

**INSTRUCTIONS FOR FILING CREDITS AGAINST  
COUNTY TAXES - (LGT 142)**

KRS 91A.080(12) requires insurance companies/surplus lines brokers to credit city license fees or taxes against the same license fees or taxes levied by the county. This credit only applies if the county ordinance was enacted on or after July 13, 1990.

For reporting purposes, a credit of the city license fees or taxes against the county license fees or taxes must be taken and a Form LGT-142 filed with the quarterly filing (Form LGT-141) and the annual reconciliation (Form LGT-140) if all of the following are true:

- The risk is located within the city limits;
- The county in which the city is located also imposes a tax;
- The county issued its ordinance on or after July 13, 1990; and
- The county license fee or tax for the applicable category (life, health, casualty, etc.) is higher than the city license fee or tax.

If a credit is required, the insurance company must pay the license fee or tax due to the city and pay the balance due to the county.

Quarterly: Complete Form LGT-142 for the county, listing each city's taxes within that county to be taken as a credit. The total credits from Form LGT-142 are then transferred to Form LGT-141 for the county in order to calculate taxes due that county. Submit Form LGT-141 to the cities, and Form LGT-141 and Form LGT-142 to the counties.

Annually: Complete one Form LGT-142 for each county indicating, by city, the annual totals of taxes taken as credits against that county. The annual totals on Form LGT-142 must match the annual totals on Form LGT-140 (annual reconciliation) for that county. Submit Form LGT-140 to the cities, Form LGT-140 and Form LGT-142 to the counties, and a copy of Form LGT-142 to the Kentucky Department of Insurance, Local Government Premium Tax Unit, P.O. Box 517, Frankfort, Kentucky 40602-0517.