

Having previously been introduced at the July 10, 2017 council meeting, Council Member Rakestraw moved the adoption of the following Ordinance, which was seconded by Council Member Patz:



**ORDINANCE NO. 170724-044**

**AN ORDINANCE AMENDING THE BUSINESS LICENSE ORDINANCE OF THE CITY OF ALABASTER, ALABAMA**

WHEREAS, the City Council adopted Ordinance 14-11, an ordinance to repeal and replace the business license ordinance; and,

WHEREAS, Ordinance 14-11 has been codified in Chapter 8 of the Code of Ordinances of the City of Alabaster, Alabama (2015); and,

WHEREAS, it is in the best interest of the public to amend portions of the ordinance.

NOW, THEREFORE, be it ordained by the City Council of the City of Alabaster, Alabama as follows:

**Section 1.** Amendment to Section 8-20, Definition of "Gross Receipts"

The definition of "Gross Receipts" is hereby amended to read as follows:

*Gross receipts* means the measure of any and all receipts of a business from whatever source derived, to the maximum extent permitted by applicable laws and constitutional provisions, without regard to the location in which the activity giving rise to the receipts was transacted, solicited, executed, consummated, or delivered, to be used in calculating the amount due for a business license. Provided, however, that:

- (1) Gross receipts shall not include any of the following taxes collected by the business on behalf of any taxing jurisdiction or the federal government. All taxes which are imposed on the ultimate consumer, collected by the taxpayer and remitted by or on behalf of the taxpayer to the taxing authority, whether state, local or federal, including utility gross receipts levied pursuant to Code of Ala. 1975, title 40, ch. 21, art. 3 (Code of Ala. 1975, § 40-21-80 et seq.); or reimbursements to professional employer organizations of federal, state or local payroll taxes or unemployment insurance contributions; but no other deductions or exclusions from gross receipts shall be allowed, except as provided in this article.
- (2) A different basis for calculating the business license may be used by the municipality with respect to certain categories of taxpayers as prescribed in Code of Ala. 1975, § 11-51-90B.
- (3) For a utility or other entity described in Code of Ala. 1975, § 11-51-129, gross receipts shall be limited to the gross receipts derived from the retail furnishing of utility services within the municipality during the preceding year that are taxed under Code of Ala. 1975, title 40, ch. 21, art. 3, except that nothing herein shall affect any existing contract or agreement between a municipality and a utility or other entity. The gross receipts derived from the

furnishing of utility services shall not be subject to further business license taxation by the municipality.

(4) Gross receipts shall not include dividends or other distributions received by a corporation, or proceeds from borrowing, the sale of a capital asset, the repayment of the principal portion of a loan, the issuance of stock or other equity investments, or capital contributions or the undistributed earnings of subsidiary entities.

(5) Gross receipts for businesses domiciled outside of the city, with no office or substation located within the city, shall include the gross receipts derived from business activity within the corporate limits of the city.

**Section 2.** Amending Section 8-21(4), 8-21(5)(c), and adding 8-21(e) – Issuance Fee

Section 8-21(4) is hereby amended to read:

(4) Issuance fee. For each business license issued or renewed by the city, there shall be an issuance fee in the amount established, as adjusted, by the department of revenue in accordance with Alabama Code § 11-51-90(2). The issuance fee shall be collected in the manner as a license tax. No business license shall be issued or renewed to an applicant or licensee who is delinquent in filing a license or tax return or report to the city.

Section 8-21(5)(c) is hereby amended to read:

c. On or before December 31 of each year, a renewal reminder shall be mailed to each licensee that purchased a business license during the current year. Said renewal notice shall delivered to the licensee in any manner allowed by state law. Licensees are required to furnish the municipality any address changes for their business prior to December 1 in order for them to receive their notice.

There is hereby added Section 8-21(d) as follows:

d. Interest. Interest shall be assessed on business license tax delinquencies at the rate specified by the Code of Alabama.

**Section 3.** Amending Section 8-22(c)(4)

Section 8-22(c)(4) is hereby amended to read:

(4) Billing and/or collection activities relating to the business conducted at the branch office are performed by an employee or other representative, of the taxpayer who has such responsibility for the branch office, whether or not the representative is physically located at the branch office.

**Section 4.** Amending Section 8-34 by adding subsection (d).

Section 8-34 is hereby amended by adding the following:

(d) To the extent a licensee underreports gross receipts, the licensee shall be subject to penalties and interest on the underreported amount.

**Section 5.** Amending Section 8-39(4).

Section 8-34(4) is hereby amended to read:

(4) The gross receipts derived from the sale and any requisite set-up or installation of all merchandise so delivered is more than \$10,000.00 but does not exceed \$75,000.00 during the license year;

**Section 6.** Amending Section 8-40 as to certain NAICS codes and Schedules.

Section 8-40 is hereby amended as to the following NAICS codes and schedules:

Code	2002 NAICS Titles/Business License Codes	Schedule
311	Food manufacturing—Meat, seafood, grain, fruit, dairy, animal, poultry processing	<u>W</u>
312	Beverage manufacturing—All types of soft drinks, bottled water, breweries, ice	<u>W</u>
492	Local Delivery – delivery services	<u>L</u>
<u>510</u>	<u>Newspapers</u>	<u>U</u>
541	Building inspection services—Individual and/or firm professional license	<u>R</u>
541	Computer Programmer – individual or professional firm license	<u>R</u>
541	Advertising Agencies – creates advertising campaigns	<u>R</u>
541	Professional services not elsewhere classified—Scientific, technical	<u>R</u>
551	Management companies—Offices, enterprises, regional, corporate	<u>R</u>
561	Administrative services—Answering, employment, office, secretary, travel	<u>R</u>
621	Ambulance – ambulance company and/or service	<u>G</u>
<u>621</u>	<u>Blood Banks</u>	<u>M</u>
812	Barber shops	<u>S</u>
812	Beauty salons—Engaged in one or more of the following: (1) Cutting, trimming, shampooing, weaving, coloring, waving, or styling hair; (2) Providing facials; and (3) Applying makeup (except permanent makeup)	<u>S</u>
812	Nail salons—Providing nail care services, such as manicures, pedicures, and nail extension	<u>S</u>
812	Coin-operated laundries and drycleaners—Operating facilities with coin-operated or similar self-service laundry	<u>I</u>

**Section 7.** Amending Schedule C of Section 8-41

The \* and the end of Schedule C of Section 8-41 is hereby amended as follows:

\*Plus an amount equal to five percent of gross purchase price of liquor (excluding beer and wine) purchased during the calendar month due and payable on the 20th of the month following the purchase.

**Section 8.** Other provisions not modified or amended.

Except as amended herein, the remaining provisions of Sections 8-19 through 8-46 shall remain in full force and effect.

**Section 9.** Effective Date


This ordinance shall become effective upon its passage and publication as required by law, provided, that no existing licenses shall be subject to any increases in license fees or charges until the 2018 business license year.

ADOPTED AND APPROVED THIS 24th DAY OF JULY 2017.

ATTEST:

  
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Brian Binzer, City Manager/Clerk

CITY OF ALABASTER

  
\_\_\_\_\_  
By: Council President Scott Brakefield

APPROVED:

  
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Marty B. Handlon, Mayor