

CITY OF RUSSELLVILLE
OCCUPATIONAL TAX and LICENSING DEPT.
P.O. BOX 434
RUSSELLVILLE, KENTUCKY 42276
(270) 726-5002 PHONE
(270) 726-5064 FAX

BUSINESS LICENSE REGISTRATION
REGISTRATION FEE OF \$25.00 IS REQUIRED

BUSINESS NAME _____

NAME OF BUSINESS OWNER _____

MAILING ADDRESS _____

TELEPHONE # _____

E-MAIL ADDRESS _____

DESCRIPTION OF BUSINESS _____

LOCATION WHERE WORK WILL BE PERFORMED _____

DATE BUSINESS OR JOB WILL START/STARTED _____

If you have just one job here (for example, roofing one building,
and no other work in the city), when will job end? _____

ENTITY TYPE: () INDIVIDUAL () PARTNERSHIP () CORPORATION

LAST FOUR DIGITS OF SOCIAL SECURITY # _____ OR

FEDERAL TAX I.D. _____

CITY NET PROFIT TAXES WILL BE FILED (same time as your federal tax return):
() April 15th () fiscal year basis, which ends _____

NUMBER OF EMPLOYEES WORKING IN RUSSELLVILLE _____

If you have contract laborers, or subcontractors, you must inform them that
each must apply for his/her own business license.

PAYROLL TAXES FOR EMPLOYEES WILL BE PAID TO THE CITY OF RUSSELLVILLE:
() MONTHLY or () QUARTERLY

continued on reverse →→ →→→→

EVERY LICENSEE MUST RENEW THE BUSINESS LICENSE ANNUALLY, ON OR BEFORE THE ANNIVERSARY DATE OF THE LICENSE. The license will not be renewed until all outstanding payroll and net profits have been paid. Late renewals incur a penalty of 5% of the fee. If the license is not renewed within 30 days of its renewal date, the license will be revoked, and the penalty incurred will be 10% of the registration fee for each month or portion of a month that the renewal is late.

BE AWARE THAT EVERY LICENSEE WITH AT LEAST ONE EMPLOYEE MUST PAY TO THE CITY OF RUSSELLVILLE 2% OF ALL GROSS SALARIES, WAGES, COMMISSIONS AND OTHER COMPENSATIONS THAT YOU PAID TO ANY AND ALL OF YOUR EMPLOYEES FOR WORK PERFORMED IN THE CITY OF RUSSELLVILLE. These taxes must be paid to the City on a monthly or quarterly basis. The payroll form must be completed and returned even if you had no applicable payroll for the period. **FAILURE TO REMIT THESE FUNDS IS DEFINED AS FELONY THEFT UNDER KENTUCKY REVISED STATUTE 514.070, WITH A PENALTY NOT TO EXCEED FIVE (5) YEARS IN A STATE PENITENTIARY.**

EVERY LICENSEE MUST PAY TO THE CITY OF RUSSELLVILLE, ON AN ANNUAL BASIS, 2% OF YOUR NET PROFITS. THERE IS A MINIMUM NET PROFIT RETURN FEE OF \$25.00 WHICH MUST BE PAID EVEN IF YOUR BUSINESS HAD A LOSS FOR THE YEAR. FAILURE TO FILE A RETURN IS A CRIMINAL OFFENSE, PUNISHABLE BY A FINE OF NOT MORE THAN \$100.00 PER DAY AND JAIL TIME NOT TO EXCEED THIRTY (30) DAYS. THIS IS IN ADDITION TO INTEREST AND PENALTY THAT WILL ACCRUE FROM THE DUE DATE OF THE RETURN.

All taxes and fees which remain unpaid, beginning the day after their due date, shall bear interest at the rate of 1.0%, and a penalty of 5% (up to 25%) of the unpaid balance for every month or portion of a month that payment is late. MINIMUM PENALTY WILL BE \$25.00. Continued non-payment will result in the account's assignation to the City Attorney for further collection procedures.

NOTICE TO GENERAL CONTRACTORS ONLY: General contractors that do not have a permanent location in the City of Russellville and that do not do business in the City on a continuous basis are required to post with the City at the time of license registration a cash deposit equal to 2% of the contract's net profits and 2% of the contract's estimated gross payroll. This deposit will be held until all Net Profit returns and employee withholding requirements have been deemed met by the City.

I HAVE READ AND UNDERSTAND ALL OF THE ABOVE:

Signature / Title in business

Date

The City of Russellville requires all businesses and independent contractors to obtain a business license. There is a business license registration fee of \$25.00 due at time of registration, and annually thereafter.

THE BUSINESS LICENSE, (obtained upon registration), MUST BE RENEWED ANNUALLY, ON OR BEFORE THE ANNIVERSARY DATE OF THE LICENSE. The license will not be renewed until all outstanding net profits and payroll withholdings have been paid. Late renewals will incur a penalty of 5% of the fee. If the license is not renewed within 30 days of its due date, the license will be revoked, and the penalty incurred will be 10% of the fee for each month or portion of a month that the renewal is late.

EVERY LICENSEE WITH AT LEAST ONE EMPLOYEE MUST PAY TO THE CITY OF RUSSELLVILLE A FEE OF 2% OF ALL GROSS SALARIES; WAGES, COMMISSIONS AND OTHER COMPENSATIONS THAT YOU PAID TO ANY AND ALL OF YOUR EMPLOYEES FOR WORK PERFORMED IN THE CITY OF RUSSELLVILLE. Payment of these payroll withholdings to the City shall be made on a monthly or quarterly basis, as selected by licensee. The City's occupational form must always be completed and returned; if there was no applicable payroll for the period, the form must still be sent, indicating payroll of zero. **FAILURE TO REMIT THESE FUNDS IS DEFINED AS FELONY THEFT UNDER KENTUCKY REVISED STATUTE 514.070, WITH A PENALTY NOT TO EXCEED FIVE (5) YEARS IN A STATE PENITENTIARY.**

EVERY LICENSEE MUST PAY 2% OF THEIR NET PROFITS FOR WORK PERFORMED IN THE CITY OF RUSSELLVILLE TO THE CITY ON AN ANNUAL BASIS. THERE IS A MINIMUM PAYMENT REQUIRED OF \$25.00, EVEN IF YOU HAD A LOSS FOR THE YEAR. FAILURE TO FILE IS A CRIMINAL OFFENSE, PUNISHABLE BY A FINE OF NOT MORE THAN \$100.00 PER DAY AND JAIL TIME NOT TO EXCEED THIRTY (30) DAYS. THIS IS IN ADDITION TO INTEREST AND PENALTY THAT WILL ACCRUE FROM THE DUE DATE OF THE RETURN.

The net profit payment is due either April 15th, or 3½ months after the licensee's fiscal year end, if the licensee has a fiscal year accounting system. The City requires that a copy of one of the following federal forms must accompany Form 1040 and the net profit form:

- 1) Schedule C 2) Schedule E 3) Form 1041 4) Form 1065 5) Form 1120 6) Form 1120S

All occupational fees that remain unpaid, beginning the day after their due date, shall bear interest at the rate of 1.0% per month, and a penalty of 5% (up to 25%) of the unpaid balance for every month or portion of a month that payment is late. Minimum penalty will be \$25.00. Continued non-payment will result in the account's assignment to the City Attorney for further collection procedures.

Please notify this office in writing if your business closes, so that we may change our records. Keep in mind that you will still need to file payroll and net profit returns for the portion of the year that you were still in business (for example, if your business closes in March, you will need to file returns for January through March).

Please notify the City of any changes in business name and/or address/phone. A new registration is required for any changes in ownership and/or tax i.d. number.

SUMMARY OF OCCUPATIONAL ORDINANCE 2007-18

Each employer who employs one or more persons within the city shall deduct monthly, or more often than monthly, City payroll taxes. The payment required to be made by employers shall be made to the Treasurer of the City of Russellville monthly, on or before the last day of the month next following the month of said deduction, or quarterly, for the quarterly periods ending March 31, June 30, September 30 and December 31 of each year, on or before the last day of the month next following the period of said deduction. In all cases where the employer does not withhold the tax levied under this ordinance from the employee, such employee or employees shall be responsible for filing with the City each quarter in the same manner as if they were the employer. If an employer fails to or is not required to withhold, report, or pay the payroll taxes it shall become the duty of the employee to file with the City. Said employer shall annually, during the month of February, make a return to the Occupational Tax Department in which is set forth the name and residential address of each employee of said employer during the preceding calendar year, giving the amount of salaries, wages, commissions or other compensations earned during the

preceding year, by each such employee. Copies of W-2 statements are acceptable for this annual return. Persons or businesses using contract laborers are to provide the City with a copy of the 1099 form for each contract laborer. Persons or business entities that are not required to file the 1099 forms with the federal government must send federally-acceptable equivalent documentation. If a business entity or person is not required to remit Federal form 1099 to the IRS, including but not limited to payments less than \$600.00, they are still required to remit the equivalent information to the City. The information to be reported by said licensee shall include:

- Payer's name, address, social security number and /or Federal I.D. number
- Recipient's name and address
- Recipient's social security number and /or Federal identification number
- Amount of non-employee compensation paid in the calendar year
- Amount of non-employee compensation earned in the City for the calendar year

Persons, associations, corporations or other business entities involved in any business, occupation, trade or other business activity within the City subject to the net profit tax hereunder shall file a Net Profit Return and pay the greater of two percent (2%) of their net profit, or the minimum fee of \$25.00, **in addition to the annual business licensing fee of \$25.00**. Persons, associations, corporations or other business entities which sustain a loss will be required to pay the minimum fee, and are required to submit a net profit return showing said loss, as well as their Federal schedule as documentation of the loss. All calendar year taxpayers must file the return by April 15th; fiscal year taxpayers must file the return within three and one-half months after the close of their fiscal year. The Occupational Tax Department shall have the authority to extend the filing of said returns in its discretion. The extension must be requested on or before the date prescribed for payment of the net profit tax. Such extension shall be upon the written request of the licensee, and shall be accompanied by a copy of the federal extension request and payment IN FULL of the estimated total tax due. Any balance unpaid when payment is due under the terms of this ordinance shall bear interest at the rate of twelve (12%) simple percent per annum until paid on the tax shown due on the return, but not previously paid, from the time the tax was due until the return is actually filed and the tax paid to the City. A fraction of a month is counted as an entire month.

Every person or business entity engaged in any trade, occupation, or profession, or other activity for profit or anyone required to file a return under this ordinance in the City of Russellville shall be required to complete and execute the registration form prescribed by the Occupational Tax Office. Each person shall be required to complete a separate registration for each separate business before the commencement of business, or in the event of a status change, other than change of address. Licensees are required to notify the Occupational Tax Office of changes of address, or the cessation of business activity, and of other changes which render inaccurate the information supplied in the completed registration, and shall pay the annual \$25.00 license fee before commencing business in Russellville.

In addition to the Registration Fee, General Contractors that do not meet the definition of a local business shall be required to post a cash deposit in the amount equal to 2% of the contract's estimated net profit, plus 2% of the contract's estimated gross payroll. This deposit will be held until all Net Profit Returns and payroll requirements have been deemed met by the City. If the licensee fails to make any tax payment, the deposit will be forfeitable in its entirety. All general contractors must supply the City with a written list of all project subcontractors and suppliers before a project's building permit will be issued.

Licensees who fail to remit payroll withholdings are subject to criminal prosecution; if convicted, the licensee will be guilty of a misdemeanor, and will be subject to an additional fine, as set forth in this ordinance, and are subject to possible imprisonment, for not more than thirty (30) days, FOR EACH OFFENSE.

Persons or groups who sell manufactured items door-to-door, or from a truck or automobile will be required to purchase a license. The charge for the license will be \$100.00 per person; said license shall be valid for three consecutive days only, and shall not be refundable. Notwithstanding any other penalty to the contrary provided elsewhere in this ordinance, one who fails to obtain a Peddler's license shall be subject to a fine of \$100.00 per person, per violation, in addition to the cost of the license.

Payment for current taxes owed will not be accepted unless prior period taxes have been paid. Payments of this sort will be returned, and will accrue penalty and interest as set forth in this ordinance, if paid late.