

ORDINANCE NUMBER 2016-01

AN ORDINANCE AMENDING ORDINANCE NUMBER 1994-25 OF THE CITY OF OLIVE HILL CODE OF ORDINANCES TO INCREASE THE RATES OF LICENSE FEES CURRENTLY IMPOSED ON INSURANCE COMPANIES FOR THE PRIVILEGE OF ENGAGING IN THE BUSINESS OF INSURANCE WITHIN THE CORPORATE LIMIT OF THE CITY OF OLIVE HILL, KENTUCKY

WHEREAS, The City of Olive Hill desires to increase the rate of fees assessed to various insurance plans and policies issued by companies to residents and businesses in Olive Hill, and

WHEREAS, The rate currently imposed is an increase over the original fee implemented by ordinance and currently constitutes an assessment which is lower than is desired by the City of Olive Hill,

WHEREFORE, The City of Olive Hill hereby amends the above-described ordinance to increase the current license fee rates from 8% to 9%, which amendment is more particularly described as follows:

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 Olive Hill, Kentucky for **April 1, 2016** until June 30, 2016, and thereafter on a fiscal year basis; establishing insurance companies license fee rates 9% of the premiums for all types of insurance except health insurance, life insurance, annuity insurance plans, retirement insurance plan, and workers compensation plans, actually collected within each fiscal quarter beginning **April 1, 2016** and to remain until **June 30, 2016**, and thereafter on a calendar year basis until amended; establishing an effective date of **April 1, 2016** and a delinquency date thirty (30) days after the end of each fiscal quarter, establishing a penalty interest charge at the tax interest rate as defined by statute; requiring insurance companies subject to the license fee to furnish annual collection information ; and repealing the present insurance license tax effective **April 1, 2016**.

THEREFORE BE IT ORDAINED, by the City Council of Olive Hill the following shall be the policy pertaining to the administration of customer deposit accounts, as amended:

SECTION 1: Requirement of License Fees 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 beginning **April 1, 2016 until June 30, 2016**, and thereafter on a fiscal year basis.

SECTION II: Insurance Subject to Fee. The license fee imposed upon insurance company which issues any insurance policy which is not health insurance, life insurance annuity insurance plan, retirement insurance plan and workers compensation insurance plan, shall be 9% of the premiums actually collected or minimum of \$5.00 per policy, within each calendar quarter by reason of the issuance of such policies on risks located on the corporate limits of the City , on those classes of business which such company is authorized to transact, less all premiums returned to policy holders.

SECTION III: Due and Delinquency Dates. All license fees imposed by this ordinance shall be due no later than thirty (30) days after the end of each quarter. License fees which are not paid on or before the due date shall bear interest at the rate of 10% or maximum tax interest rate as defined in KRS 121.010 (6)

SECTION IV: list of Collections. Each insurance company subject to the license fees imposed by this ordinance shall annually, by March 31st, furnish the City with a written breakdown of all collections in the preceding calendar year, excluding , health insurance, life insurance, annuity insurance plans, retirement plans and worker's compensation insurance plans.

SECTION V: Effective Date. This ordinance shall become effective on March 23, 2016.

Adopted this 15th Day of March, 2016.



 Mayor Kenny Fankell



 Attest: Angela Owens, City Clerk

First Reading: **March 1, 2016**

Second Reading: **March 15, 2016**

Published: **March 23, 2016**

Submitted to Commissioner of Insurance: _____