

CHAPTER 35: TAXATION

Section

- 35.01 County assessment adopted
- 35.02 Due date; payment
- 35.03 Delinquency
- 35.04 Lien for delinquent taxes
- 35.05 Ad valorem taxes on motor vehicles
- 35.06 Ad valorem taxes on stock from banks or trust companies
- 35.07 Disposition of funds
- 35.08 Ad valorem taxes on real and personal property
- 35.09 Franchise tax on all financial institutions
- 35.10 Tax rate on abandoned urban property

§ 35.01 COUNTY ASSESSMENT ADOPTED.

(A) The assessment made by the Property Valuation Administrator for state and county purposes shall be adopted as the assessment for city purposes.

(Ord. passed 10-5-92; Am. Ord. 95-10-01, passed 10-23-95; Am. Ord. 96-10-02, passed 10-4-96; Am. Ord. 97-09-01, passed 9-30-97; Am. Ord. 04-09-03, passed 9-30-04; Am. Ord. 05-10-01, passed 10-17-05; Am. Ord. 06-10-01, passed 10-16-06; Am. Ord. 08-09-01, passed 9-15-08; Am. Ord. 09-09-01, passed 9-21-09; Am. Ord. 10-09-03, passed 9-20-10; Am. Ord. 11-09-01, passed 9-19-11; Am. Ord. 12-09-01, passed 9-17-12; Am. Ord. 13-09-01, passed 9-16-13; Am. Ord. 14-09-01, passed 9-15-14; Am. Ord. 16-09-01, passed 9-19-16; Am. Ord. 17-09-01, passed 9-18-17; Am. Ord. 18-09-01, passed 9-24-18; Am. Ord. 19-09-01, passed 9-16-19; Am. Ord. 20-09-01, passed 9-21-20; Am. Ord. 21-09-02, passed 9-20-21)

(B) The City Clerk/Treasurer shall exonerate any intangible tax assessment which is for less than \$3, and no bill shall be sent to any taxpayer for any sum less than \$3.

(Ord. 98-09-01, passed 9-29-98; Am. Ord. 04-09-03, passed 9-30-04; Am. Ord. 05-10-01, passed 10-17-05; Am. Ord. 06-10-01, passed 10-16-06; Am. Ord. 07-09-01, passed 9-17-07; Am. Ord. 08-09-01, passed 9-15-08; Am. Ord. 09-09-01, passed 9-21-09; Am. Ord. 10-09-03, passed 9-20-10; Am. Ord. 11-09-01, passed 9-19-11; Am. Ord. 12-09-01, passed 9-17-12; Am. Ord. 13-09-01, passed 9-16-13; Am. Ord. 14-09-01, passed 9-15-14; Am. Ord. 16-09-01, passed 9-19-16; Am. Ord. 17-09-01, passed 9-18-17; Am. Ord. 18-09-01, passed 9-24-18; Am. Ord. 19-09-01, passed 9-16-19; Am. Ord. 20-09-01, passed 9-21-20; Am. Ord. 21-09-02, passed 9-20-21; Am. Ord. 22-09-01, passed 9-19-22)

Statutory reference:

Authority of cities to adopt county assessment, see KRS 132.285

§ 35.02 DUE DATE; PAYMENT.

(A) All taxes, except those on motor vehicles, paid on or before November 15, 2022, shall be discounted 2%; all taxes not paid by January 1, 2023, shall have added thereto a penalty of 5%; all taxes not paid before February 1, 2023, shall have added thereto a penalty of 10%, and all taxes not paid before April 1, 2023, shall be deemed delinquent by the tax collector and all property on which taxes are not paid by the date may be advertised by said collector and sold on the first Monday in May following the advertising as is required by law governing the levying on collecting taxes.

(B) All taxes deemed to be delinquent shall be subject to a penalty of \$100 in addition to those penalties set forth above to be used to defray the city's cost in advertising the delinquent tax claims and/or administering a program for collection of same.

(Am. Ord. 95-10-01, passed 10-23-95; Am. Ord. 96-10-02, passed 10-4-96; Am. Ord. 97-09-01, passed 9-30-97; Am. Ord. 04-09-03, passed 9-30-04; Am. Ord. 05-10-01, passed 10-17-05; Am. Ord. 06-10-01, passed 10-16-06; Am. Ord. 07-09-01, passed 9-17-07; Am. Ord. 08-09-01, passed 9-15-08; Am. Ord. 09-09-01, passed 9-21-09; Am. Ord. 10-09-03, passed 9-20-10; Am. Ord. 11-09-01, passed 9-19-11; Am. Ord. 12-09-01, passed 9-17-12; Am. Ord. 13-09-01, passed 9-16-13; Am. Ord. 16-09-01, passed 9-19-16; Am. Ord. 18-09-01, passed 9-24-18; Am. Ord. 20-09-01, passed 9-21-20; Am. Ord. 21-09-02, passed 9-20-21; Am. Ord. 22-09-01, passed 9-19-22)

§ 35.03 DELINQUENCY.

(A) All taxes still delinquent one year after above delinquent date of April 1, 2023, will accrue a 0.5% monthly interest rate beginning April 1, 2024, in addition to all previous penalties set forth above. (Ord. passed 10-5-92; Am. Ord. 95-10-01, passed 10-23-95; Am. Ord. 96-10-02, passed 10-4-96; Am. Ord. 97-09-01, passed 9-30-97; Am. Ord. 04-09-03, passed 9-30-04; Am. Ord. 05-10-01, passed 10-17-05; Am. Ord. 07-09-01, passed 9-17-07; Am. Ord. 16-09-01, passed 9-19-16; Am. Ord. 20-09-01, passed 9-21-20; Am. Ord. 21-09-02, passed 9-20-21; Am. Ord. 22-09-01, passed 9-19-22)

(B) Delinquent taxes shall be collectable under the provisions of the state law relating to the collection of delinquent taxes by cities of the fourth class.

(Am. Ord. 18-09-01, passed 9-24-18)

§ 35.04 LIEN FOR DELINQUENT TAXES.

(A) The city shall have a lien on the property assessed for taxes due it for ten years following the date the tax become delinquent. This lien may not be defeated by gift sale or other alienation of the property. The lien shall include all interest, penalties, fees, commissions, charges, cost, attorney fees or other expenses the city incurs by reason of a delinquency in the payment of the tax, or the collection of same, and this lien shall have priority over any other obligation or liability for which the property may be liable.

(B) The City Attorney shall be responsible for collecting delinquent property taxes. A fee equal to 20% of the amount due the city during the delinquency period shall be paid to the City Attorney, even if the tax is paid voluntarily, through sale or a court order.

(C) If the delinquent tax is paid within ten days of the date of the city's publication of the notice of delinquent taxes for that year, the City Attorney's fee may be waived.

(D) If the City Attorney files a court action to collect a delinquent tax, he or she shall be paid an additional fee equal to 10% of the amount of the delinquent tax, and the city shall be reimbursed any cost it has incurred in the court action.

(Ord. passed 12-14-92; Am. Ord. 12-09-01, passed 9-17-12; Am. Ord. 13-09-01, passed 9-16-13; Am. Ord. 14-09-01, passed 9-15-14; Am. Ord. 16-09-01, passed 9-19-16; Am. Ord. 17-09-01, passed 9-18-17; Am. Ord. 18-09-01, passed 9-24-18; Am. Ord. 19-09-01, passed 9-16-19; Am. Ord. 20-09-01, passed 9-21-20; Am. Ord. 21-09-02, passed 9-20-21; Am. Ord. 22-09-01, passed 9-19-22)

§ 35.05 AD VALOREM TAXES ON MOTOR VEHICLES.

There is hereby an ad valorem tax of \$0.24 on each \$100 value of motor vehicle subject to taxation for municipal purposes in the City of Benton, for the 2022 calendar year to be on the assessment as of January 1, 2022, to be paid to the city for city purposes, to maintain city government and to be placed in the city's General Fund.

(Ord. 95-10-01, passed 10-23-95; Am. Ord. 96-10-02, passed 10-4-96; Am. Ord. 97-09-01, passed 9-30-97; Am. Ord. 98-09-01, passed 9-29-98; Am. Ord. 99-09-04, passed 9-20-99; Am. Ord. 00-10-02, passed 10-16-00; Am. Ord. 02-10-03, passed 10-7-02; Am. Ord. 04-09-03, passed 9-30-04; Am. Ord. 05-10-01, passed 10-17-05; Am. Ord. 06-10-01, passed 10-16-06; Am. Ord. 07-09-01, passed 9-17-07; Am. Ord. 08-09-01, passed 9-15-08; Am. Ord. 09-09-01, passed 9-21-09; Am. Ord. 10-09-03, passed 9-20-10; Am. Ord. 11-09-01, passed 9-19-11; Am. Ord. 12-09-01, passed 9-17-12; Am. Ord. 13-09-01, passed 9-16-13; Am. Ord. 14-09-01, passed 9-15-14; Am. Ord. 16-09-01, passed 9-19-16; Am. Ord. 17-09-01, passed 9-18-17; Am. Ord. 18-09-01, passed 9-24-18; Am. Ord. 19-09-01, passed 9-16-19; Am. Ord. 20-09-01, passed 9-21-20; Am. Ord. 21-09-02, passed 9-20-21; Am. Ord. 22-09-01, passed 9-19-22)

Statutory reference:

Collection of ad valorem taxes on motor vehicles, see KRS 134.800 and 134.810

§ 35.06 AD VALOREM ON TAXES ON STOCK FROM BANKS OR TRUST COMPANIES.

There is hereby levied an ad valorem tax on each \$100 of the taxable fair cash value of the shares of stock of each bank or trust company subject to taxation for municipal purposes in the city, the tax to be at a rate as set forth by ordinance.

(Ord. passed 10-5-92; Am. Ord. 95-10-01, passed 10-23-95)

§ 35.07 DISPOSITION OF FUNDS.

All monies collected from the taxes levied in this chapter shall be paid into the General Fund of the city to be used for the payment of proper expenditures as determined by the City Council.

§ 35.08 AD VALOREM TAXES ON REAL AND PERSONAL PROPERTY.

(A) There is hereby levied an ad valorem tax of \$0.228 on each \$100 value of real property subject to taxation for municipal purposes in the City of Benton, for the calendar year 2022 on the assessments as of January 1, 2022, said taxes to be paid for the city purposes, to maintain city government and to be placed in the city's General Fund.

(B) There is hereby levied an ad valorem tax of \$0.3749 on each \$100 value of personal property, exclusive of motor vehicles, subject to taxation for municipal purposes in the City of Benton, for the calendar year 2022 on the assessments as of January 1, 2022, said taxes to be paid for the city purposes, to maintain city government and to be placed in the city's General Fund.

(C) All taxes, except those on motor vehicles, paid on or before November 15, 2022, shall be discounted 2%; all taxes not paid by January 1, 2023, shall have added thereto a penalty of 5%; all taxes not paid by February 1, 2023 shall have added thereto a penalty of 10%, and all taxes not paid by April 1, 2023 shall be deemed delinquent by the tax collector and all property on which taxes are not paid by the date may be advertised by said collector and sold on the first Monday in May following the advertising as is required by law governing the levying on collecting taxes.

(D) All taxes deemed to be delinquent shall be subject to a penalty of \$100 in addition to those penalties set forth above to be used to defray the city's cost in advertising the delinquent tax claims and administering a program for collection of same.

(E) All taxes still delinquent one year after above delinquent date of April 1, 2023 will accrue a 0.5% monthly interest rate beginning April 1, 2024, in addition to all previous penalties set forth above. (Ord. 95-10-01, passed 10-23-95; Am. Ord. 96-10-02, passed 10-4-96; Am. Ord. 97-09-01, passed 9-30-97; Am. Ord. 98-09-01, passed 9-29-98; Am. Ord. 99-09-04, passed 9-20-99; Am. Ord. 00-10-02, passed 10-16-00; Am. Ord. 02-10-03, passed 10-7-02; Am. Ord. 04-09-03, passed 9-30-04; Am. Ord. 05-10-01, passed 10-17-05; Am. Ord. 06-10-01, passed 10-16-06; Am. Ord. 07-09-01, passed 9-17-07; Am. Ord. 08-09-01, passed 9-15-08; Am. Ord. 09-09-01, passed 9-21-09; Am. Ord. 10-09-03, passed 9-20-10; Am. Ord. 11-09-01, passed 9-19-11; Am. Ord. 12-09-01, passed 9-17-12; Am. Ord. 13-09-01, passed 9-16-13; Am. Ord. 14-09-01, passed 9-15-14; Am. Ord. 16-09-01, passed 9-19-16; Am. Ord. 17-09-01, passed 9-18-17; Am. Ord. 18-09-01, passed 9-24-18; Am. Ord. 19-09-01, passed 9-16-19; Am. Ord. 20-09-01, passed 9-21-20; Am. Ord. 21-09-02, passed 9-20-21; Am. Ord. 22-09-01, passed 9-19-22)

§ 35.09 FRANCHISE TAX ON ALL FINANCIAL INSTITUTIONS.

(A) Pursuant to the provisions of KRS Chapter 136 there is hereby imposed on all financial institutions, as defined in KRS Chapter 136, located within the city, for the fiscal year commencing July 1, 1996 and for all subsequent tax years, a franchise tax at the rate of 0.025% on all deposits, as defined in KRS Chapter 136 which are maintained by that financial institution.

(B) A copy of this section upon enactment shall be forwarded to the Revenue Cabinet as notice that the city has enacted this tax and any subsequent change in the application of the tax or the rate shall be served upon the Revenue Cabinet.

(C) The bank shares, tax imposed for the fiscal year commencing July 1 and ending June 30 under the provision of KRS 126.270 shall remain in effect only to the extent required for all financial institutions located in the city to make the transition from a bank shares tax to a franchise tax based on its deposits.

(D) All tax levied pursuant to the provision of this section are to be billed on or before May 1 and shall be subject to a 2% discount if paid by May 31 and there shall be no discount if the bill is paid after June 30. The billing dates and discounts shall remain applicable for all subsequent tax years and subject to change pursuant to amendment or changes enacted pursuant to the provision of KRS Chapter 136. (Ord. 96-8-01, passed 8-19-96)

§ 35.10 TAX RATE ON ABANDONED URBAN PROPERTY.

(A) *Separate classification.* Abandoned urban property is established as a separate classification of real property for the purpose of ad valorem taxation.

(B) *Definition.* Pursuant to KRS 132.012 and for the purpose of this section, **ABANDONED URBAN PROPERTY** shall mean any vacant structure or vacant or unimproved lot or parcel of ground in the city limits that has been vacant or unimproved for a period of at least one year and which:

(1) Because it is dilapidated, unsanitary, unsafe, vermin infested or otherwise dangerous to the safety of persons, it is unfit for its intended use;

(2) By reason of neglect or lack of maintenance has become a place for the accumulation of trash and debris, or has become infested with rodents or other vermin;

(3) Has been tax delinquent for a period of at least three years;

(4) Has had a methamphetamine contamination notice posted as provided in KRS 224.1-410 for a period of at least 90 days, and the owner has neither appealed the notice nor provided a certification of decontamination during the 90 days; or

(5) Is located within a development area established under KRS 65.7049, 65.7051, and 65.7053.

(C) *Tax rate.* The tax rate of taxation levied upon abandoned urban property located within the city limits is \$0.75 on each \$100 of assessed value.

(D) *Classification of property as abandoned urban property.*

(1) On or before January 15 of each year, either the City Attorney or Code Enforcement Officer shall determine which properties in the city are "abandoned urban property" as defined herein and shall furnish a list of "abandoned urban property" located in the city to the City Clerk/Treasurer and the Marshall County Property Valuation Administrator.

(2) Except as is otherwise provided in division (E) below, property classified by the city as "abandoned urban property" as of January 15, shall be taxed as "abandoned urban property" for such tax year.

(3) If the owner of the property repairs, rehabilitates, or otherwise returns the property to productive use so that the property is no longer "abandoned urban property", the owner shall notify the city of the change of condition. Upon notice of the change, the city shall re-evaluate the status of the property for tax purposes and if the city determines that the property is no longer "abandoned urban property" it shall notify the City Clerk/Treasurer and the Marshall County Property Valuation Administrator to strike the property from the list of "abandoned urban property" as of the succeeding year. If the city determines that a re-classification of the property is not appropriate then the city shall notify the owner that the request was denied.

(E) *Notice and appeal.*

(1) Prior to March 1 of each year, the City Attorney or the City Code Enforcement Officer shall mail by first class mail, notice of the classification to the owner(s) of each "abandoned urban property" that the property has been classified as "abandoned urban property"; once on the list, subsequent notices to the owners of the classification is not necessary. Notice sent to the owner as provided on the Marshall County Property Valuation records is sufficient notice.

(2) The owner of any "abandoned urban property" who believes that the property has been incorrectly classified as "abandoned urban property" may appeal such classification to the Benton Code Enforcement Board. The appeal shall be in writing and shall be made within 30 days after the owner received notice of the classification or that the city has denied a request to reclassify under division (D)(3) above. The Board shall afford the owner the opportunity for a hearing and if the Board concludes after the hearing that the property was incorrectly classified as "abandoned urban property" the property shall be removed from the list of "abandoned urban property" and the City Clerk/Treasurer and the Marshall County Property Valuation Administrator shall be notified of the change. The procedure for appeals and hearings shall be as provided in Chapter 41 of this code.
(Ord. 21-09-04, passed 9-20-21)