



## Town of Brilliant (9147) Business License Fee Schedule including General Information/FAQs



### Thank you for doing business in the Town of Brilliant.

All businesses operating in the city limits or police jurisdiction of the Town of Brilliant must purchase an annual business license prior to the commencement of business.

#### How to file:

- **Preferred Method:** To remit payment online: Go to <https://rds.bizlicenseonline.com/>. Complete a simple registration, file and pay online. Any required certifications can be emailed to [bizlicensesupport@revds.com](mailto:bizlicensesupport@revds.com).
- To remit payment by form: Complete the Business License Application located [here](#). For your convenience this form can be completed electronically with Adobe Reader, or printed then manually completed.

Make your check payable to Tax Trust Account and mail to RDS, Business License Department, P.O. Box 830900, Birmingham, AL 35283-0900. Be sure to enclose any required certifications with your payment.

Click on the following (or scroll to the bottom of the document) to see more information on the following topics:

- ✦ [Calculation](#)
- ✦ [Certification](#)
- ✦ [Gross Receipts, Definition of](#)
- ✦ [Location Specific, Definition](#)
- ✦ [New Business Information](#)
- ✦ [Police Jurisdiction \(PJ\), Definition and Rate of](#)
- ✦ [Penalty and Interest, Rate of](#)
- ✦ [Posting of License](#)
- ✦ [Transfer of License information](#)
- ✦ [Type of License](#)
- ✦ [Zoning](#)

### File online:

<https://rds.bizlicenseonline.com/>

• Free • Fast • Secure • Step-by-Step •

### Important facts to know when completing your business license:

**License Due Date:** Renew annually on January 1<sup>st</sup>.

**License Delinquent Date:** Licenses are considered delinquent after January 31<sup>st</sup>.

**License Expiration:** All licenses (except temporary licenses) expire December 31<sup>st</sup>.

**To prevent a delay in the issuance of a license, please note the following:**

- Gross-based schedules must report gross receipts for the previous year. For more details, click on "Gross Receipts" in the gray box to the left.
- Unit-based schedules must provide the number of units. Units may refer to number of employees, square footage, vehicles, days, agents, etc. See fee schedule for details for each business type.
- Schedules that indicate certification is required must have a copy of the certification submitted with the application.

### Customer Service



Toll Free Phone: 800.556.7274  
Toll Free Fax: 844.528.6529  
Se habla español.



Email: [bizlicensesupport@revds.com](mailto:bizlicensesupport@revds.com)  
Website: [www.revds.com](http://www.revds.com)



Remit to address:  
RDS-Business License Department  
PO Box 830900  
Birmingham, AL 35283-0900

Make checks payable to "Tax Trust Account"

Internal no.	Type	Classification/business description including certification information	Calculation information see schedule
721017	Units	Accommodations – hotels, motels, & similar facilities 15 room or less \$75.00 Each additional room \$ 10.00 This license applies only to hotel operations. Restaurants or other businesses on hotel premises requires separate license. ***A fire inspection shall be performed annually. If fire inspection determines building is not up to fire code standards, business license can be revoked until such time necessary improvements are made to bring building up to code. ***A health inspection shall be performed annually. If health inspector determines building is not up to county health regulations, business license can be revoked until such time necessary improvements are made to bring building up to regulation.	
721027	Units	Accommodations – trailer, travel, RV parks Each person, firm or corporation engaged in maintaining or operating a lot or place where a charge is made for parking travel and/or house trailers, recreational vehicles, and the like for long or short periods of time, shall pay an annual license as follows: \$100.00 for the first four prepared trailer spaces and \$10.00 for each additional space. (note application of section 85 of title 22, 1940 code of Alabama regarding compliance with health regulations prior to the issuance of license.)	
541027	Gross	Accountants/public accounts <b>Must Provide Board Certification: Public Accountancy Board</b>	F
561047	Gross	Administrative services	A
115017.00	Gross	Agriculture support	A
621047	Units	Air ambulances - license is \$150.00 per air unit. <b>Must Provide Board Certification: Alabama EMSP Licensure</b>	\$150.00
621037	Units	Ambulances and ambulance service for each ambulance <b>Must Provide Board Certification: Alabama EMSP Licensure</b>	\$50.00
713017	Units	Amusement – billiards Where billiard tables or pool tables are operated; Fee for one to four tables \$125.00 Additional tables \$ 40.00 each	
713027	Units	Amusement – bowling alley First alley \$75.00 Each additional alley \$10.00	
713037	Flat	Amusement – miscellaneous	\$50.00
112017.00	Gross	Animal production	A
541037	Gross	Architect <b>Must Provide Board Certification: Architects Registration Board</b>	F
999047	Flat	ATM machines Automated teller machines – ATM – flat fee -\$10.00	
541017	Gross	Attorneys at law <b>Must Provide Board Certification: Alabama State Bar</b>	F
453057	Gross	Auction houses	C
522027	Flat	Bank branch State regulated	11-51-130
522017	Flat	Bank main office State regulated	11-51-130
515017	Gross	Broadcasting Establishments that operate broadcasting studios and facilities for over the air or satellite delivery of radio and television programs of entertainment, news, talk, and the like shall pay a license based on gross annual receipts as follows: On less than \$50,000.00 \$75.00 And also 1/10 of 1% on all gross annual receipts above \$50,000.00	

Internal no.	Type	Classification/business description including certification information	Calculation information see schedule
999017	Gross	Business services not elsewhere classified	A
999037	Unit	Category for vending machines Vending machines including games, amusement, and/or food items -\$10.00 each	
722037	Gross	Caterers <b>Must Provide Board Certification: Department of Health Permit</b>	I
541067	Gross	Chiropractor <b>Must Provide Board Certification: Chiropractic Examiners Board</b>	F
711017	Unit	Circuses or carnivals per week	\$150
541107	Gross	Computer programmer	F
238067.00	Gross	Contractor – masonry and stone	E
237187.00	Gross	Contractors – building equipment and mechanical install	E
238087.00	Gross	Contractors – carpentry	E
238127.00	Gross	Contractors – concrete	E
238077.00	Gross	Contractors – drywall, acoustical and insulation	E
238057.00	Gross	Contractors – electrical <b>Must Provide Board Certification: Alabama Electrical Contractors Board</b>	E
238167.00	Gross	Contractors – excavation and site development	E
238107.00	Gross	Contractors – floor coverings/all types	E
238157.00	Gross	Contractors – glass and glazing	E
237027.00	Gross	Contractors – heavy construction <b>Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board</b>	E
238197.01	Gross	Contractors – hvac	E
238037.00	Gross	Contractors – painting and wall covering	E
238197.02	Gross	Contractors – plumbing <b>Must Provide Board Certification: State of Alabama Plumbers and Gas Fitters Examining Board</b>	E
238117.00	Gross	Contractors – roofing, siding and sheet metal	E
238197.00	Gross	Contractors – specialty trades	E
238147.00	Gross	Contractors – structural steel erection	E
238177.00	Gross	Contractors – wrecking and demolition	E
236017.00	Gross	Contractors - general contractors <b>Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board</b>	E
492017	Flat	Couriers A license tax of 100.00 is levied on express companies having offices in the city for the purpose of forwarding merchandise from this city to other points in the state and from points in the state to this city, or from one point to another between them.	\$100.00
522067	Gross	Credit services	F
624027	Gross	Day care – children and infants <b>Must Provide Board Certification: Department of Human Resources</b>	A

Internal no.	Type	Classification/business description including certification information	Calculation information see schedule
999999	Gross	Delivery license - Business Located Inside City Limits	V
999999.01	Gross	Delivery license - Business Located Outside City Limits	V
541057	Gross	Dentists <b>Must Provide Board Certification: Board of Dental Examiners of Alabama</b>	F
541047	Gross	Doctors <b>Must Provide Board Certification: Alabama Board of Medical Examiners &amp; Medical Licensure Commission of Alabama</b>	F
812057	Gross	Dry cleaners	A
611017	Gross	Educational services	A
541087	Gross	Engineer <b>Must Provide Board Certification: Engineers &amp; Land Surveyors Professional Licensure Board</b>	F
561017	Gross	Exterminating services <b>Must Provide Board Certification: Department of Agriculture and Industries</b>	A
111017.00	Gross	Farming and crop production	A
453047	Unit	Fireworks stands Fireworks sales per stand. Fee is \$50.00 per stand. Owner must supply yearly certificate of insurance before license will be issued.	
713047	Flat	Fitness center establishments engaged in operating fitness facilities featuring exercise and other active physical fitness conditioning activities	\$50.00
113017.00	Gross	Forestry	B
525017	Gross	Funds, trusts, other financial agencies	F
812077	Gross	Funeral homes and funeral services <b>Must Provide Board Certification: Board of Funeral Services</b>	C
622017	Unit	Hospitals Establishments known and licensed as general medical and surgical hospitals engaged in providing diagnostic and medical treatment (both surgical and non-surgical) to in patients with any of a wide variety of medical conditions shall pay a license as follows: Twenty five beds or less \$250.00 Each additional bed \$ 10.00 This license covers hospital operation only; any other business requires separate license.	
519017	Gross	Information services	A
524017	Gross	Insurance – fire and/or marine Four dollars on each one hundred dollars (\$100.00) or major fraction thereof gross premiums received during the preceding year, less premiums returned by cancellation.	
524037	Gross	Insurance – health, allied and all other premium Health, allied, and all other premiums for insurance companies and/or its agents are state regulated under 11-51-120/123. All insurance companies including bonding and guarantee companies, except fire and marine, shall pay \$1.00 on each hundred dollars and major fraction thereof of gross premiums, less the premiums returned during the preceding year on policies issued during the said year to citizens or residents of the Town of Brilliant.	
524027	Gross	Insurance claims adjusting	F
561027	Gross	Janitorial firm	A
561037	Gross	Landscaping services	E

Internal no.	Type	Classification/business description including certification information	Calculation information see schedule
812047	Unit	Laundry – coin operated Any person operating any self-service laundry; for the first 10 machines Less than 10 machines \$50.00 For each machine over 10 \$ 7.50	
812037	Gross	Linen and uniform supply	H
551027	Gross	Management companies	A
312017	Gross	Manufacturing – beverages	D
311017	Gross	Manufacturing – food	D
337017	Gross	Manufacturing – furniture	D
333017	Gross	Manufacturing – machinery	D
339017	Gross	Manufacturing – miscellaneous	D
327017	Gross	Manufacturing – nonmetallic	D
314017	Gross	Manufacturing – other	D
324017	Gross	Manufacturing – petroleum & coal	D
326017	Gross	Manufacturing – plastic and rubber	D
336017	Gross	Manufacturing – transportation	D
321017	Gross	Manufacturing – wood	D
441037	Flat	Mechanical car wash Each person, firm or corporation operating a mechanical car wash shall pay a license for each location	\$50.00
423017	Gross	Metal dealers Each person, firm or corporation engaged primarily in the purchase and collection of scrap metal for the purpose of processing the same into scrap material for the metals recovery industry. For each place of business, for the first \$400,000.00 or less of annual gross receipts for such business shall pay a license fee of \$50.00 and in addition thereto, where gross receipts for such business exceed \$400,000.00, an additional amount equal to one twentieth of one per cent of the total annual gross receipts in excess of \$400,000.00.	
332017	Gross	Metal fabrication	A
212017.00	Flat	Mining - all related mining activities (except for oil and gas) where not state regulated.	\$250.00
213017.00	Flat	Mining support services - all activities related to oil and gas mining, oil and gas wells where not state regulated.	\$225.00
522077	Gross	Mortgage & non mortgage	F
441017	Gross	Motor vehicle parts and accessories	A
532017	Unit	Motor vehicle rental U-drive-it or cars, trucks, trailers, and/or RVs for rent, and/or lease, First three: \$150.00 Each additional: \$20.00	
441027	Gross	Motor vehicles – new and/or used Each person, firm or corporation dealing in, selling or purchasing for resale, automobiles, trucks, or other self-propelled vehicles shall be required to pay a license for each such place of business (four sales per year constitutes a business)..... \$100.00 and also 1/20 of 1% on all gross annual receipts above \$100,000.00 <b>Must Provide Board Certification: Revenue Department-License Section</b>	

Internal no.	Type	Classification/business description including certification information	Calculation information see schedule
712017	Flat	Museums Museums and historical sites, zoos, botanical gardens, parks, and like activities deemed of historical, cultural and/or educational value shall pay a license of: \$100.00	\$100.00
454017	Gross	Non-store retailers	C
623017	Gross	Nursing care	A
623027	Unit	Nursing home Establishments engaged in providing inpatient nursing and rehabilitative services normally for an extended period of time. A permanent core staff of registered or licensed practical nurses, along with other staff, provides nursing and continuous personal care services. A license fee shall be as follows: Five beds or less \$150.00 Each additional bed \$5.00 <b>Must Provide Board Certification: Alabama Board of Examiners of Nursing Home Administrators</b>	
541077	Gross	Optician <b>Must Provide Board Certification: Optometry Board</b>	F
621027	Gross	Outpatient care centers	F
485017	Flat	Passenger transportation Establishments primarily engaged in operating local and suburban passenger transportation systems (where not state regulated)	\$100.00
485037	Flat	Passenger transportation Each person operating taxicabs in the city shall comply with all ordinances regulation the operation of taxicabs, and shall pay a license of \$100.00 for the first taxicab operated and \$10.00 for each additional taxicab operated by such person.	
522057	Flat	Pawn brokers - whether title pawn or merchandise	\$150.00
812017	Flat	Personal services –barber shop/beauty shop Establishments engaged in providing appearance care services to individual consumers such as beauty shops or barber shops and the like <b>Must Provide Board Certification: Alabama Board of Cosmetology and Barbering</b>	\$50.00
999027	Gross	Personal services not elsewhere classified	A
812067	Gross	Pet care services (except veterinary)	C
541117	Gross	Photographer	F
541137	Gross	Professional services not elsewhere classified	F
511017	Gross	Publishing industries except internet	C
482017	State Law	Rail transportation Having an office on running cars into the city for business or transporting freight or passengers from this city to other points in the state and from other points in the state, it being not the purpose to tax interstate business. State regulated	11-51-124
531017	Gross	Real estate	F
532027	Gross	Rental and leasing	A
811037	Gross	Repair and maintenance – commercial equipment	A
811027	Gross	Repair and maintenance – electronic & appliance	A
811017	Gross	Repairs and maintenance – motor vehicles	A
722017	Gross	Restaurant – full service <b>Must Provide Board Certification: Department of Health Permit</b>	I

Internal no.	Type	Classification/business description including certification information	Calculation information see schedule
722027	Gross	Restaurant – limited <b>Must Provide Board Certification: Department of Health Permit</b>	I
444017	Gross	Retail – building materials and gardening equipment	C
448017	Gross	Retail – clothing and accessories	C
443017	Gross	Retail – electronics and appliance store	C
445017	Gross	Retail – food and beverage stores	I
442017	Gross	Retail – furniture	C
447017	Units	Retail – gasoline Each station served by licensed wholesale gasoline dealer	\$50.00
452017	Gross	Retail – general merchandise stores	C
446017	Gross	Retail – health and personal care stores	C
453027	Gross	Retail – miscellaneous	C
453067	Gross	Retail – mobile homes	C
453037	Gross	Retail – office equipment/supplies	C
451017	Gross	Retail – sporting goods and hobbies	C
453017	Gross	Retail – used merchandise stores	C
522037	State Law	Savings and loan State regulated	11-51-131
522047	State Law	Savings and loan branch State regulated	11-51-131
611027	Gross	Schools	A
523017	Gross	Securities, commodity	F
487017	Flat	Sightseeing transportation Establishments providing scenic and sightseeing transportation on land, air, water and /or special transportation	\$100.00
999057	Gross	Small vendor Any person or business whose prior year gross receipts does not exceed \$15,000.00 shall be termed "small vendor", and will pay a license fee based upon annual gross receipts as follows: \$15,000 or less \$50.00 When annual gross receipts exceed \$15,000.00, the person or business shall purchase license as pertains to their NAICS coding.	
624017	Gross	Social assistance	A
711027	Flat	Special events Special events held before a paying audience shall pay a license of: \$100.00 (not for profit and/or fund-raisers are excluded)	\$100.00
541097	Gross	Surveyor <b>Must Provide Board Certification: Engineers &amp; Land Surveyors Professional Licensure Board</b>	F
517037	Flat	Telecommunications – cellular Cellular and other wireless telecommunications including paging	\$250
517047	Flat	Telecommunications – resellers of service Persons, firm and/or corporations who purchase access and network capacity from owners and operators of the networks and resell wired and wireless telecommunications services (except satellite) to businesses and households	\$125

Internal no.	Type	Classification/business description including certification information	Calculation information see schedule
517017	State Law	Telecommunications – telephone local State regulated	11-51-128
517027	State Law	Telecommunications – telephone long distance State regulated	11-51-128
512017	Gross	Theaters Each person, firm, or corporation operating a theatre, video store, recording studio, drive-in, sound studio, and/or any business similar shall pay a license for each location. Flat fee \$50.00 And also 1/20 of 1% on all gross annual receipts above \$250,000.00	
484017	Flat	Truck transportation Establishments primarily engaged in providing local general freight trucking including but not limited to local, long-distance, freight, moving, and storage.	\$100.00
484027	State Law	Truck transportation – terminal state regulated	37-3-33
221017.00	State Law	Utilities -electric power state regulated 11-51-129	G
221027.00	State Law	Utilities -natural gas company state regulated 11-51-129	G
221037.00	State Law	Utilities -water, sewage treatment, steam, and other establishments primarily engaged in operating water treatment plants and/or operating water supply systems including pumping stations, aqueducts, and/or distribution mains as well as sewage treatment, steam, and other uses.	Not applicable
541127	Gross	Veterinarian <b>Must Provide Board Certification: Alabama Veterinary Medical Examiners Board</b>	F
493017	Flat	Warehousing and storage Each person, firm, or corporation engaged in warehousing and storage where merchandise is stored shall pay a license based on the number of units and/or buildings.	\$50.00
562017	Gross	Waste management	A
483017	Flat	Water transportation Establishments primarily engaged in providing inland water transportation of passengers on lakes, rivers, or intra-coastal waterways (where not state regulated)	\$250.00
421017	Gross	Wholesale trade – durable	C
422027	Gross	Wholesale trade – non-durable	C
488017	Gross	Wrecker services For each place of business, for the first \$400.00 or less of annual gross receipts for such business: \$100.00, and in addition thereto, where gross receipts for such business exceed \$400,000, an additional amount equal to one twentieth of one per cent of the total annual gross receipts in excess of \$400,000.00.	



## Calculation Information

### Schedule "A"

Each person, firm, or corporation operating a business or selling goods shall pay a license based on his gross annual receipts as follows:

On less than \$100,000	\$50.00
\$100,000 to \$250,000	\$75.00

and also 1/20 of 1% on all gross annual receipts above \$250,000.00.

### Schedule "B"

Each person, firm, or corporation operating a business or selling goods shall pay a license based on his gross annual receipts as follows:

On less than \$50,000	\$50.00
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And 1/10 of 1% of all gross receipts in excess of \$50,000 but not exceed \$100,000,  
And 1/20 of 1% of all gross receipts in excess of \$100,000.

### Schedule "C"

Each person, firm or corporation operating a wholesale business or selling goods on a wholesale basis shall pay a license based on his gross annual receipts as follows:

On less than \$50,000	\$50.00
\$50,000 and less than \$100,000	\$100.00

And also 1/20 of 1% on all gross annual receipts above \$100,000.00.

### Schedule "D" - Manufacturing

On less than \$250,000	\$100.00
\$250,000.00 and less than \$500,000	\$150.00
\$500,000.00 but less than \$1,000,000	\$200.00
\$1,000,000.00 but less than \$3,000,000	\$325.00
\$3,000,000.00 but less than \$6,500,000	\$425.00
\$6,500,000.00 but less than \$10,000,000	\$500.00
\$10,000,000.00 and over	\$625.00

## **Schedule "E" - Contractors**

(a) Any person, firm, or corporation accepting orders, contracts or subcontracts and every person who undertakes to assume authority or control, or who supervises, manages, or directs the work of others, or who is delegated by the owner to do so, whether at a fixed price or on a cost-plus basis for doing any work on or in a building or structure, or shall accept contracts or subcontracts to do any paving or curbing, or contract or subcontract to excavate earth, rock or other material, or contract to construct any sewer or contract or subcontract to construct highways, bridges, dams, or railroads, or contracts or subcontract for any other type of construction work shall pay a license based on his gross annual receipts as follows:

less than \$10,000	\$50.00
\$10,000 to \$25,000	\$100.00
\$25,000 to \$75,000	\$150.00
\$75,000 to \$150,000	\$200.00
\$150,000 to \$250,000 and Up	\$250.00

And in addition thereto, seventy-five cents (\$0.75) on each one thousand dollars (\$1,000.00).

Said additional sum shall be paid prior to the commencement of work on any such project and it shall be illegal to do or perform any such work within the city without first paying said sum, which is levied in addition to any permit or inspection fees otherwise required by this code.

(b) Each person, firm or corporation engaged in the business of constructing houses or buildings on contract, or who constructs two or more houses or buildings in any one calendar year, whether on contract or otherwise, or who maintains an office in the city used in connection with such within or without the city shall pay the license tax as above provided.

(c) No permits for work of any kind for which a license is required by (a) or (b) above shall be issued to a contractor, or owner or any authorized agency until all license taxes have been paid, unless herein otherwise provided.

(d) All general contractors shall upon request furnish the license department with a full and complete list showing the names, addresses, and license numbers of all subcontractors to whom any work has been let or sublet to be done and will not allow any work to be done by such subcontractor until the required license due by said subcontractor has been paid. If all subcontracts have not been closed or awarded at the time application is made for a permit by the general contractor or by the owner, the general contractor or owner shall not allow any work to proceed by any subcontractor until such subcontractor has exhibited to him his city license for the work to be done on the job, unless his is certified by the license department as having paid the city license due by him. In the event that no general contract has been let the owner, then the owner shall be subject to all of the provisions herein required of general contractors.

## **Schedule "F" - Professional**

Each person, firm or corporation that specialize in performing professional, scientific, and technical activities for others shall pay a license based on gross receipts as follows:

On less than \$50,000	\$75.00
\$50,000 and less than \$200,000	\$100.00
\$200,000 and above	\$125.00

## **Schedule "G" - Utilities**

Amount of license is state regulated. See Section 11-51-129 of the Code of Alabama 1975. For those utilities covered, the license shall not exceed an amount equal to three percent of the gross receipts of the business transacted in the municipality for the previous year

## **Schedule "H"**

Each person, firm, or corporation operating a business shall pay a license based on his gross annual receipts as follows:

On less than \$100,000 \$75.00

\$100,000 to \$250,000 \$100.00

and also 1/20 of 1% on all gross annual receipts above \$250,000.00

## **Schedule "I"**

Each person, firm or corporation operating a business or selling goods for which food and/or beverages apply shall pay a license based on his gross annual receipts as follows:

On less than \$100,000.00 \$50.00

\$100,000.00 to \$250,000.00 \$75.00

\$250,000.00 and Up \$100.00

and also 1/30 of 1% on all gross annual receipts above \$500,000.00.

## **Schedule "U" - Banks / Savings & Loans**

Bank ATM Location	\$ 10.00
Bank Branch Location	\$ 10.00
Bank Main Office Facility	\$ 125.00
Savings & Loan ATM Location	\$ 10.00
Savings & Loan Branch Location	\$ 10.00
Savings & Loan Mail Office Facility	\$ 125.00

## **Schedule "V" - Delivery License**

The rate for the delivery license is established in Section 21 and is:

\$ 100.00

**Delivery License** per §11-51-194 Modified by 2017-415 (SB316)

(a) (1) Each municipality shall allow the purchase of a delivery license by any business that has no other physical presence within the municipality or its police jurisdiction for the privilege of delivering its merchandise therein. The amount of the delivery license shall not exceed one hundred dollars (\$100). Nothing herein shall prohibit a municipality from requiring by ordinance the purchase of a decal by the taxpayer for each delivery vehicle making deliveries within the municipality or its police jurisdiction. The charge for such decal shall not exceed the municipality's actual cost of the decal.

(2) Notwithstanding any other provision of law, a municipality may charge a taxpayer an issuance fee for a business delivery license not to exceed ten dollars (\$10).

(b) As used in this section, a delivery license shall mean a fixed rate business license issued by a municipality for the limited privilege of delivering and requisite set-up and installation, by the taxpayer's employees or agents, of the taxpayer's own merchandise in that municipality, by means of delivery vehicles owned, leased, or contracted by the taxpayer; provided that the gross receipts derived from the sale and any requisite set-up or installation of all merchandise so delivered into the municipality shall not exceed seventy-five thousand dollars (\$75,000) during the license year, and any set-up or installation shall relate only to

- (1) that required by the contract between the taxpayer and the customer or as may be required by state or local law, and
- (2) the merchandise so delivered.

Mere delivery of the taxpayer's merchandise by common carrier shall not allow the taxing jurisdiction to assess a business license tax or a delivery license tax against the taxpayer, but the gross receipts derived from any sale and delivery accomplished by means of a common carrier shall be counted against the seventy-five thousand dollar (\$75,000) limitation described in the preceding sentence if the taxpayer also during the same license year sells and delivers into the taxing jurisdiction using a delivery vehicle other than a common carrier. Provided that the dollar limitation prescribed above shall be increased, but not decreased, every five years under the standards prescribed by Section 11-51-90 with respect to the uniform license issuance fee and may be increased by a municipality at any time, up to one hundred fifty thousand dollars (\$150,000), by adoption of an ordinance. A common carrier, contract carrier, or similar delivery service making deliveries on behalf of others shall not be entitled to purchase a delivery license hereunder.

(c) A taxpayer that otherwise meets the criteria for the purchase of a delivery license pursuant to subsections (a) and (b) is not required to purchase a delivery license or a regular business license if the following criteria apply:

- 1) The taxpayer's gross receipts that are derived from within the municipality or its police jurisdiction do not exceed ten thousand dollars (\$10,000) during the year; and
- (2) the taxpayer has no other physical presence within the municipality or its police jurisdiction during the year.

Any other taxpayer that meets the criteria for the purchase of a delivery license, as provided in subsections (a) and (b), and meets those criteria during the current license year as well, shall purchase either a delivery license or a regular business license otherwise applicable to the taxpayer, at its option.

(d) Notwithstanding Section 11-51-90.2, the delivery license shall be calculated in arrears, based on the related gross receipts during the preceding license year.

(e) The purchase of a delivery license or the exemption from the purchase of a delivery license pursuant to subsection (c) shall not, in and of itself, establish nexus between the taxpayer and the municipality for purposes of the taxes levied by or under the authority of Title 40 or other provisions of this title, nor does the purchase of a delivery license, in and of itself, establish that nexus does not exist between the taxpayer and the municipality.

(f) If at any time during the current license year the taxpayer fails to meet the criteria specified in subsections (a) and (b), then within 45 days after any of the criteria have been violated or exceeded, the taxpayer shall purchase a business delivery license or other appropriate license from the municipality and may be subject to a penalty not to exceed ten dollars (\$10).

# Appendix

## Certification Requirements

All municipalities are required to obtain a copy of each individual/entity's board certifications and/or permits prior to issuance of a municipal business license. For a list of types of licenses that require board certification, [please visit our website here](#). Please provide a copy of your certification/permit along with your application (if applicable).

Issuance of a business license by RDS does not permit business operation unless the business is properly zoned and/or in compliance with all applicable laws/rules and meet all required certifications.

## Gross Receipts, Definition of

If the business is physically located in the incorporated city limits or police jurisdiction, the business must report ALL gross receipts for the business conducted in the State of Alabama. They can deduct out-of-state sales. If the business is a service-based business and not physically located in the incorporated city limits or police jurisdiction then they must report the gross receipts for that jurisdiction only.

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, is to be used in calculating the amount due for a business license. Provided, however, that:

A. 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 Article 3, Chapter 21, Title 40; license taxes levied pursuant to Article 2, Chapter 21, Title 40; 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.

B. A different basis for calculating the business license may be used by the municipality with respect to certain categories of taxpayers as prescribed in Section 11-51-90B.

C. For a utility or other entity described in Section 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 Article 3 of Chapter 21 of Title 40, 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.

D. 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.

## Location Specific, Definition

The up-to-date physical location must be provided on all renewals in order to prevent delays in the issuance of the license.

- a. For each place at which any business is carried on, a separate license shall be paid, and any person desiring to engage in any business for which a license is required shall designate the place at which business is carried on, and the license to be issued shall designate such place, and such license shall authorize the carrying on of such business only at the place designated.
- b. Every person dealing in two or more of the articles, or engaging in two or more of the businesses, vocations, occupations or professions scheduled herein, shall take out and pay for a license for each line of business.
- c. A taxpayer subject to the license authorized by this ordinance that is engaged in business in other municipalities, may account for its gross receipts so that the part of its gross receipts attributable to its branch offices will not be subject to the business license imposed by this ordinance. To establish a bona fide branch office, the taxpayer must demonstrate proof of all following criteria:
  - (i) The taxpayer must demonstrate the continuing existence of an actual facility located outside the police jurisdiction in which its principal business office is located, such as a retail store, outlet, business office, showroom, or warehouse, to which employees and/or independent contractors are assigned or located during regular normal working hours.
  - (ii) The taxpayer must maintain books and records, which reasonably indicate a segregation or allocation of the taxpayer's gross receipts to the particular facility of facilities.
  - (iii) The taxpayer must provide proof that separate telephone listings, signs, and other indications of its separate activity are in existence.
  - (iv) Billing and/or collection activities relating to the business conducted at the branch office or offices are performed by an employee or other representative, of the taxpayer who has such responsibility for the branch office.
  - (v) All business claimed by a branch office or offices must be conducted by and through said office or offices.
  - (vi) The taxpayer must supply proof that all applicable business licenses with respect to the branch office or offices have been issued.
- d. Nothing herein shall be construed as exempting businesses from payment of a license on the basis of a lack of physical location.

## New Business Information

Every person who commences business on or after July 1st may pay one-half (1/2) the annual license for such business for that calendar year.

**New Business Penalty:** In the case of persons who began business on or after the first day of the calendar year, the license fee for such "new business" shall be increased by fifteen (15%) percent for the first fifteen (15) days they shall be delinquent, and shall be measured by an additional fifteen (15%) percent for a delinquency of forty-five (45) days or more.

## **Police Jurisdiction (PJ), Definition and Rate of**

The area outside the incorporated municipality limits. Businesses located in the police jurisdiction are subject to purchase a business license per the municipality's ordinance at one half the normal rates if applicable. Those businesses located in this area may receive, but are not limited to, police, fire, safety, water, sewer, public health, safety, and protection from the municipality.

## **Penalty and Interest, Rate of**

Failure to purchase a license can be punishable by a fine not to exceed the sum of five hundred dollars (\$500) for each offense, and/or imprisonment.

All licenses not paid within thirty (30) days from the date they fall due (January 1<sup>st</sup>) will increase by a 15% penalty due February 1<sup>st</sup> plus 1% interest. An additional 15% penalty will be due March 2<sup>nd</sup> plus 1% interest per month thereafter.

New Business Penalty: In the case of persons who began business on or after the first day of the calendar year, the license fee for such "new business" shall be increased by fifteen (15%) percent for the first fifteen (15) days they shall be delinquent, and shall be measured by an additional fifteen (15%) percent for a delinquency of forty-five (45) days or more.

## **Posting of License**

Every license shall be posted in a conspicuous place, where said business, trade or occupation is carried on, and the holder of the license shall immediately show same to the designee of the municipality upon being requested so to do.

## **Transfer of License information**

No license shall be transferred except with the consent of the council or other governing body of the municipality or of the director of finance or other chief revenue officer or his or her designee, and no license shall be transferred to reflect a physical change of address of the taxpayer within the municipality more than once during a license year and never from one taxpayer to another. Provided that a mere change in the name or ownership of a taxpayer that is a corporation, partnership, limited liability company or other form of legal entity now or hereafter recognized by the laws of Alabama shall not constitute a transfer for purposes of this chapter, unless (1) the change requires the taxpayer to obtain a new federal employer identification number or Department of Revenue taxpayer identification number or (2), in the discretion of the municipality, the subject license is one for the sale of alcoholic beverages. Nothing in this section shall prohibit a municipality from requiring a new business license application and approval for an alcoholic beverage license.

## **Type of License**

Gross-based licenses require the gross receipts to be provided. See Gross Receipts definition for more information. Unit-based licenses require the number of units (employees, vehicles, rooms, agents, days, etc.) to be provided. Flat-based fees have the rates indicated. Failure to provide the required information will delay the issuance of the license.

## **Zoning**

If a business intends to maintain a physical location within the municipality, there are normally zoning and building code approvals required prior to the issuance of a license. In certain instances, a business may simply be required to register with the municipality to create a mechanism for the reporting and payment of any tax liabilities. Contact the municipality for any zoning, building code and/or tax liability requirements. The completion and submission of the form does not guarantee the approval or subsequent issuance of a license to do business. Any prerequisites for a particular type and location of the business must be satisfied prior to licensing.

## **Questions?**

All questions regarding the business license renewal process should be directed to RDS.

Website: [www.revds.com](http://www.revds.com)

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Free, Easy Online Filing available at <https://rds.bizlicenseonline.com/>.