



Occupational License Tax
McLean County License Fee Administrator
Calhoun, KY 42327

Phone
(270)273-9170

Office Hours
Monday - Friday
8:00 am - 4:30 pm

ARE YOU DOING BUSINESS IN MCLEAN COUNTY?

DO YOU HAVE EMPLOYEES?

YOU MUST REGISTER

Every "business entity" operating in McLean County, KY is required to register, with the Occupational Tax Administrator by completing a **Questionnaire**, included or obtainable from the Occupational Tax Office or the Secretary of State's website (<http://app.sos.ky.gov/occupationaltax/>) **within 10 days of beginning any operation/activity.**

Every "business entity", **personal or otherwise** (Ordinance No. 20-220-7 Sec 220.01 for definition), which has any activity within McLean County, KY is required to file and pay occupational tax on the net profits of its operation or enterprise within 105 days after the end of the calendar year. No license tax shall be imposed upon or collected from any person, firm, or corporation who is exempt by law. Exemption verification is required.

PLEASE NOTE: Every employee who works in McLean County, KY is subject to occupational tax on his or her GROSS earnings. Employers are required to withhold the occupational tax each pay period on the Gross wages earned, and remit it quarterly to the Occupational Tax Administrator by order of Ordinance.

TAXPAYER REQUIREMENTS

At the end of the client's tax year, business/persons are required to file a Net Profits License Tax Return reporting their net profits subject to the occupational fees. The tax rate on Net Profits in McLean County is presently 1%, minimum \$50.00, max \$750.00/per year (effective Jan. 1, 2021)

Every employer (excluding US Government) who has **employees** working in this taxing jurisdiction must withhold the appropriate occupational tax each pay period on gross wages earned beginning --- and thereafter. The withholdings must be remitted quarterly. Report forms are provided by the county. At the end of each calendar year an Annual Reconciliation form is provided and is due by February 28th each year along with copies of their employees' W-2 forms containing the employees' name, address, social security number, gross wage and amount of McLean County, KY occupational tax withheld. The tax rate on employees' GROSS wages earned in McLean County is 1%, max \$750.00 per employee/per year. (effective Jan. 1, 2021)

For questions about the occupational license tax refer to Ordinance No. 20-220-7 or contact our office.