File #: O-243-26, **Version:** 1

ORDINANCE NO. _____ , SERIES 2026

AN ORDINANCE CONCERNING THE LEVY OF TAXES WITHIN THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AND THE LOUISVILLE URBAN SERVICES DISTRICT FOR FISCAL YEAR ENDING JUNE 30, 2027.

SPONSORED BY: COUNCIL MEMBERS KRAMER AND WINKLER

WHEREAS, KRS 67C.123 mandates the tax structure, tax rates, and level of services in effect in either the City of Louisville or Jefferson County upon the adoption of the Louisville/Jefferson County Metro Government ("Metro Government") remain in effect unless changed by the Louisville/Jefferson County Metro Council ("Council"); and

WHEREAS, under the provisions of KRS 67C.101(3)(a), the Council may levy and collect taxes upon all property taxable for state purposes within the territorial limits of Metro Government; and

WHEREAS, under the provisions KRS 67C.147(2), the Council may impose a difference in the ad valorem tax rate on real property within the Louisville Urban Services District than is applicable in the remainder of the Metro Government, for services not otherwise provided outside of the Louisville Urban Services District; and

WHEREAS, under the provisions of KRS 67C.147(3), the Council has created the Louisville Urban Services District to provide for tax rates applicable to health insurance premiums and personal property for services in the District.

NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT ("COUNCIL") AS FOLLOWS:

SECTION 1. ESTABLISHING THE AD VALOREM TAX RATES FOR FISCAL YEAR 2026-2027

The following ad valorem tax rates for Fiscal Year ending June 30, 2027 for Metro Government shall be and the same are hereby enacted as follows:

I. METRO GOVERNMENT AND LOUISVILLE URBAN SERVICES DISTRICT REAL PROPERTY TAX RATES.

A. The tax per $100 of assessed valuation of real property, including public service corporations, shall be set at 11.64 cents for general Metro Government purposes. Provided, however, in addition to that set for general Metro Government purposes, the tax per $100 of assessed valuation of real property within the Louisville Urban Services District, including public service corporations, shall include an additional levy of 32.76 cents for Louisville Urban Services District purposes for the Fiscal Year ending June 30, 2027.

II. METRO GOVERNMENT PERSONAL PROPERTY TAX RATES

A tax per $100 of assessed valuation of tangible personal property, including public service corporations and distilled spirits but excluding merchants' inventories, manufacturers' finished goods, goods stored in a warehouse/distribution center, and aircraft not used in the business of transporting persons or property for compensation or hire, shall be set at 16.60 cents for general Metro Government purposes for the Fiscal Year ending June 30, 2027.

III. METRO GOVERNMENT BANK FRANCHISE AND LOCAL DEPOSIT TAX

There is hereby imposed on all financial institutions, as defined in KRS 136.500, located within Metro Government a franchise tax at the rate of twenty-five thousandths of one percent (0.025%) on all deposits, as defined in KRS 136.575, for general Metro Government purposes, for the Fiscal Year ending June 30, 2027. As provided in KRS 136.575(3) a tax bill shall be sent to the financial institutions no later than December 1, 2026 and require payment with a two percent (2%) discount by December 31, 2026 or without discount by January 31, 2027.

IV. METRO GOVERNMENT TAX ON TAXABLE CAPITAL OF DOMESTIC LIFE INSURANCE COMPANIES

There is hereby imposed upon domestic

life insurance companies incorporated under the laws of the Commonwealth of Kentucky, in which the principal office of the company is located within Metro Government, a tax of fifteen cents ($0.15) on each one hundred dollars ($100) of "taxable capital" as provided for in KRS Chapter 136 for general Metro Government purposes for the Fiscal Year ending June 30, 2027.

V. LIMITATIONS ON TAX RATES ESTABLISHED BY THE LOUISVILLE URBAN SERVICES DISTRICT BOARD

A. The ad valorem tax levy on tangible personal property within the Louisville Urban Services District for the Fiscal Year ending June 30, 2027, including public service corporations but excluding distilled spirits, merchants' inventories, manufacturers' finished goods, goods stored in a warehouse/distribution center, aircraft not used in the business of transporting persons or property for compensation or hire and motor vehicles, which levy is set by the Urban Services District Board and is in addition to the levy for general Metro Government purposes, shall be set at 56.60 cents on each one hundred dollars of assessed value.

B. The ad valorem tax levy on the taxable capital of domestic life insurance companies incorporated under the laws of the Commonwealth of Kentucky and located within the Louisville Urban Services District for the Fiscal Year ending June 30, 2027, which levy is set by the Urban Services District Board and is in addition to the levy for general Metro Governmental purposes, shall not exceed the rate as levied by the Urban Services District Board for Fiscal Year 2026, which was 15 cents on each one hundred dollars of assessed value.

C. The ad valorem tax levy on the deposits of financial institutions subject to local taxation and located within the Louisville Urban Services District for the Fiscal Year ending June 30, 2027, which levy is set by the Urban Services District Board and is in addition to the levy for general governmental purposes, shall not exceed the rate as levied by the Urban Services District Board for Fiscal Year 2026, which was twenty-five thousandths of one percent (0.025%).

SECTION 2. SEVERABILITY

Severability is intended throughout and within the provisions of this ordinance. If any provision, including any exception, part, phrase, or term, or the application thereof to any person or circumstances is held invalid by a court of competent jurisdiction, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby and the validity of the ordinance in any and all other respects shall not be affected thereby. The Council declares it would have adopted this ordinance and each exception, part, phrase, or term thereof irrespective of the fact that any one or more exception, part, phrase, or term be declared invalid.

SECTION 3. EFFECTIVE DATE

This Ordinance shall take effect upon its passage and approval or otherwise becoming law.

_____ Sonya Harward Metro Council Clerk
_____ Brent Ackerson President of the Council
_____ Craig Greenberg Mayor _____
Approval Date **APPROVED AS TO FORM:** Michael J. O'Connell Jefferson County Attorney BY:_____

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