

**Tax Collection Office
Fayette County Public Schools
P.O. Box 55570
Lexington, KY 40555-5570
(859) 381-4156 or 381-4157**

RE: 0.5% Occupational License Tax for Schools

The Board of Education of Fayette County, by resolution, as authorized by KRS 160.605 has imposed a one-half of one percent (0.5%) Occupational License Tax for Schools, effective March 1, 1986, on all individuals, employers and business in Fayette County. The rate of 0.5% applies to the following:

1. Gross wages, salaries, commissions and other compensation earned within Fayette County by individuals who are Fayette County residents.
2. Net Profits of businesses, professions or occupations from activities conducted within Fayette County.

Additional provisions of the resolution are:

1. Each employer must withhold the 0.5% license tax for schools from gross wages, salaries and commissions paid to employees who are Fayette County residents for services performed within Fayette County.
2. Each business, profession or occupation becoming subject to the Occupational License Tax for Schools must at that time register with the Fayette County Public Schools Tax Collector.

The forms required for reporting:

1. Form 220-221-S must be used by employers to report the license tax for schools withheld from employees. The total amount withheld must be submitted not less than quarterly.
2. Form 222-S must be used by employers to annually reconcile the license tax for schools withheld quarterly from employees. This form must be submitted with a copy of employee's W-2 or a listing showing name, address, social security number, total compensation and school tax withheld for each employee.
3. Form 228-S must be used by each business to report annually its net profit subject to the 0.5% license tax for schools.

Each of the forms listed above will provide further detailed information and instructions. Pre-printed forms with the official registration of your name and address and your account number will be mailed to you for timely filing.