ORDINANCE 2020-1801

AN ORDINANCE AMENDING CITY OF MURRAY CODE OF ORDINANCES, CHAPTER 112: INSURANCE COMPANIES, SPECIFICALLY §112.02: PAYMENT OF LICENSE TAX IN ORDER TO UPDATE AND CLARIFY THE LANGUAGE CONTAINED THEREIN AND TO CREATE A NEW SUBCHAPTER, SPECIFICALLY §112.05 TO IDENTIFY EXCEPTIONS TO THE PAYMENT OF TAX IN THIS CHAPTER.

WHEREAS, the City of Murray desires to amend Chapter 112, specifically §112.02 of the City of Murray Code Of Ordinances in order to update and clarify the language contained in this Chapter.

WHEREAS, the City of Murray desires to amend Chapter 112, specifically §112.02 in order to encourage growth and economic development within the City of Murray.

WHEREAS, the Murray City Council has reviewed and discussed the following proposed changes to Chapter §112 of the City Of Murray Code Of Ordinances and believe that the proposed changes are reasonable and necessary.

BE IT ORDAINED by the City Council of the City of Murray, as follows:

AMENDMENT I - ADDITIONS, ASSERTIONS & CHANGES:

City of Murray Code Of Ordinances, Chapter 112: INSURANCE COMPANIES shall be amended as follows:

AMENDMENT I - ADDITIONS, ASSERTIONS & CHANGES:

§112.02: PAYMENT OF TAX.

The license fee imposed upon each insurance company which issues any insurance policy which is not life, health, accident insurance, or workers' compensation insurance and which is not otherwise excepted herein in §112.05, shall be 7.25% 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 ~~c~~City on those classes of business which the company is authorized to transact, less all premiums retuned to policy holders.

AMENDMENT II - ADDITIONS, ASSERTIONS & CHANGES:

§112.05: EXCEPTIONS.

Any license fee or tax imposed upon premium receipts shall not include premiums on the following:

1. Premiums received for insurance paid by employers against liability for personal injuries to their employees or death cause thereby under the provisions of the Workers' Compensation Act; OR

2. Premiums received on policies of group health insurance provided for state employees under KRS 18A.225(2); OR

3. Any Employer who locates or re-locates their corporate domicile within the city limits of the

City of Murray under the following terms and conditions, all of which shall be verified by the Employer upon request of the City:

a. The Employer maintains annual gross revenues in excess of $100,000,000.00; and
b. The Employer employs no less than 100 full-time equivalent employees that are considered employees within the City limits of Murray; and
c. The Employer is engaged in interstate transportation, which is regulated by the United States Department of Transportation; and
d. The Corporate Domicile is located and remains continuously within the City limits of Murray, KY. For the purpose of this Chapter 112, Insurance Companies, the term "Corporate Domicile" shall mean "the place considered by law as the center of corporate affairs, where the corporation's functions are discharged; the legal home of a corporation".

Upon compliance with all the conditions as stipulated within this Subsection (3), the Employer shall be exempt from this license fee on the Employers' insurance policies to include automobile liability, cargo, employment practices liability, directors and officers coverage, fiduciary coverage, crime, cyber liability, general liability and brokerage coverages premiums and any premiums for real and personal property. All other insurance premiums eligible for the license fee tax shall be assessed at the rate established in Chapter §112.02: Payment of Tax.

During any fiscal year that an Employer fails to maintain any of the requirements for exemption pursuant to this §112.05(3)(a)(b)(c)(d), the tax imposed by §112.02 shall be assessed to said Employer. Employer shall submit proof of exemption annually.

Nothing in this Ordinance hereby adopted shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in this Ordinance; nor shall any just or legal right or remedy of any character be lost impaired or affected by this Ordinance.

All other sections and provisions of the Ordinances for the City of Murray, not specifically amended herein, shall remain in full force and effect and shall not be considered amended and shall be incorporated by reference as if fully stated herein.

Bob Rogers

BOB ROGERS, MAYOR

ATTEST:

Dannetta Clayton

DANNETTA CLAYTON, CITY CLERK

Introduced by the City Council on September 24, 2020.

Adopted by the City Council on October 8, 2020.

Published in the Murray Ledger and Times on October 13, 2020.

ORDINANCE NUMBER 2020-1801 An Ordinance amending City of Murray Code of Ordinances, Chapter 112: Insurance Companies, specifically §112.02: Payment of License Tax in order to update and clarify the language contained therein and to create a new Subchapter, specifically §112.05 to identify exceptions to the payment of tax in this chapter.

s/s Bob Rogers
Mayor

Attest:

s/s Dannetta Clayton
City Clerk

SUMMARY PREPARED BY: Warren K. Hopkins
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