

KNOX COUNTY FISCAL COURT OCCUPATIONAL LICENSE FEE OFFICE

QUESTIONS ASKED ABOUT THE OCCUPATIONAL LICENSE FEE

- (1) What type income is being taxed?**
Earned income from wages, salaries, tips, bonuses, commissions, net profits from businesses, payments to partners, and rental income from personal property, commercial and/or industrial real estate, and residential real estate in Knox County.
- (2) What type income is NOT being taxed?**
Unearned income such as interest, dividends, capital gains, or other investment income; retirement or pension income, including social security; employment and workers compensation.
- (3) What income is EXEMPT from the tax?**
Income earned as an employed domestic servant.
- (4) Does the tax apply to income deducted before taxes such as insurance plans, deferred compensation, child care, etc.?**
YES – The tax is applied to the gross pay, before any deductions.
- (5) What if my employer does not withhold the tax?**
You are still responsible for the tax and should contact the Occupational Fee Office immediately. Phone 546-8915.
- (6) What if I work or operate in Knox County and also in other counties?**
The income earned in Knox County is taxable, and it is your responsibility to maintain adequate documentation in order to determine the amount of income earned within Knox County. A business should determine a percentage of gross sales within Knox County and apply that percentage to their net profits for determining their license fee. Employers are responsible for determining the amount of wages earned within Knox County by their employees and maintaining adequate documentation in order to determine the amount of income earned within Knox County by those employees. This may be accomplished by either an actual amount or by a percentage of wages earned.
- (7) Can I make estimated payments on my net profit income?**
Though not required, businesses will be allowed to make estimated payments of the license fee on net profits. Please contact the Occupational Fee Office if you desire to do so.
- (8) Where can I get forms and file my returns?**
You can receive all the information you need by contacting the Occupational Fee Office in the County Judge Executive's Office in the Knox County Courthouse, Barbourville, Kentucky, by phone (606) 546-8915 or fax (606) 546-6196. The mailing address is P.O. Box 177, Barbourville, KY 40906.
- (9) When do I submit payment?**
License fees of employees is payable quarterly (1% of gross wages) and due on or before April 30, July 31, October 31, and January 31. License fees on the net profit is payable within 105 days after the end of the Licensee's Fiscal Year (1% of net profit).