

Employer's Quarterly Return Of License Fee Withheld Instructions

General Instructions –

- Employers are required to withhold Occupational License Tax from the total Gross Salaries, Wages, Commissions and other Compensation paid earned by all employees, where the work was performed in Lyndon.
- Tax Rate – Employees who work in Lyndon, Kentucky, are subject to a tax rate of 1%.

All compensation subject to the Occupational License Tax and tax rate can be found in Lyndon Occupational License Fee Ordinance, 110.14 and 110.15

When and Where to File / Pay –

- Employer's Quarterly Return of License Fee Withheld and payment must be dropped off, postmarked, emailed or electronically paid by the last day of the month following the close of the quarter.
- Drop-off / Mailing address: *City of Lyndon, Attn: Revenue, 515 Wood Rd., Lyndon, KY 40222*
- Email: *revenue@cityoflyndon.org*
- Electronic Payment: *www.cityoflyndon.org*

Return Period

Quarter 1 – Jan, Feb, Mar

Quarter 2 – Apr, May, Jun

Quarter 3 – Jul, Aug, Sep

Quarter 4 – Oct, Nov, Dec

Due Date

April 30

July 31

October 31

January 31

Occupational License Fee reporting can be found in Lyndon Occupational License Fee Ordinance 110.19 (B)

Penalties For Failure or Late Return and/or Payment

Interest For Late Payment

<https://cityoflyndon.org/CityOrdinances.aspx?CNID=4426>

- Business Name, EIN and Period Ended should be included on the Return.

License Fee Withheld Calculation -

Line 1 -Enter number of Taxable Employees working in the City of Lyndon. If number of employees is zero, complete and submit your return.

Line 2 – Enter the gross wages paid to all employees.

Line 3 - Enter the gross wages paid to all employees for work performed outside the City of Lyndon, Kentucky.

Line 4 – Subtract Line 3 from Line 2 to enter Taxable Earnings.

Line 5 – Multiply Line 4 X 1% to enter City Tax Due.

Line 6 – Enter Estimated Payments.

Line 7 – Subtract Line 6 from Line 5 to enter Taxes Due on or Before Due Date.

Line 8 – Multiply 1% per month (or part of the month) X unpaid amount to enter interest.

Line 9 – If return is filed past the due date, 5% of tax due per month (or part of the month), not to exceed 25% of tax due. The penalty should not be less than \$25.

Line 10 – Add Line 7 + Line 8 + Line 9.

- Sign and date Return.