

341.260 Payment of contributions by employer -- Guarantee and liability of contractor.

- (1) Contributions shall accrue and become payable by each subject employer for each calendar year in which he is subject to this chapter. Such contributions shall be based upon wages paid during such calendar year for covered employment. Such contributions shall become due and be paid at the offices of the Office of Unemployment Insurance in Frankfort by each subject employer to the office for the fund in accordance with such regulations as the secretary prescribes, and shall not be deducted in whole or in part from the wages of workers in his employ. In the payment of any contributions, a fractional part of a cent shall be disregarded, unless it amounts to one-half cent (\$0.005) or more, in which case it shall be increased to one cent (\$0.01).
- (2) Any contractor, who is or becomes a subject employer under the provisions of this chapter, who contracts with any subcontractor, who also is or becomes a subject employer under the provisions of this chapter, shall withhold sufficient moneys on said contract to guarantee that all contributions, penalties, and interest are paid upon completion of said contract, or shall require of said subcontractor a good and sufficient bond guaranteeing payment of all contributions, penalties, and interest due, or to become due with respect to wages paid for employment on said contract. Failure to comply with the provisions of this section shall render said contractor directly liable for such contributions, penalties, and interest due from said subcontractor and the wages paid by said subcontractor shall be deemed wages paid by the said contractor with respect to the same periods for all purposes under this chapter, and liens of the same nature are attachable and enforceable in the same manner as liens under KRS 341.310 and 341.315. A person, employing unit, or entity that enters into a verbal or written agreement with another, or between which there exists an implied contract based upon the circumstances, conduct, or acts or relations of the parties:
 - (a) To have work performed consisting of the removal, excavation or drilling of soil, rock, or mineral, or the cutting or removal of timber from land; or
 - (b) To have work performed of a kind which is a customary or a recurrent part of the work of the trade, business, occupation, or profession of such person or entity, shall for the purposes of this subsection be deemed a contractor, and such other person or entity a subcontractor. This subsection shall not apply to the owner or lessee of land principally used for agriculture.

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History: Amended 2022 Ky. Acts ch. 236, sec. 138, effective July 1, 2022. -- Amended 2019 Ky. Acts ch. 146, sec. 59, effective June 27, 2019. -- Amended 2006 Ky. Acts ch. 211, sec. 143, effective July 12, 2006. -- Amended 1988 Ky. Acts ch. 106, sec. 4, effective July 15, 1988. -- Amended 1974 Ky. Acts ch. 74, Art. VI, sec. 107(23). -- Amended 1972 Ky. Acts ch. 21, sec. 14. -- Amended 1952 Ky. Acts ch. 154, sec. 8. -- Amended 1950 Ky. Acts ch. 206, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4748g-7.