

ORDINANCE NO. 10 - 2012

**AN ORDINANCE OF THE CITY OF ELIZABETHTOWN, KENTUCKY
AMENDING CODE OF ORDINANCE, CHAPTER 110 RELATING TO
OCCUPATIONAL LICENSES**

BE IT ORDAINED by the City of Elizabethtown, Kentucky, that from and after the passage, approval and publication of this ordinance that Chapter 110 of the Code of Ordinances relating Occupational Licenses be amended as follows:

§ 110.03 Occupational License Tax Payment Required.

(5) The occupational license tax imposed in this section shall not apply to the following persons or business entities:

(h) Rental income received by owners of real estate, who do not manage or own real estate as their primary source of income. All rental income of any type or source is fully taxable for all forms of ownership, except for an individual or single member LLC who owns four (4) or less residential rental housing units; they are exempt from the requirements of this ordinance. A housing unit is defined as a single living quarters (duplex = 2, apartment unit = 1). With ownership of five (5) or more residential rental units inside the City limits, an individual or single member LLC is presumed to be operating a business and is subject to this ordinance and all net profits are fully taxable.

BE IT FURTHER ORDAINED that the Mayor of the City of Elizabethtown and/or his designate be and he is hereby authorized and directed to take all steps necessary to perfect this ordinance.

READ THE FIRST TIME this 4th day of June, 2012.

READ, ADOPTED AND APPROVED this 20th day of August, 2012.

TIM C. WALKER, MAYOR

ATTESTED TO:

MARY CHAUDOIN, CITY CLERK