knoxville Division of the Southern Railway System operates between Middlesboro and Knoxville, Tennessee. Both the Louisville & Nashville and the Southern have local freight service each way daily. There is no local passenger service.

The average number of outbound carloads per month is 75, consisting mostly of leather, machinery, lumber and plastic products. The average number of inbound carloads per month is 150, consisting of food products, building materials, lumber, coke, oil, and steel.

Middlesboro is served by a local Railway Express Agency office.

TABLE 9

RAILWAY TRANSIT TIME FROM MIDDLESBORO, KENTUCKY, TO:

Town	No. of Days		Town	No. of Days	
	CL			CL	
Atlanta, Ga.	3		Louisville, Ky.	2	
Birmingham, Ala.	3		Los Angeles, Calif.	10	
Chicago, Ill.	5		Nashville, Tenn.	3	
Cincinnati, Ohio	2		New Orleans, La.	5	
Cleveland, Ohio	4		New York, N. Y.	6	
Detroit, Mich.	5		Pittsburgh, Pa.	5	
Knoxville, Tenn.	2		St. Louis, Mo.	4	

Source: Louisville & Nashville Railroad.

Highways

Middlesboro is served by U. S. Highways 58 and 25-E, a main north-south artery, and Kentucky Routes 74 and 186. Interstate 75, a north-south route which will connect Middlesboro with Cincinnati and points north and Atlanta and points south, passes approximately 50 miles west of Middlesboro. This road is now complete from Tennessee to Goldberg, Kentucky, and will be extended to Corbin by January 1, 1968. U. S. 25-E will be made four-lane between Pineville and Middlesboro in 1969. U. S. 119 from Middlesboro to Harlan is now being rebuilt.

TABLE 10

HIGHWAY DISTANCES FROM MIDDLESBORO, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	256	Lexington, Ky.	140
Birmingham, Ala.	325	Louisville, Ky.	204
Chicago, Ill.	498	Nashville, Tenn.	237
Cincinnati, Ohio	239	New York, N. Y.	727
Detroit, Mich.	489	Pittsburgh, Pa.	492
Knoxville, Tenn.	64	St. Louis, Mo.	476

Truck Service: The following trucking firms serve Middlesboro:

<u>Company</u>	<u>Home Office</u>	<u>Type Service</u>
Conken Freight Lines, Inc.	Harlan, Kentucky	Interstate
Hogan Storage & Transfer Co.	Williamson, West Virginia	Interstate
Cumberland Motor Freight, Inc.	Lexington, Kentucky	Interstate and Intrastate
Dance Freight Lines, Inc.	Lexington, Kentucky	Interstate
United Parcel Service	Louisville, Kentucky	Interstate and Intrastate
Mason & Dixon Lines, Inc.	Kingsport, Tennessee	Interstate and Intrastate

Cumberland Motor Freight, Inc., and Dance Freight Lines, Inc., maintain terminals in Middlesboro. McDuffee Motor Freight, Inc., which provides both interstate and intrastate service, operates through Conken Freight Lines, Inc., in Middlesboro.

TABLE 11

TRUCK TRANSIT TIME FROM MIDDLESBORO, KENTUCKY,
TO SELECTED MARKET CENTERS

Town	Delivery Time*	Town	Delivery Time
Atlanta, Ga.	3	Louisville, Ky.	1
Birmingham, Ala.	3	Los Angeles, Calif.	6 to 7
Chicago, Ill.	3	Nashville, Tenn.	2 to 3
Cincinnati, Ohio	1 to 2	New Orleans, La.	4
Cleveland, Ohio	3	New York, N. Y.	3 to 4
Detroit, Mich.	3	Pittsburgh, Pa.	3
Knoxville, Tenn.	1	St. Louis, Mo.	2 to 3

*Delivery time in days.

Source: McDuffee Motor Freight, Inc.

Bus Lines: Two bus lines serve Middlesboro. Southern Greyhound Bus Lines has five northbound and five southbound buses serving Middlesboro daily. The Middlesboro-LaFollete Bus Lines serves the local areas as well as having two daily trips to and from LaFollete, Tennessee.

Taxi, Car and Truck Rental: Four individual taxi services offer 24-hour service to Middlesboro. All cars are radio equipped for fast, efficient service. U-Haul Company maintains a truck and trailer rental service in Middlesboro.

Air

The Middlesboro-Bell County Airport, located approximately 1 mile from the business district, has a paved 3,650 by 75-foot runway. Services offered to the public include gas, oil, minor A & E repairs, charter, general flying, and taxi. A new administration building was completed and dedicated in November, 1965. Plans call for repaving the runway and the installation of a runway lighting and radio system in the near future.

The London-Corbin War Memorial Airport, a third-class airport, is located 3 miles southeast of London, Kentucky, 56 miles from Middlesboro. This airport has one paved runway, 4,000 feet long and 100 feet wide, and is equipped for night operation. The field has an FAA radio, air traffic control facilities and a weather station. Charter and private flying services are available. Piedmont Airlines serves the airport with four flights daily.

The Knoxville, Tennessee Airport, 61 miles south, is served by American, United, Delta-C&S, Eastern and Piedmont Airlines.

UTILITIES AND FUELElectricity

Electric service to Middlesboro and the surrounding area is supplied by Kentucky Utilities Company. Power requirements are met by two 69,000 volt transmission circuits of the most modern design direct from the company's Pineville generating station and the capacity is now available to serve any normal industrial development and to meet the anticipated load growth in residential and commercial use. Rates and service are regulated by the Kentucky Public Service Commission. A rate decrease for both industrial and residential consumers went into effect July 1, 1967.

Kentucky Utilities Company provides electric service in 78 Kentucky counties. The Company has five generating stations in eastern, central and western Kentucky. A new addition to the E. W. Brown generating station at Dix Dam is now under construction. This will increase the Company's capacity from 740,000 KW to over 1,000,000 KW. Kentucky Utilities Company also has major interconnections with its neighboring utilities - Louisville Gas and Electric Company, Kentucky Power Company, Electric Energy, Inc., Ohio Power Company, Ohio Valley Electric Corporation, Central Illinois Public Service Company, TVA and East Kentucky RECC. These interconnections provide a means of interchanging substantial blocks of electricity when desired. Industrial rates are available from the Company's Industrial Development Department, 120 South Lime, Lexington, Kentucky.

The Cumberland Valley Rural Electric Cooperative Corporation provides electric service in 7 southeastern Kentucky counties, with a total of 8,334 consumers, 436 of which are in Bell County. The Cumberland Valley Rural Electric Cooperative Corporation is a member of East Kentucky Rural Electric, Winchester, Kentucky, which generates electricity for its member Cooperatives. Rates for industry will be furnished by the Power Use Department in Gray, Kentucky.

Natural Gas

The Gas Service Company, Inc. , privately owned, obtains the major portion of its gas from gas fields located in Bell and Knox Counties. The Cumberland Valley Pipe Line Company, which supplies the Gas Service Company, is also connected to a transmission line of Petroleum Exploration, Inc. Petroleum Exploration has interconnections with Texas Eastern Transmission Corporation.

Although no gas shortage is anticipated, Gas Service Company has a standby plant which can supply 50,000 cubic feet of propane gas per hour. Capacity can be increased to 100,000 cubic feet per hour if necessary.

The natural gas presently supplied from gas fields in Bell and Knox Counties has a btu content of 1,160, specific gravity of 0.70, and maximum pressure of 35 psi. The company presently serves 2,511 customers.

Current rates are:

Minimum Monthly Charge		\$2.64
First	2,000 Cu. Ft.	1.32 Per MCF
Next	8,000 Cu. Ft.	1.03 Per MCF
Next	5,000 Cu. Ft.	.99 Per MCF
All Over	15,000 Cu. Ft.	.86 Per MCF

A special industrial rate of \$.66 per MCF for all over 3 million cubic feet is available.

Coal and Coke*

Middlesboro is served by the Eastern Kentucky Coal Field which lies within the Appalachian coal region which also embraces the coal mining areas in Pennsylvania, Ohio, Maryland, the Virginias, Tennessee, and Alabama.

A total of 1,735 mines in 31 counties of eastern Kentucky produced 46,567,000 tons of bituminous coal in 1965. Average production per mine was 27,000 tons. Nine counties in eastern Kentucky produced more than a million tons. Pike County leads with a total production of 14,836,047 tons. Underground mines produced 80 percent, auger mines 11 percent, and strip mines 9 percent of the total. Shipments were 85 percent by rail or water and 15 percent by truck. Captive tonnage was 15 percent of the total.

*U. S. Bureau of Mines, Keystone Coal Buyers Manual.

Of the total coal production from the Eastern Kentucky Field, 37 percent was cleaned at 32 cleaning plants; 24 percent was crushed, and 11 percent was treated with oil or other materials.

The coal seams of eastern Kentucky are of bituminous rank. They have a high-volatile content and usually are low in ash and moisture. These qualities make much of the eastern Kentucky coal particularly suitable for coke making and for the manufacture of illuminating gas. Several seams are of hard structure (splint and block) and are highly esteemed by the domestic trade. Eastern Kentucky also is an important source of cannel coal.

Kentucky has three coke plants, located in Ashland, Calvert City and Dawson Springs. The supply is supplemented by border state operations.

Fuel Oil

Kentucky has three fuel oil refineries located in Catlettsburg, Louisville and Somerset. Kentucky's fuel supply is supplemented by border state operations.

WATER AND SEWERAGE

Public Water Supply

Water is distributed in Middlesboro by the Kentucky Water Service Company, Inc., which is privately owned. The Company's source of water is Fern Lake, an impoundment 1 1/2 miles from the city. The raw water is extremely soft, pure and clear, needing very little chlorination. A new filtration plant was put into operation in 1965.

The transmission main from Fern Lake is 24 inches and distribution mains range from 6 to 24 inches. The maximum pressure is 122 psi.

The Company can pump 2,100,000 gallons per day. The average daily use is 950,000 gallons and maximum daily use has been 1,700,000 gallons. The average pumping time to meet requirements is 10 hours. Storage capacity is 1,280,000 gallons, provided by an above-ground tank.

Availability of Service

Service is available for domestic, commercial and industrial use to customers on existing main or secondary lines of the Company's water distribution system.

Rates (net):

	<u>Gallons Per Month</u>	<u>Per M Gallons</u>
First	1,000	\$2.40 (Minimum)
Next	9,000	.85
Next	15,000	.75
Next	25,000	.60
Next	50,000	.50
Next	100,000	.40
All Over	200,000	.35

Minimum Monthly Charges

5/8 or 3/4 inch meter	\$ 2.40
1 inch meter	2.40
1 1/4 or 1 1/2 inch meter	3.50
2 inch meter	5.00
3 inch meter	9.50
4 inch meter	14.50
6 inch meter	27.50

Service will be supplied under Company's general rules and regulations, issued by authority of an order of the Public Service Commission of Kentucky in Case No. 4196, dated October 4, 1963.

Sewerage System

The Middlesboro Sewer System provides the city with separate storm and sanitary mains and a modern disposal plant which has a capacity of 4,200,000 gallons per day. Sanitary mains range from 8 to 24 inches. Approximately 75 percent of the city is served. Residential rates are determined by the number of rooms in a house, \$2.20 per month for 6 rooms or less and \$3.35 per month for houses greater than 6 rooms. Industrial and business rates are determined by the number of employees. A schedule of these rates follows.

<u>No. Employees</u>	<u>Rate Per Month</u>
0- 10	\$ 5.70
11- 30	8.55
31- 50	11.40
51-100	14.25
101-150	17.10
151-250	21.40
251-500	28.50

INDUSTRIAL SITES

Middlesboro has two sites, 19.2 and 28 acres, available for industrial use. The properties are owned by the Middlesboro Industrial Foundation, Inc.

Both sites are bordered by the Louisville & Nashville Railroad and have access to major highways. All utilities are available.

Cost per acre will be furnished upon request by the Agent or the Kentucky Department of Commerce.

Agent

Name: John P. Rucker
Address: P. O. Box 788
Town: Middlesboro, Kentucky
Phone: 248-1075

Alternate

Name: Glenn Denham
Address: Denham, Ralston &
Nagle
Town: Middlesboro, Kentucky
Phone: 248-2765

SITE #1: ACREAGE AND TOPOGRAPHY: 19.2 acres, level
LOCATION: Within city limits
ZONING: Industrial
HIGHWAY ACCESS: This site is served by city maintained streets which lead to U. S. 25E, U. S. 58, and all Kentucky routes serving Middlesboro.
RAILROADS: Site is bordered by the Louisville & Nashville Railroad on the northeast. A spur can be run to site. Industrial lead rail on location
WATER: Kentucky Water Service Company
SIZE LINE: 10-inch
GAS: Gas Service Company, Inc.
ELECTRICITY: Kentucky Utilities Company
SEWERAGE: Middlesboro Sewer System
OWNED BY: Middlesboro Industrial Foundation, Inc.

SITE #2: ACREAGE AND TOPOGRAPHY: 28 acres, level
LOCATION: Within city limits
ZONING: Industrial
HIGHWAY ACCESS: Bordered by city maintained streets which lead to all main routes serving Middlesboro
RAILROADS: Louisville & Nashville Railroad borders southern portion of site.
WATER: Kentucky Water Service Company
SIZE LINE: 10-inch
GAS: Gas Service Company, Inc.
ELECTRICITY: Kentucky Utilities Company
SEWERAGE: Middlesboro Sewer System
OWNED BY: Middlesboro Industrial Foundation, Inc.

LEGEND:
UTILITIES AVAILABLE
W - WATER
G - GAS
E - ELECTRICITY
S - SEWERAGE

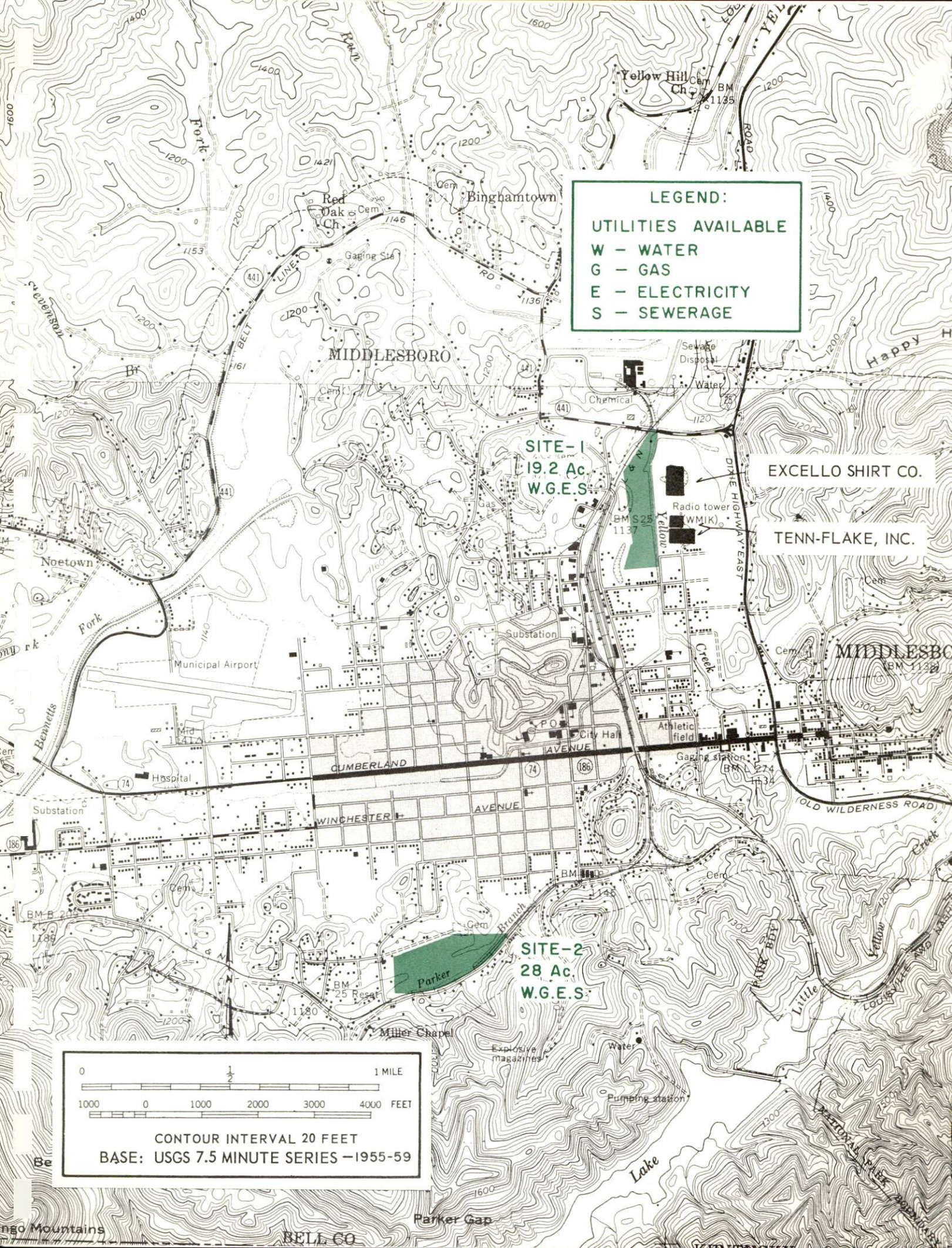
SITE-1
19.2 Ac.
W.G.E.S.

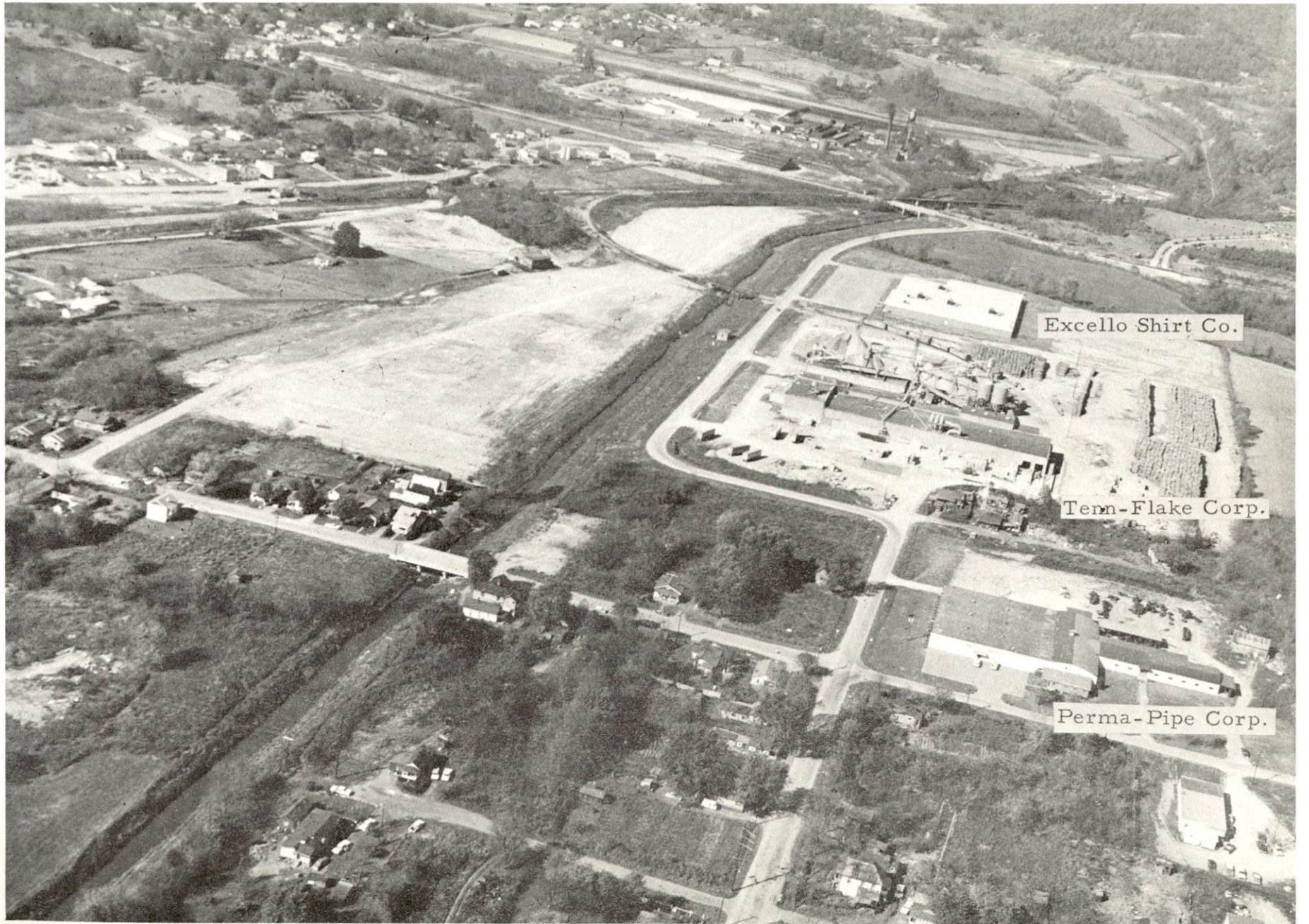
EXCELLO SHIRT CO.

TENN-FLAKE, INC.

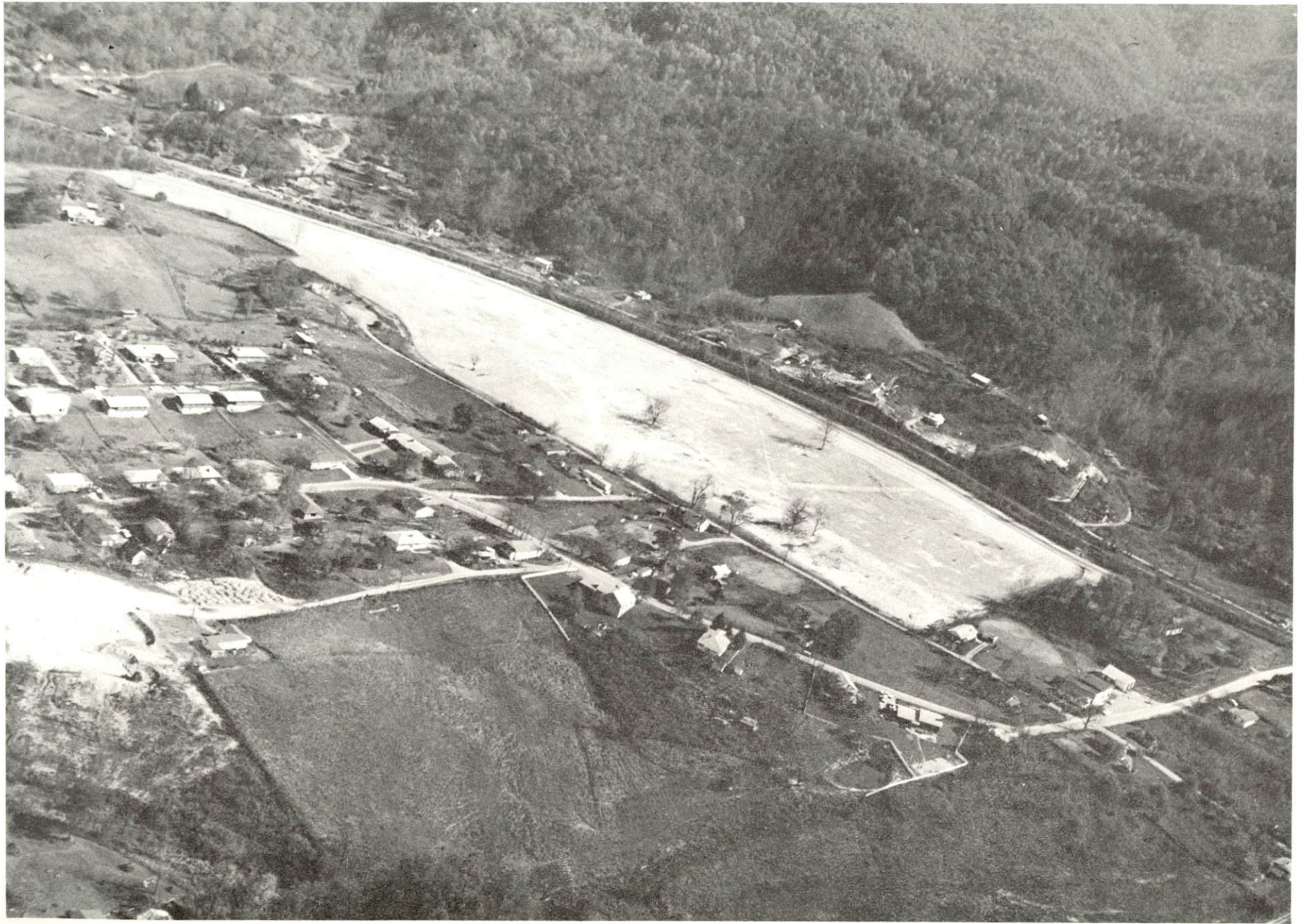
SITE-2
28 Ac.
W.G.E.S.

0 1/2 1 MILE
 1000 0 1000 2000 3000 4000 FEET
CONTOUR INTERVAL 20 FEET
BASE: USGS 7.5 MINUTE SERIES -1955-59





Aerial View of Site #1 - 19.2 Acres



Aerial View of Site #2 - 28 Acres

LOCAL GOVERNMENT AND SERVICES

Type Government

City: Middlesboro, a third-class city, is governed by a mayor who is elected for a term of four years and twelve councilmen elected to two-year terms. The council is divided into four committees of three members each: Public Works, Public Safety, Public Health and Welfare, and Public Finance.

County: Bell County is governed by a fiscal court, consisting of a county judge and eight magistrates. All are elected for four-year terms.

Laws Affecting Industry

Municipal Tax Exemption: As provided by state law, Middlesboro may allow a five-year tax exemption from municipal taxation to new industry. This exemption cannot be extended beyond this five-year period.

Business Licenses: Middlesboro requires annual occupational and business licenses which range from \$1 to \$50. Retail and wholesale licenses are based on volume. An auto privilege license is \$5; a truck privilege license ranges from \$7.50 to \$10, depending on weight; and a taxi privilege license is \$30.

Planning and Zoning

A Planning Commission was formed in Middlesboro in 1958 and since that time technical city planning assistance has been made available by the Kentucky Department of Commerce. Middlesboro recently signed a contract with the Kentucky Department of Commerce which provides for the following programs to be completed by February 1968: Existing Land Use Map and Analysis, Economic and Population Study, and a General Plan.

Fire Protection

The Middlesboro Fire Department is staffed with a chief, assistant chief, three captains, twelve full-time firemen, and twenty volunteers. Motorized equipment consists of one 500-gpm pumper with a 500-gallon booster tank, one 500-gpm pumper with a 150-gallon booster tank, and one 750-gpm pumper with a 500-gallon booster tank. All are fully-equipped with necessary hose and extinguishers and two-way radios. The city is in the process of purchasing a new 75-foot aerial ladder truck and a new 1,000-gpm pumper. The Middlesboro Fire Department participates in state training schools and conducts fire inspections of business and industrial property twice a year.

Middlesboro has a Class-7 NBFU insurance rating.

Police Protection

City: The Middlesboro Police Department is staffed with a chief and seventeen patrolmen. Motorized equipment consists of two patrol cars and one motorcycle, all radio-equipped.

County: The Bell County sheriff's office is located in Pineville, the county seat, 13 miles from Middlesboro. The office is staffed by the sheriff and ten deputies. Motorized equipment consists of three automobiles.

A branch office is maintained in Middlesboro.

Garbage and Sanitation

The City Collection and Disposal Company handles all waste collection for the City of Middlesboro. The business district is served daily and the residential districts twice weekly. The residential rate is \$2.40 per month. Business rates are determined by the amount collected. Disposal is made by means of a sanitary land fill.

Financial Information

The following is a summary of the financial position of Middlesboro and Bell County.

City Income, Expenditures and Bonded Indebtedness:

Income, 1965-66 Fiscal Year	\$294,189.67
Expenditures, 1965-66 Fiscal Year	294,565.09
Bonded Indebtedness, as of May 31, 1966	

General Obligation Bonds

\$45M Voted Industrial Building Bonds (dated 1/1/65) Outstanding Bonds and Interest	\$ 79,200.00
---	--------------

\$75M Voted Industrial Building Bonds (dated 12/1/64) Outstanding Bonds and Interest	\$ 84,300.00
--	--------------

\$355M Voted Industrial Building Bonds (dated 2/1/65) Outstanding Bonds and Interest	\$616,368.75
--	--------------

County Budget and Bonded Indebtedness:

Budget, 1966	\$165,979.00
Bonded Indebtedness, June 30, 1966	
Road and Bridge Refunding Bond	10,000.00

TAXES

Property Taxes

The 1966 property tax rates for Middlesboro and Bell County are found in the following table. A detailed explanation of taxes is shown in Appendix D.

TABLE 12

PROPERTY TAX RATES PER \$100 OF ASSESSED VALUE
FOR MIDDLESBORO AND BELL COUNTY, 1966

Taxing Unit	Middlesboro	Bell County
State	\$.015	\$.015
County	.145	.145
School	.873	.408
City	<u>.345</u>	<u> </u>
Total	\$1.378	\$.568

Source: Kentucky Department of Revenue, Kentucky Property Tax Rates, 1966.

Net Assessed Value of Property

Middlesboro, 1966	\$34,499,088 Real Estate
Bell County, 1966	\$58,103,302 Real Estate 13,068,749 Tangibles 16,972,405 Franchise

OTHER LOCAL CONSIDERATIONS

Educational Facilities

Graded Schools: The Middlesboro Independent School District provides one superintendent, one general supervisor, one federal coordinator, one finance officer, one director of pupil personnel, one visiting teacher, one registered nurse, four principals, two music teachers, one industrial arts teacher, two home economics teachers, and two special education teachers. In addition, there is one guidance counselor at each of the four school centers. In all there are 125 staff members. Approximately 65 percent of the students entering high school complete graduation. Of those graduating, 35 percent attend college. A new \$2,000,000 high school was opened in September, 1967. In addition to regular facilities, this school contains complete facilities for participation in the state-wide educational television network. The school system offers courses in remedial education, a special advanced program in the sciences, English, mathematics, and foreign languages for students planning to attend college. A detailed description of courses is available by contacting the superintendent of schools.

The Bell County School System has four high schools with a total enrollment of 1,440. There are seventeen elementary schools in the county with a total enrollment of 4,012.

TABLE 13

SCHOOLS, ENROLLMENT, NUMBER OF TEACHERS, STUDENT-TEACHER RATIO IN MIDDLESBORO AND BELL COUNTY

School	Enrollment	No. of Teachers	Student-Teacher Ratio
Middlesboro Elementary Schools (total)	1,438	49	29-1
Middlesboro Jr. High	456	19	24-1
Middlesboro High	769	35	22-1
Bell County Elementary Schools (total)	4,012	135	30-1
Bell County High Schools (total)	1,440	66	22-1
St. Julian (Parochial)	84	3	28-1

Source: Kentucky Department of Education, Kentucky School Directory, 1966-67.

Vocational Schools: Kentucky's vocational education program consists of a state-wide system of 13 area vocational-technical schools and 25 permanent extension centers operated as an integral part of Kentucky's public school system. The primary objective of vocational education in Kentucky is to prepare Kentuckians for semiskilled, skilled and technical occupations.

Middlesboro is served by the Harlan Area Vocational-Technical School, 44 miles away. This vocational school opened an extension program at Bell County High School, located in Pineville, in September, 1967. Courses offered in the extension program include: home appliance repair, welding, carpentry, drafting, auto mechanics, and electricity. Other courses such as auto body repair and paint, practical nursing, electronics, general industrial electricity and machine shop are offered at the main center in Harlan.

The courses listed above are those courses which are offered in the pre-employment training program. In addition to pre-employment training, vocational-technical schools provide the following training programs: Apprentice Extension Training, for those persons employed in apprenticable occupations; Trade Extension Training, for persons employed who need to increase their skills and knowledge; and, Vestibule (Type C) Training, for persons who require an intense in-factory training course prior to specific industrial employment.

Colleges: Institutions of higher learning in the Middlesboro area include:

Lincoln Memorial University, Harrogate, Tennessee, 7 miles
Union College, Barbourville, Kentucky, 31 miles
Cumberland College, Williamsburg, Kentucky, 48 miles
Sue Bennett College, London, Kentucky, 56 miles
University of Tennessee, Knoxville, Tennessee, 61 miles
Southeastern Community College, Cumberland, Kentucky, 64 miles
Eastern Kentucky University, Richmond, Kentucky, 117 miles
Transylvania College, Lexington, Kentucky, 140 miles

Health

Hospitals: Middlesboro is served by two hospitals, the Middlesboro Appalachian Regional Hospital and the Middlesboro Hospital. Both have modern facilities and fully staffed departments essential for complete patient care.

The Middlesboro Appalachian Regional Hospital, a voluntary non-profit institution with 84 beds and 14 bassinets, has a fully equipped physical therapy department. There are 11 physicians on its active staff.



Lincoln Memorial University



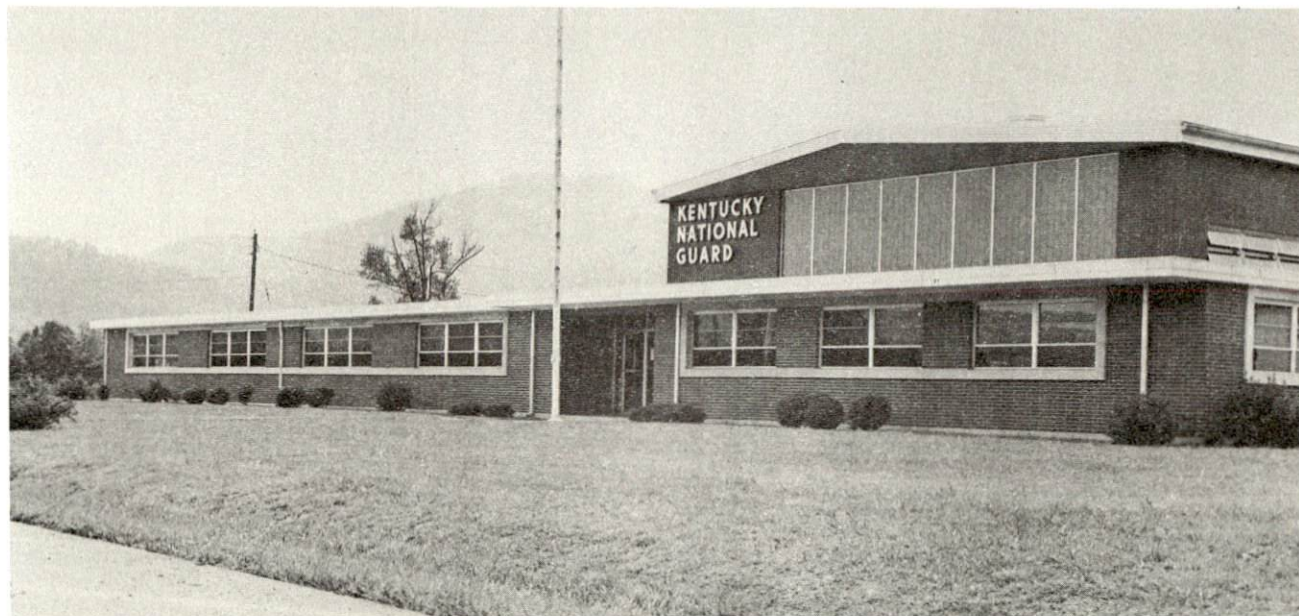
\$2 Million High School
(4, 500-seat Auditorium-Gym)



Middlesboro Appalachian Regional Hospital



Middlesboro Clinic & Hospital



Kentucky National Guard

The Daniel Boone Outpatient Clinic operates from the hospital. It provides service in the following medical specialties: allergy, chest disease, eye, ear, nose and throat, female cancer detection, internal medicine, neuropsychiatry, obstetrics and gynecology, orthopedics, surgery, pediatrics, physical medicine, general medicine, and thoracic surgery. The hospital participates in medicare, commission for handicapped, child health, maternal and infant care, Kentucky medical assistance and rehabilitation services programs. It is fully accredited by the Joint Commission on Hospital Accreditation. The Middlesboro Hospital is equipped with 21 beds. Three doctors are on the medical staff.

Plans are presently being formulated for a new doctors' office building and an extended care nursing home. It will contain 198 beds.

Public Health: The Bell County public health office is located in Pineville, 13 miles from Middlesboro, and is staffed by four registered nurses, three clerks, two sanitarians, one administrative assistant and one plumbing inspector. There is a branch office in Middlesboro. The programs include: communicable disease control, venereal disease control, tuberculosis control, child health, crippled children's program, dental care, vital statistics, handicapped children, general sanitation, rabies control, female cancer detection, hearing therapy, family planning, general nutrition, chronic disease control, mental health, mobile X-ray program, a diabetic clinic once a year and laboratory services.

Housing

Housing in Middlesboro has been adequate to the present. New residential developments are expected to keep pace with the demand in the middle to higher income levels. Low-rent public housing developments, as a result of urban renewal projects, are also keeping pace. 100 new units were just completed bringing the total to 200 units. Plans have been formulated for 100 additional units.

Communication

Telephone Facilities: Middlesboro is served by the Southern Bell Telephone and Telegraph Company. There are 3,671 subscribers in Middlesboro and 6,838 customers in the free toll service area which includes Pineville, Kentucky, and Cumberland Gap, Tennessee. Long distance service is described as excellent. Direct dialing service has been available since May of 1964.

Telegraph Service: Telegraph service is provided by a Western Union office.

Postal Facilities: Middlesboro has a first-class post office with 18 employees. Mail is received and dispatched seven times daily via star route and highway post office. There are four city carriers and two rural carriers. Mail is delivered once daily in the residential area and in the business district. Postal receipts for 1966 totaled \$150,000.

Newspapers: The Daily News, a newspaper published in Middlesboro, and The Sun-Courier, a weekly newspaper published in Pineville, serve Middlesboro and the surrounding area.

Other papers are received from Louisville and Lexington, Kentucky, and Knoxville, Tennessee.

Radio: One local radio station, WMIK, transmits on 560 kilocycles with a power of 500 watts.

Television: Television reception is from stations in Knoxville, Tennessee, and Asheville, North Carolina, and is described as excellent. Three major networks are received and there is one educational channel serving Middlesboro from Knoxville.

Libraries

The Carnegie Public Library in Middlesboro contains 24,000 volumes and has an average annual circulation of 192,489. A 1,600-volume bookmobile is operated in conjunction with the library. The bookmobile makes 34 stops in Bell County and has an average circulation of 5,200 per month. The library receives 26 weekly or semimonthly and 6 monthly magazines. It also lends phonograph albums and athletic equipment and has children's movies and a story hour on Saturdays.

Churches

There are at the present time 9 churches in Middlesboro representing the following denominations: Baptist, Catholic, Christian, Church of Christ, Church of God, Episcopal, Methodist, Presbyterian and Nazarene.



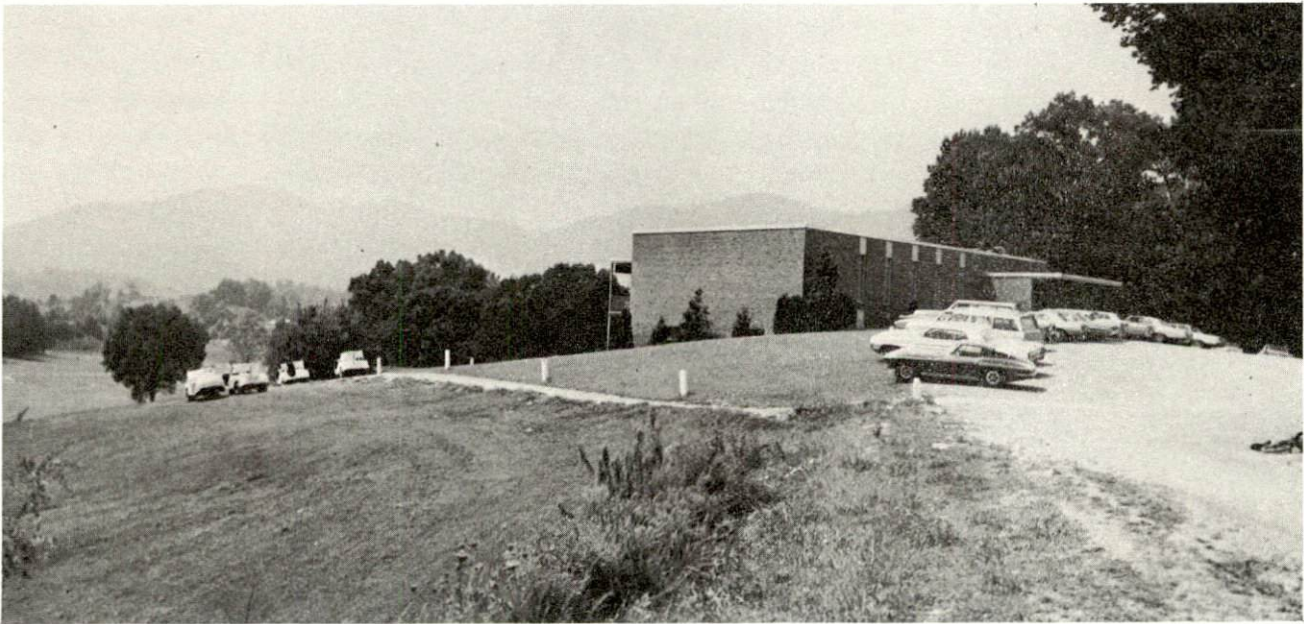
Southern Bell Telephone and Telegraph Co.



Fern Lake
(City Water Supply)



Middlesboro Chamber of Commerce



Middlesboro Country Club
"Oldest Golf Course in the United States"

Financial Institutions

<u>Banks</u>	<u>Statement as of June 30, 1967</u>	
	<u>Assets</u>	<u>Deposits</u>
Commercial Bank	\$ 9,476,842.50	\$ 8,736,842.50
National Bank	10,990,767.04	10,159,622.01
<u>Savings and Loan Associations</u>	<u>Assets</u>	<u>Shared Accounts</u>
Middlesboro Federal Savings and Loan Association	\$ 8,468,029.42	\$ 7,824,509.13
Home Federal Savings and Loan Association	5,708,080.97	5,409,631.10

Hotels and Motels

<u>Name</u>	<u>Rooms or Units</u>
Hotel Middlesboro	70
Hotel Majestic	27
Britton Court	23
T. F. Green Court	10
Sharp's Court	5
The Ranch House Court	21
VanBebbers Court	16
Shelby's Court	12
Tyler-Ball Tourist	10
G. W. Shoffner Motel	7
Roy Shoffner Motel	5
Bel-Wood Motel	20
Boone Trail Motel	22
Parkway Trail Motel	8
Wilderness Road	70

Clubs and Organizations

Civic: Optimist, Round Table, Chamber of Commerce, Lions, Jaycees, Rotary, and Kiwanis

Fraternal: American Legion, Masonic, Odd Fellows, Redmen's Lodge, Junior Order of American Mechanics, and Moose Lodge

Women's: Women's Club, Junior Women's Club, Beta Sigma Phi, Garden Club, Music Club, Art Club, Book Club, Homemakers, Eastern Star, DAR, American Legion Auxiliary, Rebekah Lodge, Pocahontas Lodge, Lioness, Business and Professional Women's Club, and Jaycettes

Other: Cumberland Park Gardens, United Commercial Travelers, Little Theatre, PTA, Boat Club, Sportsman Club, Middlesboro Boosters Club, Ministerial Society, Community Chest Board, Women's Country Club, Key Club, Tri-State Pistol Club, Boy Scouts, Girl Scouts, and 4-H Club

Recreation

Local:

1. Supervised sports: Little League baseball (6 teams)
Babe Ruth baseball (6 teams)
Midget League football (4 teams)
Little League basketball (4 teams)
Adult Softball League (8 teams)
Golden Glove Boxing
Adult Basketball League (4 teams)
2. Fishing and boating, picnic facilities
3. One downtown theatre and one drive-in theatre
4. Bowling lanes
5. Miniature golf course
6. Skating rink
7. Square dancing clubs
8. Middlesboro's Country Club has a swimming pool and a 9-hole golf course, which is the oldest existing course in the United States. There is also a new clubhouse.
9. Lincoln Memorial University's indoor swimming pool and tennis courts are made available to the public.
10. An Olympic size swimming pool is available at the Jaycees Civic Center.

Area: Cumberland Gap National Historical Park is located just outside Middlesboro and covers parts of three states. The park area, consisting of 20,184 acres, contains the gap, about 2 miles of the Wilderness Road, the Pinnacle, from which can be seen parts of several states, ruins of an early mill and foundry, Civil War fortifications, the Tri-State Peak, where Kentucky, Tennessee, and Virginia meet, caves and other interesting features. Other facilities, including a new road and new building, are now being added. Designated a Federal area on September 14, 1955, it was dedicated as a National Park on July 4, 1959. It has 166 modern camping sites available.

Pine Mountain State Park, 14 miles distant, offers housekeeping cabins, lodge, dining room, extensive picnic facilities and hiking trails. This is the scene of the very famous annual Mountain Laurel Festival.

Other area recreational facilities include Cumberland Falls State Park, Lake Cumberland, and Dale Hollow Reservoir in Kentucky; Chenoa Lake, Norris Lake, and many other TVA lakes in Tennessee.

Community Improvements

Recent:

1. A new city high school
2. A new 100-unit public housing complex
3. Two new elementary schools
4. A new administration building at the Middlesboro-Bell County Airport
5. Complete new filtration plant
6. Continual extensive upgrading of existing buildings in the retail section of town
7. Louisville & Nashville Railroad lead rail extended to the city's industrial park
8. 48 acres developed for industry by the Middlesboro Industrial Foundation at a cost of \$250,000

Underway:

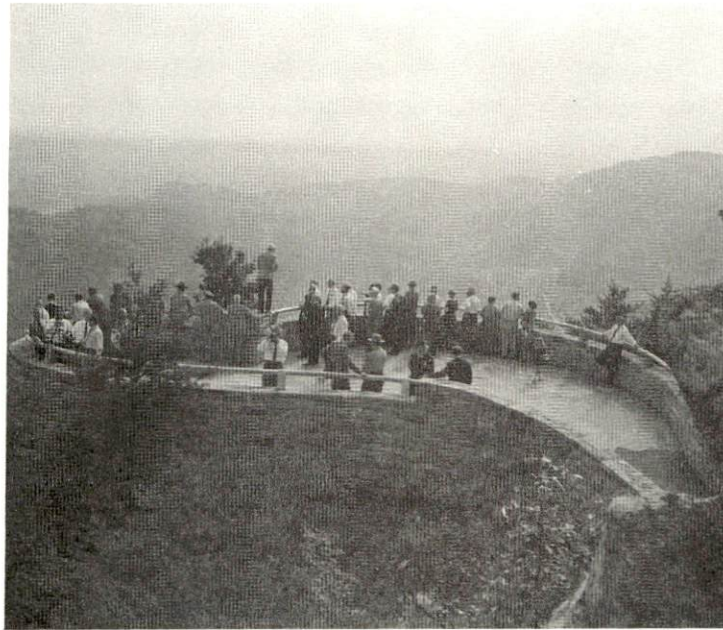
1. A \$1,000,000 flood control program
2. Off-street parking facilities for 400 automobiles
3. Purchasing four trucks, one tractor and one backhoe and hi-lift for the street department

Planned:

1. Repave airport runway and install runway lights and radio
2. A new doctors' office building
3. Repave approximately 60 streets
4. Channel the canal running through the city
5. Extend sewers in west end of the city
6. A retirement home for the elderly



Cumberland Gap National Historical Park
Visitors Center Museum and Administration Building



Pinnacle Overlook - Cumberland Gap
National Historical Park

NATURAL RESOURCES

Agriculture

Bell County is located in the southeastern portion of Kentucky known as the Eastern Coal Field area. Farm income in this section is largely from the production of cattle and hogs, supplemented by production of burley tobacco and poultry products. The majority of commercial farms have an annual return of \$2,500 or less per farm. The approximate total land acreage of the county is 236,000 acres with 155 farms comprising 4.9 % of this area. The average farm size is 75.4 acres, valued at \$131.62 per acre (including buildings).*

The topography of Bell County is hilly, rolling, and mountainous. The relative inherent fertility is very low to low. The soil drainage is of medium to very rapid runoff with slow to medium internal drainage.**

The following tables are presented to reflect most recent production trends from available comparable data.

*U. S. Bureau of the Census, U. S. Census of Agriculture: 1964, Kentucky.

**U. S. Department of Agriculture, Soil Conservation Service.

TABLE 14

CROP PRODUCTION, BELL COUNTY AND KENTUCKY

	Burley Tobacco (1000 lbs)	Corn for Grain (1000 bu.)	Clover-Timothy Hay (tons)	Lespedeza Hay (tons)
<u>Bell County:</u>				
1965	25	21	500	200
1955	26	84	690	420
<u>Kentucky:</u>				
1965	395,280	76,176	726,000	610,000
1955	304,290	79,253	579,000	811,000

Source: Kentucky Department of Agriculture, Kentucky Agricultural Statistics, 1965.

TABLE 15

LIVESTOCK AND LIVESTOCK PRODUCTS, BELL COUNTY AND KENTUCKY*

	Cattle & Calves on Farm (number)	Hogs & Pigs on Farm (number)	Milk Cows on Farm (number)	Milk Production (1000 lbs.)	Egg Production (1000 eggs)
<u>Bell County:</u>					
1965	1,300	400	200 (1964)	820 (1964)	1,398 (1963)
1954	2,128	1,613	1,171	2,007 (1960)	1,211 (1960)
<u>Kentucky:</u>					
1965	2,495,000	1,298,000	455,000 (1964)	2,639,000 (1964)	913,000 (1963)
1954	1,671,821	1,059,766	556,491	2,495,000 (1960)	888,000 (1960)

*When data varies from base year, year used is indicated in parenthesis.

Sources: Kentucky Department of Agriculture, Kentucky Agricultural Statistics, 1965, 1964, 1961; U. S. Bureau of the Census, U. S. Census of Agriculture: 1954, Kentucky.

TABLE 16

VALUE OF FARM PRODUCTS SOLD, BELL COUNTY

Farm Products Sold	Value of Sales 1964	Value of Sales 1954
All Farm Products Sold	\$72,458	\$154,426
Average Per Farm	467	157
All Crops Sold	28,280	95,311
Field Crops	19,856	24,740
Vegetables	1,800	387
Fruits and Nuts	5,824	11,042
Forest Products & Horticultural Specialty Crops	800	59,142
All Livestock and Livestock Products Sold	44,178	59,115
Poultry & Poultry Products	13,015	12,477
Dairy Products	4,195	14,666
Other Livestock & Livestock Products Sold	26,968	31,972

Source: U. S. Bureau of the Census, U. S. Census of Agriculture: 1964 and 1954, Kentucky.

Additional detailed agricultural data may be obtained upon request from the Agricultural Development Division, Kentucky Department of Commerce, Frankfort, Kentucky, 40601.

Minerals

The principal mineral resources of Bell County consist of coal, natural gas and petroleum. Other minerals of importance include sandstone, limestone and clay. Sand and gravel suitable for limited local use occur along the major streams. Total value of minerals produced in 1965, excluding natural gas, amounted to \$6,891,231 from coal and petroleum. (U. S. Bureau of Mines).

Coal: Bell County coals are classified as high volatile bituminous. They run low in ash and sulphur content and have a high BTU value. Coals from the southeastern portion of Kentucky rank among the nation's highest quality bituminous coal. Selected analyses of some of Bell County's seams are given below:

Seam	Moisture	Volatile Matter	Fixed Carbon	Ash	Sulphur	B. T. U. Dry Basis	Ash Softening Temp. °F.
Straight							
Creek	2.3	39.7	56.9	1.1	.8	15,240	2,110
Creech	1.7	37.6	57.0	3.7	.7	15,030	2,510
Mason	4.5	36.0	57.3	2.2	.8	15,030	2,290

Source: U. S. Bureau of Mines.

For the period 1890 through 1965 the county ranked eighth among the coal producing counties of Kentucky with a total of 123,547,062 tons. In 1965, production for Bell County stood seventh among the coal producing counties of the Eastern Kentucky Coal Field and eleventh among the counties in the state. Total production for 1965 amounted to 2,645,100 tons from 93 mines.

Reserves: The total original reserves for Bell County are estimated at 979.37 million short tons by the U.S. Geological Survey in Bulletin 1120, "Coal Reserves of Eastern Kentucky." This includes measured, indicated and inferred resources in beds fourteen inches or more in thickness.

Natural Gas and Petroleum: Two important gas fields have been defined. The Red Bird Gas Field of northern Bell County was discovered in 1930, with production being encountered in the Mississippian "Big Lime." The Bell County Gas Field, situated from three to twelve miles south of the Red Bird Gas Field, has productive zones from the "Big Lime" and "Corniferous" formations. More recently, interest has been shown in the deeper horizons for possible oil and gas reservoirs. Small commercial quantities of oil have been produced in recent years with an accumulative production total through 1964 amounting to 2,940 barrels. In 1965, a total of 82 barrels were reportedly produced.

Sandstone: Sandstones suitable for general construction purposes and of potential value for some grades of glass manufacture occur in the county. Sandstone has been quarried in the vicinity of Bear Wallow Gap within three miles of Pineville. An analysis of sandstone from this quarry is as follows:

<u>WASHED SAMPLE</u>	
SiO ₂ - 98.420	CaCO ₃ - .045
Fe ₂ O ₃ - .052	MgCO ₃ - .028
Al ₂ O ₃ - 1.208	

Source: Kentucky Geological Survey.

Limestone: Limestone outcrops along the northwestern flank of Pine Mountain where it has been brought to the surface by the Pine Mountain overthrust fault. High-calcium stones suitable for agricultural lime and other possible chemical uses occur within this belt. This stone has been quarried in the past for general construction purposes.

Clay: Residual and upland clay deposits suitable for the manufacture of brick and tile occur locally. Recent investigations show that some shale members of the Breathitt formation would also be suitable for these purposes.

Kentucky Mineral Production: In 1965 total value of mineral production in Kentucky was valued at \$466,381,000. In order of value, the minerals produced were coal, petroleum, stone, natural gas, sand and gravel, clays, zinc, fluorspar, lead and silver. Value of items that could not be disclosed were cement, ball clay, natural gas liquids and dimension sandstone. There was no reported barite production in 1965 as in 1964. Kentucky ranked second in the United States in the production of bituminous coal, ball clay and fluorspar.

TABLE 17

KENTUCKY MINERAL PRODUCTION, 1965 (1)
(Units in short tons unless specified)

Mineral	Quantity	Value
Clays (2)	1,059,000	\$ 2,580,000
Coal (bituminous)	85,766,000	324,523,000
Fluorspar	31,992	1,485,000
Lead (recoverable content of ores)	756	236,000
Natural Gas (cubic feet)	78,976,000,000	18,638,000
Petroleum, crude (barrels)	19,386,000	55,638,000
Sand and Gravel	6,742,000	6,332,000
Silver (recoverable content of ores - troy ounces)	1,931	2,000
Stone (3)	26,029,000	34,533,000
Zinc (recoverable content of ores)	5,654	1,651,000
Value of items that cannot be disclosed: Cement, ball clay, natural gas liquids, and dimension sandstone		20,763,000
Total		\$466,381,000

(1) Production as measured by mine shipments, sales, or marketable production (including consumption by producers).

(2) Excludes ball clay, included with "Value of items that cannot be disclosed."

(3) Excludes dimension sandstone, included with "Value of items that cannot be disclosed."

Source: U. S. Bureau of Mines, Minerals Yearbook, 1965.

Water Resources

Surface Water: Large quantities of surface water are available from the Cumberland River. Other sources may be secured from impounded small streams. The average stream discharge of the Cumberland River near Pineville is 1,339 cfs (USGS, 27 years record).

Ground Water: The occurrence of ground water is from rocks of the Devonian, Mississippian and Pennsylvanian systems. This is summarized in Hydrologic Investigations Atlas HA-10 (USGS) as follows:

DEVONIAN AND MISSISSIPPIAN SYSTEMS, Undifferentiated:

"The outcrop areas of the Devonian and Mississippian systems are along the Pine Mountain thrust fault. The limestone yields water to springs, one of which is used for public supply."

PENNSYLVANIAN SYSTEM

Eastern Coal Field:

"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. 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."

Because of local variations, the above conditions may not apply to any given locality but should serve only as a guide to general ground water conditions in these systems.

Forests

There are 198,900 acres of commercial forest land in Bell County, covering 84 percent of the total land area. The most abundant species are red oaks, white oaks, hickories, yellow poplar, beech, soft maple, and blackgum.

In Kentucky, within a 50-mile radius of Pineville, the county seat, there are more than 2,300,000 acres of commercial forest land. In 1962, 87 million board feet of timber were harvested from this area. Forestry authorities agree that the desirable annual cut should be much larger. The adjacent parts of Tennessee and Virginia are also well forested. While some of the timber harvest is used locally, much of it is shipped out of the area for further processing.

Forests of the entire area receive organized protection from fire from the State Department of Natural Resources.

MARKETS

Kentucky's economic growth is credited in part to its location at the center of the Eastern Market Area. A line drawn along the borders of Minnesota, Iowa, Missouri, Arkansas, and Louisiana divides the country into two parts designated the Eastern and Western Market Areas. The Eastern Market Area is smaller in land area, but contains almost 75 percent of the national population.

Kentucky is also at the center of a seventeen state area containing over 2/5 of the nation's population, personal income, and retail sales. This area is composed of those states within an approximate 400-mile radius of the Kentucky border. This is shown in greater detail in the following table.

TABLE 18

CONSUMER MARKET POTENTIAL

	Population Percent of U. S.	Personal Income Percent of U. S.	Retail Sales Percent of U. S.
Alabama	1.8	1.2	1.3
Arkansas	1.0	0.6	0.6
Delaware	0.3	0.3	0.3
Georgia	2.2	1.8	1.9
Illinois	5.5	6.5	6.2
Indiana	2.5	2.6	2.7
KENTUCKY	1.6	1.2	1.3
Maryland	1.8	2.0	1.7
Michigan	4.2	4.7	4.4
Mississippi	1.2	0.7	7.8
Missouri	2.3	2.2	2.4
North Carolina	2.5	1.9	2.0
Ohio	5.3	5.5	5.3
Pennsylvania	5.9	8.6	5.7
South Carolina	1.3	0.9	0.9
Tennessee	2.0	1.4	1.6
Virginia	2.3	2.0	2.0
West Virginia	0.9	0.7	0.7
REGIONAL TOTAL	44.8	42.3	42.2

Sources: U. S. Bureau of the Census, Current Population Reports, Series P-25, No. 333, for Population; U. S. Department of Commerce, Survey of Current Business, August 1966 for Income; U. S. Department of Commerce, Census of Business, 1963, "Retail Trade" for Retail Sales.

Per capita personal income in Bell County in 1963 was \$1,071, which was below the state average of \$1,799.* According to the April 1967 issue of Survey of Current Business, per capita income in Kentucky for 1966 was \$2,205.

Retail sales in Bell County in 1966 totaled \$35,746,000.**

*Bureau of Business Research, College of Commerce, University of Kentucky, Kentucky County Income, 1963, 1965.

**Sales Management, Survey of Buying Power, June 10, 1967.

CLIMATE

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

Winter is relatively open, with midwinter days averaging 32 degrees in the northern parts to 40 degrees in the southern, for about six weeks' duration.

Midsummer 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 percent of the year and increases to 60 percent or more to the southwest.

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

TABLE 19

CLIMATIC DATA FOR MIDDLESBORO, BELL COUNTY, KENTUCKY

Month	Temp. Norm.* Deg. Fahrenheit	Total Prec. Norm.* Inches	Av. Relative Humidity Readings**	
			7 A. M.	7 P. M. (EST)
January	30.0	3.25	79	64
February	35.8	4.55	79	61
March	45.8	3.22	78	55
April	53.3	4.32	78	52
May	62.1	2.99	83	56
June	69.5	4.20	88	61
July	76.4	6.40	90	65
August	72.9	6.61	92	66
September	65.5	3.57	90	63
October	53.3	3.37	86	57
November	46.2	4.75	84	67
December	35.6	3.73	81	67
Annual Norm.	53.9	50.96		

*Station Location: Middlesboro, Kentucky

**Station Location: Knoxville, Tennessee

Length of Record: 7 A. M. readings 6 years;
7 P. M. readings 6 years.

Days cloudy or clear: (24 years of record) 102 clear, 107 partly cloudy,
156 cloudy

Percent of possible sunshine: (24 years of record) 55%

Days with precipitation of 0.01 inch or over: (24 years of record) 126

Days with 1.0 inch or more snow, sleet, hail: (24 years of record) 3

Days with thunderstorms: (24 years of record) 48


Days with heavy fog: (24 years of record) 29

Prevailing wind: (14 years of record) Northeast

Seasonal heating-degree days: (29 years of record) Approximate long-term means 3,494 degree days.

Sources: U.S. Weather Bureau, Climatological Data - Kentucky, 1966;
U.S. Weather Bureau, Local Climatological Data - Knoxville, Tennessee, 1966.

APPENDIX

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HISTORY

Bell County, the one hundredth and twelfth county established in Kentucky, dates from 1867. Its territory was taken from Harlan and Knox Counties. Three years after its formation a portion of Whitley County was cut off and added to it. Several citizens of Whitley preferred to live in Bell County, thus the privilege to do so was provided by the Legislature. Its surface is mountainous. There are some rich bottom lands along the Cumberland River which practically bisects Bell. The soil is thin on the mountainsides. Some of the largest seams of bituminous coal in the state are found there. Timber grows rapidly on the slopes. Mother nature goes to extremes in the area. The rivers often overflow their banks and cause a great deal of damage and suffering, and oftentimes they contain very small amounts of water during periods of drought. Forest fires have destroyed valuable tracts of timber in recent years, and such conflagrations happen more frequently than formerly.

The earliest explorers in Kentucky came into Bell County at Cumberland Gap. Dr. Thomas Walker led a hunting and surveying party through the gap in 1750. Ambrose Powell and Colby Chew were members of the party. It seems that Powell liked to carve his name on trees wherever he went. The party's trail was well marked from Southwestern Virginia into Kentucky by the words "A. Powell" on several trees. Dr. Walker's group built the first house in Kentucky, the replica of which is preserved near Barbourville in Knox County; named the Cumberland Mountains and River after the Duke of Cumberland, a son of King George II; and explored Eastern Kentucky as far north as Magoffin and Lawrence Counties.

In 1761 other explorers and hunters came into Bell County. One group, a company of 19 men which included persons whose last names were Wallen, Skaggs, Newman, Blevins, and Cox, hunted in Southeastern Kentucky and Southwestern Virginia over a period of eighteen months. It was this company of men who gave names to Clinch and Powell Rivers, Wallen's, Skaggs', and Newman's Ridges in Virginia and Rockcastle and Laurel Rivers and Big Clear and Little Clear Creeks in Kentucky. In 1766 another party of five persons passed through Cumberland Gap. Captain James Smith was the historian in this party, and later settled in Bourbon County. Joshua Horton and a slave, Uriah Stone, and William Baker were the other members. They followed the Cumberland River almost to the point where it flows into Tennessee, then went across country to the Ohio near Owensboro. In 1769 John Stewart, Joseph Holden, James Monay, and William Cooke, under the guidance of John Findlay, came through the Gap and crossed Bell County. Also in 1769 Daniel Boone visited Kentucky for the first time and came through Cumberland Gap and returned to North Carolina via the same route. He returned in the early 1770's

to establish Boonesboro for the Transylvania Land Company. A company of 20 men from North Carolina, who became known as the Long Hunters, among whom were John Rains, Abraham Bledsoe, John Baker, Joseph Drake, Henry Smith and others crossed through the Gap into Kentucky at the end of the 1760 decade. They spent two to three years in the area and accumulated more animal skins than they could transport to the east. Later Colonel James R. Knox, I. Crabtree, and Henry Skaggs returned to build settlements in Eastern Kentucky.

Settlements in Bell County were late in materializing due to the advantages offered by the Bluegrass area. Not until after the turn of the nineteenth century was there any great interest shown in settling it.

Several mounds were found in the vicinity of Pineville that gave evidence of burial grounds for a prehistoric race who lived there before the Indians came. Clear Creek Springs was a favorite spot, not only for the first inhabitants but for the Indians and white settlers who came later. Cumberland Gap is a famous point through which hunters and settlers came and went through the years. It witnessed the struggles of an expanding people from later colonial days through the Civil War period. A fierce battle of the 1861-1865 conflict was fought for possession of the peak of Pinnacle Mountain on September 9, 1863. It resulted in the surrender of a Confederate force of 2,000 men. The ruins of Fort Lyon are visible today. An excellent roadway enables the motorist to drive to the Pinnacle.

Middlesboro, the largest town in Southeastern Kentucky, lies at the foot of Cumberland Gap, and is a trading center. It was founded by British investors who supplied the capital to purchase its site, and was named for the iron city in the English Midlands. It has fine schools, homes, churches, and amusement centers. The office of the Chamber of Commerce is constructed of blocks of coal, which emphasizes the importance of the mineral in the area.

Bell County was first called Josh Bell County after Joshua Fry Bell. Its name was shortened to Bell by an act of the State Legislature in January, 1873. Joshua Fry Bell was a native of Boyle County, and a descendant of Dr. Thomas Walker. He graduated at Centre College, studied law in Lexington, and traveled extensively in Europe before setting up a law practice in Danville. He served in the United States Congress for two terms, as Secretary of State of Kentucky under Governor John J. Crittenden, lost a bid for the governorship in 1859, and was one of the peace commissioners to Washington in February, 1861. On March 19, 1863, he was nominated by the Union Democratic State Convention for the governorship, but declined the nomination. He served in the State Legislature at the close of the war. He was an able candidate throughout his life due to an ability to plead with voters, to gain their confidence, and to exercise a gift of humor which made his conversation pleasing and brilliant. Collins states that as a "stump" orator he had few equals.

Appendix A

Pineville, the county seat, is 1,025 feet above sea level and had a population of 3,118 in 1966. It was named for Pine Mountain at whose base it lies. It became the site of the first tollgate along the Wilderness Road in 1797 when the Legislature appropriated some \$20,000 to repair the road. In fact, Pineville grew up around the tollgate. This tollgate also was the first to be abandoned after having operated for 33 years. The newer part of the town was built near Cumberland Ford where the Wilderness Trail crossed the Cumberland River.

An Indian effigy carved out of yellow pine was found near Pineville in 1869. It is believed to be the only thoroughly preserved wooden prehistoric image found in Kentucky. It is cared for by the Museum of the American Indian in New York City.

Pine Mountain State Park was established in 1928, the first in Kentucky. It has a modern lodge with facilities to please the discerning tourist. The Mountain Laurel Festival, during which the Governor crowns Miss Kentucky, is an annual event in late spring. The stage production, *The Book of Job*, has been presented in the Park for several years.

Agricultural production is small in Bell County. On the other hand, the industrial production is large. Coal was produced in 93 mines in 1964. The leading producers were Round Mountain Coal Company, Incorporated, Pruden-Hignite Coal Company, Incorporated, and Brownies Creek Collieries, Incorporated. The total output for the county was 2,067,620 short tons. Pineville had 9 industrial plants in 1966, and Middlesboro 18. F. Jackson and Sons, Inc., which makes men's and women's garments; Giles Industries, Inc., which builds mobile houses; and Middlesboro Tanning Company of Delaware, all in Middlesboro are the largest.

COVERED EMPLOYMENT BY MAJOR INDUSTRY DIVISION
BELL COUNTY AND KENTUCKY

Industry	Bell County		Kentucky	
	Number	Percent	Number	Percent
All Industries	4,265	100.0	577,258	100.0
Mining and Quarrying	716	16.8	28,239	4.9
Contract Construction	171	4.0	39,921	6.9
Manufacturing	1,308	30.7	237,482	41.1
Food and kindred products	206	4.8	24,940	4.3
Tobacco	1	0	17,434	3.0
Clothing, textile and leather	400	9.4	36,303	6.3
Lumber and furniture	308	7.2	15,507	2.7
Printing, publ. and paper	35	0.8	13,322	2.3
Chemicals, petroleum, coal and rubber	61	1.4	19,599	3.3
Stone, clay and glass	25	0.6	6,692	1.2
Primary metals	0	0	12,057	2.1
Machinery, metal products and equipment	272	6.4	87,763	15.2
Other	0	0	3,865	0.7
Transportation, Communication and Utilities	365	8.6	38,628	6.7
Wholesale and Retail Trade	1,155	27.1	155,345	26.9
Finance, Ins. and Real Estate	190	4.5	25,830	4.5
Services	358	8.4	49,478	8.6
Other	2	0	2,335	0.4

Source: Kentucky Department of Economic Security, December, 1966.

Appendix C

ECONOMIC CHARACTERISTICS OF THE POPULATION FOR
BELL COUNTY AND KENTUCKY, 1960

Subject	Bell County		Kentucky	
	Male	Female	Male	Female
Total Population	17,307	18,029	1,508,536	1,529,620
EMPLOYMENT STATUS				
Persons 14 years old & over	11,240	12,291	1,036,440	1,074,244
Labor force	6,110	2,107	743,255	291,234
Civilian labor force	6,102	2,107	705,411	290,783
Employed	5,326	1,963	660,728	275,216
Private wage and salary	4,193	1,474	440,020	208,384
Government workers	356	371	58,275	44,462
Self-employed	761	98	156,582	16,109
Unpaid family workers	16	20	5,851	6,261
Unemployed	776	144	44,683	15,567
Not in labor force	5,130	10,184	293,185	783,010
Inmates of institutions	87	58	15,336	8,791
Enrolled in school	1,481	1,713	94,734	97,825
Other and not reported	3,562	8,413	183,115	676,394
Under 65 years old	2,232	6,920	91,626	539,838
65 and over	1,330	1,493	91,489	136,556
MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS				
All employed	5,326	1,963	660,728	275,216
Professional and technical	324	446	46,440	36,879
Farmers and farm managers	69	8	91,669	2,339
Mgrs., officials, and props.	739	86	58,533	10,215
Clerical and kindred workers	233	380	35,711	66,343
Sales workers	363	214	39,837	25,265
Craftsmen and foremen	914	4	114,003	2,836
Operatives and kindred workers	1,660	65	140,192	45,305
Private household workers	13	216	1,123	25,183
Service workers	210	361	29,844	40,156
Farm laborers and farm foremen	62	0	33,143	2,046
Laborers, except farm and mine	548	4	44,227	1,671
Occupation not reported	191	179	26,006	16,978

Source: U. S. Bureau of the Census, U. S. Census of Population: 1960, "General Social and Economic Characteristics," Kentucky.

MAJOR KENTUCKY TAXES

Corporation Income Tax

The Kentucky corporate income tax is derived from 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. 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.

Every corporation whose tax liability will exceed \$5,000 must file a declaration of estimated tax due. For taxpayers using the calendar year accounting period, the declaration must be filed along with 50% of the tax due on June 15th. Additional 25% payments are required on September 15th and December 15th.

Kentucky's portion of taxable corporation income derived from 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.

Corporation License Tax

Every corporation owning property or doing business in Kentucky must pay a corporation license tax. This provision does not apply to banks and trust companies, foreign and domestic insurance companies, foreign and domestic building and loan associations, and corporations that, under existing laws, are liable to pay a franchise tax.

The license tax return is due on or before the 15th day of the 4th month following the close of the corporation's fiscal year. The tax rate is 70¢ per \$1,000 value of capital employed in this state. The minimum liability is \$10.

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

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

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

General Property Taxes

Kentucky's Constitution provides that all property, unless specifically exempt, shall be assessed for property taxation at fair cash value. Until 1965, Kentucky courts had consistently held that uniformity of assessments took precedence over fair cash value. However, a 1965 Kentucky Court of Appeals decision overruled this interpretation and set January 1, 1966, as the effective date when all property must be assessed at fair cash value.

In order to minimize the effect of increased assessments the First Extraordinary Session, 1965, of the General Assembly, passed legislation which limits tax revenues received by local jurisdictions to 1965 revenues. An allowance was made by the legislature which permitted all local taxing jurisdictions, after holding a properly advertised public hearing, to increase taxes by no more than 10% per year for the years 1966 and 1967.

State ad valorem tax rates, applicable to the various classes of property, are shown as follows:

	Rate Per \$100 Assessed Value			
	State	County	City	School
Real estate	1 1/2¢	Yes*	Yes*	Yes*
Tangible personal property** (not subject to a specific rate)	15¢	Yes*	Yes*	Yes*
Manufacturing machinery	15¢	No	No	No
Raw materials and products in course of manufacture	15¢	No	No	No
Intangible personal property (not subject to a classified rate)	25¢	No	No	No

*Local rates vary. See the local taxes section of this brochure.

**Includes automobiles and trucks, merchants inventories and manufacturer's finished goods, and business furniture.

Personal Income Tax

Kentucky personal income taxes range from 2% of the first \$3,000 of net income to 6% of net income in excess of \$8,000 after the deduction of Federal individual income tax payments, which is additionally reduced by a tax credit of \$20 for each exemption.

The tax rates on adjusted gross income less deductions are:

Up to	\$3,000	- 2%
Next	\$1,000 or portion thereof	- 3%
Next	\$1,000 or portion thereof	- 4%
Next	\$3,000 or portion thereof	- 5%
In excess of	\$8,000	6%

Sales and Use Tax

A 3% tax is levied upon retail sales and the use or the exercise of any power or right over tangible personal property. Other taxable items include temporary lodgings and certain public services.

The bases of the tax levy are gross receipts from retail sales of tangible personal property and taxable services. Excluded are cash discounts and U.S. excise taxes on sales.

Exemptions important to industry include:

- a. Purchased raw materials, component parts and supplies used in manufacturing or industrial processing for resale.
- b. New machinery and appurtenant equipment for new and expanded industries.
- c. Energy and energy producing fuels, to the extent that they exceed 3% of the cost of production.

Unemployment Insurance Tax

During 1966 this tax will vary from 0.0% to 3.7% of the first \$3,000 of wages paid to each employee depending on the individual employer's past contribution-benefit experience. The 3.7% rate applies only to employers who have a negative reserve balance. An employer new to Kentucky will pay 2.7% for the first three years operation. Kentucky law provides for three alternate rate schedules which are determined by dividing the "benefit cost ratio" (taxable wages for the previous 60 months divided into amount of benefits paid during this period) into the "statewide reserve" ratio (taxable wages for the preceding year divided into the "trust fund" balance). In 1965, the average employer contribution was 1.1% of total covered wages and 1.8% of taxable wages.

KENTUCKY REVISED STATUTES

103.200 to 103.285

REVENUE BONDS FOR INDUSTRIAL BUILDINGS

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.285, "industrial buildings" or "buildings" means any building, structure, or related improved area suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, fabricating plant, or parking area deemed necessary to the establishment or expansion thereof, and the necessary operating machinery and equipment, or any of these things, to be rented or leased to an industrial concern by the city or county by which it is acquired. (1964)

103.210 Issuance of bonds. In order to promote the reconversion to peacetime 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 or county 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 or the fiscal court of the county, as the case may be, 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. (1962)

103.220 Interest on bonds; terms. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semiannually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body or the fiscal court of the county, as the case may be, 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 or the fiscal court of the county, as the case may be, before issuing the bonds. (1962)

103.230 Bonds negotiable; disposal; private sale, when, payable only from revenue. (1) 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 upon such terms as the city legislative body or the fiscal

court of the county, as the case may be, deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. The issuing authority may sell such bonds in such manner, either at public or private sale, and for such price, as it may determine will best effect the purposes of KRS 103.230 to 103.260; provided, however, that no private or negotiated sale shall be made unless the amount of the issue equals or exceeds \$10,000,000, and unless the business concern which is contracting to lease the industrial building shall have requested in writing, addressed to the chief executive of the issuing authority, that the sale of the bonds shall be made privately upon a negotiated basis. In no event shall any bonds be sold or negotiated on a basis to yield more than six percent, except as provided in subsection (2) of KRS 103.220.

(2) The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city or county 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 or county within the meaning of the constitution. (1966)

103.240 Use of proceeds of bonds. All money received from the sale of the bonds shall be applied solely for the acquisition of the industrial building and any utilities requisite to the use thereof, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during any portion of the first three years following the date of the bonds. (1966)

103.245 Acquisition of industrial building; power to condemn; procedure. An industrial building within the meaning of KRS 103.200 may be acquired by a city or a county by purchase, gift, or condemnation. Whenever a city or a county shall determine that land or other property, right of way, or easement over or through any property is needed by such city or county, as the case may be, to accomplish the purposes of KRS 103.200 to 103.285, inclusive, it may by ordinance or resolution authorize the purchase or condemnation, in the name of such city or county, of said land or other property, or right of way or easement for such purposes, and may proceed to condemn and acquire such property in the same manner by which an urban renewal and community development agency is permitted and authorized to acquire property under the provision of KRS 99.420, and in accordance with the procedures therein set out, except that all property, rights of way, and easements already held by its owner or lessee for industrial development, shall be exempt from condemnation under this section. (1964)

103.250 Lien of bondholders on building; receiver on default. (1) A statutory mortgage lien shall exist upon the industrial building so acquired in favor of the holders of the bonds and coupons. The industrial building so acquired shall remain subject to the statutory mortgage lien until the payment in full of the principal of the bonds, and all interest due thereon.

(2) 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 or county, as the case may be, 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. (1966)

103.260 Application of revenue; charges for use. (1) At or before the issuance of bonds the city legislative body or the fiscal court of the county, as the case may be, 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 (if any) 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 the 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, if any depreciation account has been established. (1966)

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, or the fiscal court of the county, as the case may be, 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, or the fiscal court of the county, as the case may be, may designate, and if invested the income from such investment shall be carried into the depreciation account. (1962)

103.280 Additional bonds. (1) If the city legislative body, or the fiscal court of the county, as the case may be, 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 or county 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 or county 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. (1962)

103.285 Property acquired under KRS 103.200 to 103.280 exempt from taxation. All properties, both real and personal, which a city or county may acquire to be rented or leased to an industrial concern according to KRS 103.200 to 103.280, shall be exempt from taxation to the same extent as other public property used for public purposes, as long as the property is owned by the city or county. (1962)

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

Thelma Stovall,
Secretary of State,
Commonwealth of Kentucky.

COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Department of Commerce, 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 Commerce "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 1966, highway expenditures in Kentucky were at a record high, totaling \$194,500,000. Kentucky, since 1960, has improved 15,500 miles of highway, placing it among the leading states in highway construction.

The Department of Economic Security provides labor market information for the state, giving the latest estimated employment in non-agricultural industries, estimated average hours and earnings of production workers in manufacturing, and estimated labor turnover rates in the manufacturing and mining industries. As an aid to the location of prospective industries, the Department will conduct surveys on labor supply and economic characteristics of specified areas. The Department's Division of Employment Service, with offices in 25 cities in the state, is available to assist in the recruitment of both established and new industries. All local offices are equipped to administer aptitude tests for approximately 800 occupations as a part of the recruitment process, using the General Aptitude Test Battery and certain specific tests.

The Kentucky Department of Labor 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 Division of Industrial and Technical Education, Kentucky Department of Education, can assist industry through its area vocational-technical education school system and permanent extension centers.

The Kentucky Department of Commerce 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.

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF HIGHWAYS POLICY ON
INDUSTRIAL ACCESS ROADS

Under established and necessary policies and within the limits of funds available for this purpose, the Kentucky Department of Highways will cooperate in constructing or improving access roads to new industrial plants, subject to the following:

1. Before the Department will approve any project, there must be a definite assurance given to the Department by the Department of Commerce that the new plant will be built.
2. The length of the project must be feasible as well as reasonable and the cost justified on a cost benefit ratio.
3. The necessary rights of way will be furnished without cost or obligation to the Department of Highways, whenever possible.
4. If approved, access roads will be built only from the nearest highway to the property line of the company. When possible, existing roads will be improved rather than new roads built.
5. No roads will be built that will serve solely as private driveways on plant property. No parking lots are to be built.
6. No project is to be given final approval prior to authorization by the Commissioner of Highways. No other person is authorized to make a commitment for the Department of Highways.

Mitchell W. Tinder
Commissioner of Highways
Commonwealth of Kentucky