

**CITY OF RUSSELLVILLE, KENTUCKY  
ORDINANCE NO. 2008-04**

AN ORDINANCE IMPOSING A LICENSE FEE UPON INSURANCE COMPANIES FOR THE PRIVILEGE OF ENGAGING IN THE BUSINESS OF INSURANCE WITHIN THE CORPORATE LIMITS OF THE CITY OF RUSSELLVILLE, KENTUCKY, FOR THE CALENDAR YEAR 2008 AND THEREAFTER ON A CALENDAR YEAR BASIS; ESTABLISHING INSURANCE COMPANY LICENSE FEE RATES AS 7% OF THE FIRST YEAR PREMIUMS FOR LIFE INSURANCE AND 7% OF THE PREMIUMS FOR ALL OTHER TYPES OF INSURANCE ACTUALLY COLLECTED DURING THE CALENDAR YEAR AND THEREAFTER UNTIL AMENDED; ESTABLISHING AN EFFECTIVE DATE OF JULY 1 AND A DELINQUENCY DATE THIRTY (30) DAYS AFTER THE END OF EACH CALENDAR QUARTER; ESTABLISHING A PENALTY INTEREST CHARGE AT THE TAX INTEREST RATE AS DEFINED BY STATUTE; AND REQUIRING INSURANCE COMPANIES SUBJECT TO THE LICENSE FEE TO FURNISH ANNUAL COLLECTION INFORMATION; PROVIDING FOR A SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RUSSELLVILLE, KENTUCKY:

**SECTION 1.** There is hereby imposed on each insurance company a license fee for the privilege of engaging in the business of insurance within the corporate limits of the City of Russellville, Kentucky, beginning July 1, 2008 for the remainder of calendar year 2008, and thereafter on a calendar year basis.

**SECTION 2.** The license fee imposed upon each insurance company which issues life insurance policies on the lives of persons residing within the corporate limits of the City of Russellville, Kentucky, shall be 7% of the first year's premiums actually collected within each calendar quarter by reason of the issuance of such policies.

**SECTION 3.** The license fee imposed upon each insurance company which issues any insurance policy which is not a life insurance policy shall be 7% of the premiums actually collected within each calendar quarter by reason of the issuance of such policies on risks located within the corporate limits of the City of Russellville, Kentucky,

of 7% on those classes of business which such company is authorized to transact, less all premiums returned to policyholders; however, any license fee or tax imposed upon premium receipts shall not include premiums received for insuring employers against liability for personal injuries to their employees, or the death of their employees, caused thereby, under the provisions of the Worker's Compensation Act and shall not include premiums received on policies of group health insurance provided for state employees under KRS 18A.225(2) and KRS 18A.228.

**SECTION 4.** All license fees imposed by this ordinance shall be due no later than thirty (30) days after the end of each calendar quarter. License fees which are not paid on or before the due date shall bear interest at the tax interest rate as defined in KRS 131.010(6). / KRS 131.122

**SECTION 5.** Every insurance company subject to the license fees imposed by this ordinance shall annually, by March 31, furnish the City of Russellville, Kentucky, with a written breakdown of all collections in the preceding calendar year for the following categories of insurance: (a) casualty; (b) automobile; (c) inland marine; (d) fire and allied perils; (e) health; and (f) life.

**SECTION 6.** The City Clerk of the City of Russellville, Kentucky, is hereby directed to transmit a copy of this ordinance, and any amendment thereto, to the Commissioner of Insurance, Commonwealth of Kentucky.

**SECTION 7.** If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected.

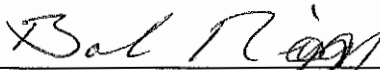
**SECTION 8.** This ordinance shall be effective on July 1, 2008, after its passage and publication, as required by law.

**FIRST READING** conducted the 13<sup>th</sup> day of March, 2008.

**SECOND READING AND PASSAGE** this the 14<sup>th</sup> day of March, 2008.

  
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GENE ZICK, MAYOR

ATTEST:

  
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BOB RIGGS, CITY CLERK

**Ayes:** CHUCK PHILLIPS, RUSSELL JONES,  
MARK STRATTON, LANNY McPHERSON  
**Nays:** JACK WHIPPLE  
**Absent:** JIMMY DAVEHPORT

**Abstaining:**

CLERK MAIL COPY TO:

Department of Insurance  
P. O. Box 517  
Frankfort, KY 40602-0517