

COMMONWEALTH OF KENTUCKY
COUNTY OF LOGAN

ORDINANCE NO. 14-220.01

**AN ORDINANCE AMENDING ORDINANCE NO. 10-220.01,
AN ORDINANCE RELATING TO THE IMPOSITION AND
ADMINISTRATION OF AN OCCUPATIONAL LICENSE
REQUIREMENT, AND PAYMENT OF AN OCCUPATIONAL
LICENSE TAX BY PERSONS AND BUSINESS ENTITIES
CONDUCTING BUSINESSES, OCCUPATIONS, AND PROFESSIONS
WITHIN THE COUNTY OF LOGAN, KENTUCKY, TO REVISE
LANGUAGE RELATED TO THE TAXATION OF INCOME
CLASSIFIED AS CAPITAL GAINS AND LOSSES**

WHEREAS, the Fiscal Court has made a decision to amend Ordinance No.14-220-59, the Ordinance related to the imposition and administration of an occupational license requirement, and payment of an occupational license tax by persons and business entities conducting businesses, occupations and profession in Logan County, to revise the language regarding the taxation of income classified as capital gains;

NOW, THEREFORE, BE IT ORDAINED BY THE FISCAL COURT OF LOGAN COUNTY, KENTUCKY, AS FOLLOWS:

1. Numerical paragraph eleven (11) of Ordinance No. 10-220.01, under the heading “§1-Definitions” is hereby amended to read as follows:

(11) “Net profit” means gross income as defined in Section 61 of the Internal Revenue Code minus all the deductions from gross income allowed by Chapter 1 of Internal Revenue Code, and adjusted as follows:

- (a) Include any amount claimed as a deduction for state or local tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, local taxing authority in a state, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any foreign country or political subdivision thereof;
- (b) Include any amount claimed as a deduction that directly or indirectly is allocable to income which is either exempt from taxation or otherwise not taxed;
- (c) Include any amount claimed as a net operating loss or carryback or carryforward allowed under Section 172 of the Internal Revenue Code;

- (d) Include any amount of income and expenses passed through separately as required by the Internal Revenue Code to an owner of a business entity that is a pass-through entity for federal tax purposes; and
- (e) Exclude any amount of income that is exempt from state taxation by the Kentucky Constitution, or the Constitution and statutory laws of the United States; and
- (f) Exclude income from the sale of real and personal property classified as capital gains by the Internal Revenue Service, earned derived or received on the sales, rental or leasing of personal and real property, except that losses attributable to the sale of real estate and personal property classified as capital losses by the Internal Revenue Service shall be included as income.

All other parts and provisions of Ordinance No. 10-220.014, and its amendments shall remain in full force and effect. This ordinance shall become effective on January 1, 2015, and shall apply to any person or business entity required to file a net profit return within the County and whose fiscal year begins on or after January 1, 2015.

ADOPTED BY THE LOGAN COUNTY FISCAL COURT:

Introduced and given first reading at a duly convened meeting of the Fiscal Court of Logan County, Kentucky, held on the 28th day of October, 2014.

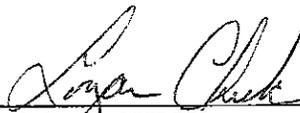
Ayes: 7

Nays: 0

Given second reading and adopted at a duly convened meeting of Fiscal Court of Logan County, Kentucky, held on the 12th day of November, 2014.

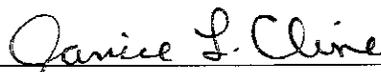
Ayes: 7

Nays: 0



LOGAN CHICK
LOGAN COUNTY JUDGE-EXECUTIVE

ATTEST:



LOGAN FISCAL COURT CLERK