

ORDINANCE NO. 493-1992

AN ORDINANCE OF THE CITY OF DRY RIDGE, KENTUCKY, AMENDING ORDINANCE NO. 397-1984 AND IMPOSING A LICENSE FEE ON AND UPON INSURANCE COMPANIES FOR THE PRIVILEGE OF ENGAGING IN THE BUSINESS INSURANCE WITHIN THE CORPORATE LIMITS OF THE CITY OF DRY RIDGE, KENTUCKY, FOR THE FISCAL-YEAR OF 1993-94, AND THEREAFTER ON A FISCAL-YEAR BASIS; ESTABLISHING INSURANCE COMPANY LICENSE FEE RATES AS 8.5% OF THE FIRST YEARS PREMIUMS FOR ALL LIFE INSURANCE, AND 8.5% OF THE PREMIUMS FOR ALL OTHER TYPES OF INSURANCE ACTUALLY COLLECTED WITHIN EACH CALENDAR-QUARTER DURING THE FISCAL-YEAR OF 1993-94, AND THEREAFTER UNTIL AMENDED; ESTABLISHING A DUE DATE OF JULY 1 AND A DELINQUENCY DATE THIRTY (30) DAYS AFTER THE END OF EACH CALENDAR-QUARTER WITHIN THE FISCAL-YEAR OF THE HEREIN LICENSING FEE ON INSURANCE COLLECTED; ESTABLISHING A PENALTY INTEREST CHARGE AT THE TAX INTEREST RATE AS DEFINED AND ALLOWED BY STATUTE; AND REQUIRING INSURANCE COMPANIES SUBJECT TO THE HEREIN LICENSE FEE TO FURNISH ANNUAL COLLECTION INFORMATION.

WHEREAS, the City of Dry Ridge, Kentucky, requires sufficient and adequate monies and revenues to maintain and operate the city;

WHEREAS, an allowed and permitted source of such revenues and monies is by the levy of a licensing fee on insurance companies for the privilege of engaging in the business of insurance within the incorporated limits of the City of Dry Ridge, Kentucky;

WHEREAS, the City of Dry Ridge, Kentucky, has heretofore, by ordinance, has established and levied such an insurance company licensing fee as allowed by law with the monies and revenues duly so received therefrom having declined and diminished substantially in sums and amounts remitted and collected that such monies and revenues generated by these licensing fees are inadequate and insufficient to meet the needs of the City of Dry Ridge, Kentucky; and

WHEREAS, the licensing fee upon insurance companies and upon covered insurance premiums collected by such compnaies must be now duly increased hereby to meet the fiscal and financial needs of the City of Dry Ridge, Kentucky.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DRY RIDGE, KENTUCKY, THAT ORDINANCE NO. 397-1984 BE HEREBY AMENDED AND THE INSURANCE COMPANY LICENSING FEES AMENDED AND INCREASED AS FOLLOWS, TO-WIT:

Section One

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 Dry Ridge, Kentucky, for the ~~calendar year of 1985,~~ fiscal year of 1993-94, and beginning on July 1, 1993 on a prospective basis only, ~~and thereafter on a calendar year basis,~~ and continuing thereafter on a fiscal year basis until amended with licensing fees generated hereby to be remitted to the city by all insurance companies subject to this ordinance during each calendar quarter after the effective date hereof, and thereby repealing all ordinances inconsistent herewith.

Section Two

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 Dry Ridge, Kentucky, shall be ~~6.5%~~ 8.5% of the first year's premiums actually collected within each calendar quarter by reason of the issuance of such policies.

Section Three

The license fee imposed upon each insurance company which issues any insurance policy which is not a life insurance policy shall be ~~6.5%~~ 8.5% 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 Dry Ridge, Kentucky, on those classes of

business which such company is authorized to transact, less all premiums returned to policy holders; however, any license fee or tax so imposed hereby, shall not include premiums received for insuring employers against liability for personal injuries to their employees, or death caused thereby, or insurance required under the provisions of the Workers' Compensation Act, and shall not include premiums so received on policies of group health insurance for state employees under KRS 18A.225(2).

Section Four

All license fees imposed by this ordinance shall be due no later than thirty (30) days after the end of each calendar quarter from the effective date hereinabove provided and ordained. All license fees which are not paid on or before the due date provided for herein, shall bear interest at the tax interest rate as defined in KRS 131.010(6).

Section Five

The licensing fees and tax on insurance policies imposed hereby in Section Two and Section Three hereof and to be remitted to the city as provided for in Section Four hereinabove, shall be subject to that credit concerning premiums returned to policy holders provided for in KRS 91A.080(3).

Section Six

Every insurance company subject to the license fees imposed by this ordinance, shall annually, by March 31, furnish to the City of Dry Ridge, 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 Seven

The City Clerk of the City of Dry Ridge, Kentucky is hereby so directed to transmit a copy of this ordinance and any amendments there- to to the Commissioner of Insurance, Commonwealth of Kentucky, within the time period provided for in KRS 91A.080(1) and any other applicable regulation.

Section Eight

This ordinance shall become effective on the first day of January, 1993.

First Reading: November 2, 1992

Second Reading: December 7, 1992

PASSED, APPROVED, ORDAINED AND ORDERED PUBLISHED THIS THE 7th

DAY OF December, 1992.

Norman Ferguson
NORMAN FERGUSON, MAYOR
CITY OF DRY RIDGE, KENTUCKY

ATTEST:
Cindy J. Harris
CITY CLERK, CITY OF DRY RIDGE, KENTUCKY