

CITY OF GRAYMOOR-DEVONDALE, KENTUCKY
ORDINANCE # 5, SERIES 2025
AN ORDINANCE AMENDING CHAPTER 63 OF THE CODIFIED
ORDINANCES CONCERNING THE IMPOSITION OF FEES ON COMPANIES
WHO ISSUE CERTAIN INSURANCE POLICIES IN THE CITY

WHEREAS, The City of Graymoor-Devondale wishes to update Ordinance Chapter 112 regarding the imposition of fees on insurance policies for residents of the city pursuant to KRS 91A.080 through 91A.0810 which authorizes cities and other local governments to impose license fees or taxes upon insurance companies for the privilege of engaging in the business of insurance within their corporate limits ("local government premiums tax" or "**LGPT**");

WHEREAS, the City Council of the City of Graymoor-Devondale, Kentucky ("**City**") has been imposing an 8% license fee for most insurance policies sold in the city through its current chapter 63 of its codified ordinances;

WHEREAS, The City of Graymoor-Devondale has decided to reduce its taxing rate because it has found that it does not need the additional funding to cover the increase in cost and demand for general government services;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF GRAYMOOR-DEVONDALE, KENTUCKY:

Section 1: Chapter 63, Section 63.001 is hereby amended as follows:

§ 63.001 IMPOSITION OF LICENSE FEE.

There is hereby imposed on each insurance company a license fee (hereinafter referred to as a local government premiums tax, "LGPT"), for the privilege of engaging in the business of insurance within the corporate limits of the city, on a calendar-year basis, based upon the following:

(A) "Premiums" is defined as premiums actually collected by an insurance company within each calendar quarter by reason of the issuance of policies and contracts of insurance on risks located within the city and includes premiums on new policies and contracts of insurance and on renewal business, as well as all other classes of premiums, less all premiums returned to policyholders.

(B) Except as otherwise provided in division (C) below, the license fee imposed upon each insurance company which issues any insurance policy or contract of insurance shall be the following percentage of premiums on those classes of insurance which such company is authorized to issue (the "Base Fee"):

Fire and Allied Perils	& 5%
Casualty Liability Only	& 5%
Vehicle	& 5%
Inland Marine	& 5%
Health	0%
Life	& 5%
All other Risks Taxed	& 5%

The Base Fee shall not apply to premiums exempted by state or federal law.

Section 2: This ordinance shall be effective upon adoption and publication.

First Reading

1/21/25

Second Reading

2/18/25

Passed and approved this the 18th day of February 2025.

APPROVED:

John Vayle
 Mayor

Attest:

Janey Leuto
 City Clerk