



Thank you for doing business in the City of Chelsea.

All businesses operating in the city limits or police jurisdiction of the City of Chelsea 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.
- 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.

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 1st.

License Delinquent Date: Licenses are considered delinquent after January 31st.

License Expiration: All licenses (except temporary licenses) expire December 31st.

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
Website: 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
721200.00	Flat	Accommodations – bed and breakfast inns and services	\$300
721100.00	Flat	Accommodations – hotels, motels and similar facilities	\$500
721400.00	Flat	Accommodations – rooming houses and boarding houses	\$50
721300.00	Flat	Accommodations – trailer parks, RV parks, and travel parks	\$100
541100.00	Flat	Accountant/CPAs Must Provide Board Certification: Public Accountancy Board	H
561200.00	Flat	Administrative services	\$100
524300.00	Flat	Agent Office – adm. of third parties, pension funds, annuities, etc	\$100
481.00	Flat	Air transportation	A
999050.00	Flat	Alcohol/Beer – off premise Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	\$50
999040.00	Flat	Alcohol/Beer – on premise Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	\$75
999020.01	Flat	Alcohol/Liquor – Restaurant on premise Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	\$250
999020.00	Flat	Alcohol/Liquor/Package Store – off premise Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	\$250
999060.00	Flat	Alcohol/Table Wine – off premise Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	\$75
999040.01	Flat	Alcohol/Table Wine – on premise Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	\$75
621400.00	Flat	Ambulance	\$100
713200.00	Flat	Amusement – amusement & theme parks	A
713400.00	Flat	Amusement – fireworks displays	J
713300.00	Flat	Amusement – golf courses, fitness, sports, and bowling centers	A
713100.00	Flat	Amusement- arcades (see also schedule 910)	\$50
315.00	Gross	Apparel Knitting Mills	P
541200.00	Flat	Architect Must Provide Board Certification: Architects Registration Board	H
711100.00	Flat	Arts	A
541150.00	Flat	Attorney/Lawyer Firms Must Provide Board Certification: Alabama State Bar	H
522200.00	Flat	Bank Branch or ATM – not main office of bank	M
522100.00	Flat	Bank Main Office – not branch location or ATM	M
325.00	Gross	Basic Chemical Manufacturing	P
312.00	Gross	Beverage & Tobacco Manufacturing	P
541100.01	Flat	Bookkeeper/Tax Service	H
515.00	Flat	Broadcasting	A

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
444.00	Flat	Building materials	A
517600.00	Flat	Cable & other distribution	A
910300.00	Units	Category for number of – each amusement devices and /or games	\$50 each
910400.00	Flat	Category for number of – each tow trucks, wreckers	F
910100.00	Units	Category for number of – vending machines for all types vending	\$25 each
910200.00	Units	Category for number of pool tables and/or billiard	\$50 each
722300.00	Flat	Caterers Must Provide Board Certification: Department of Health	\$100
541250.00	Flat	Chiropractor Must Provide Board Certification: Chiropractic Examiners Board	H
448.00	Flat	Clothing and accessories Stores	A
334.00	Gross	Computer & electronic product Manufacturing	P
541750.00	Flat	Computer Programmer	H
236200.00	Flat	Construction – nonresidential building construction (State Certification Required) Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board	\$300
236100.00	Flat	Construction – residential building construction (State Certification Required) Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board	\$200
492.00	Flat	Couriers	\$100
522600.00	Flat	Credit services	\$100
812300.00	Flat	Death Care Services Must Provide Board Certification: Board of Funeral Services	A
999999.00	Gross	Delivery - Business Located Inside City Limits	V
999999.01	Gross	Delivery - Business Located Outside City Limits	V
541300.00	Flat	Dentist Must Provide Board Certification: Board of Dental Examiners of Alabama	H
541800.00	Flat	Design Services – interior, graphic, industrial and other	H
551.00	Flat	Direct Mail Advertising	\$250
722400.00	Flat	Drinking Establishment – club, lounge, bar or other (see also schedule G) Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	A
812400.00	Flat	Dry cleaning and Laundry – dry cleaning and laundry (except coin-op)	A
611.00	Flat	Educational services	\$100
238210.01	Flat	Electrical – Non-Residential (State Certification Required) Must Provide Board Certification: Alabama Electrical Contractors Board	\$150
238210.00	Flat	Electrical – Residential (State Certification Required) Must Provide Board Certification: Alabama Electrical Contractors Board	\$100
335.00	Gross	Electrical Equip Appliance Component Manufacturing	P
443.00	Flat	Electronic & appliance store	A

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
561100.00	Flat	Employment services	\$100
541350.00	Flat	Engineer Must Provide Board Certification: Engineers & Land Surveyors Professional Licensure Board	H
561500.00	Flat	Exterminating services – state certification required Must Provide Board Certification: Department of Agriculture and Industries	\$100
332.00	Gross	Fabricated Metal Product Manufacturing	P
445100.00	Flat	Food & beverage stores	A
311.00	Gross	Food Manufacturing	P
812200.00	Flat	Fortune Teller or Clairvoyant	\$500
525.00	Flat	Funds, trusts, other financial agencies	\$100
442.00	Flat	Furniture	A
337.00	Gross	Furniture Related Product Manufacturing	P
447200.00	Flat	Gasoline Pumps	Q
447100.00	Flat	Gasoline Retail	A
452.00	Flat	General merchandise stores	A
446.00	Flat	Health and personal care stores	A
237.00	Flat	Heavy Construction – construction, heavy const., highway, bridge, street (State Certification Required) Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board	\$300
621100.00	Flat	HMO	A
622.00	Flat	Hospitals	A
238220.01	Flat	HVAC – Non-Residential (State Certification Required) Must Provide Board Certification: Alabama Board of Heating & Air Conditioning & Refrigeration Contractors	\$150
238220.00	Flat	HVAC – Residential (State Certification Required) Must Provide Board Certification: Alabama Board of Heating & Air Conditioning & Refrigeration Contractors	\$100
333.00	Gross	Industrial Machinery Manufacturing	P
519200.00	Flat	Information Services	A
524100.00	Flat	Insurance Company and/or its agents – casualty, fire, and/or marine premiums	N
524200.00	Flat	Insurance Company and/or its agents – health, allied and all other premiums	N
519100.00	Flat	Internet Service Providers	A
561400.00	Flat	Investigation/security services Must Provide Board Certification: Alabama Security Regulatory Board	\$100
561600.00	Flat	Janitorial services	\$100
561700.01	Flat	Landscaping Services – mowing only	\$100
561700.00	Flat	Landscaping Services – state certification required	\$100

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
812500.00	Flat	Laundry – (coin-operated)	\$100
316.00	Gross	Leather and Hide Tanning and Finishing	P
812600.00	Flat	Linen-Towel Service	\$100
541400.00	Flat	Management Companies	H
541450.00	Flat	Management, Scientific and Technical Consulting	H
621300.00	Flat	Medical/diagnostic – medical labs, diagnostic imaging	\$100
339.00	Gross	Miscellaneous Manufacturing	P
453100.00	Flat	Miscellaneous store retailers – florist, pet, art, MH dealer, novelty, tobacco	A
453200.00	Flat	Miscellaneous store retailers – retail fireworks	J
512.00	Flat	Motion pictures	A
441.00	Flat	Motor vehicle tire, parts and accessories	A
712.00	Flat	Museums	A
441100.00	Flat	New/Used Car Dealerships Must Provide Board Certification: Revenue Department - Regulatory License	A
327.00	Gross	Nonmetallic mineral product Manufacturing	P
454200.00	Flat	Non-Store Retailer – peddlers license / local peddler	\$50
454300.00	Flat	Non-Store Retailer – yard sale permit	\$0
454100.00	Flat	Non-store retailers – vending machine operators, direct selling, mail order	\$100
623100.00	Flat	Nursing care – residential care facility, day care, assisted living	\$100
623200.00	Flat	Nursing Home – care for elderly and continuing care facilities	\$350
541500.00	Flat	Optometrist Must Provide Board Certification: Optometry Board	H
812700.00	Flat	Other Personal Services	\$100
517700.00	Flat	Other telecommunications	A
621200.00	Flat	Outpatient Care Centers	A
445200.00	Flat	Package Stores Must Provide Board Certification: Alcoholic Beverage Control Board (ABC Board)	G
322.00	Gross	Paper Manufacturing	P
485200.00	Flat	Passenger transportation – bus terminals state regulated	\$25
485100.00	Flat	Passenger transportation – charter and other vehicle transit services	\$100
485300.00	Flat	Passenger transportation – taxi cabs, limousine service	K
522500.00	Flat	Pawn Shop	A
812100.02	Flat	Personal Services – Barber Must Provide Board Certification: Alabama Board of Cosmetology and Barbering	I

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
812100.00	Flat	Personal Services (hair, skin, beautician, diet, nails, tanning)	I
324.00	Gross	Petroleum and coal Manufacturing	P
541850.00	Flat	Photographer	H
541550.00	Flat	Physician Must Provide Board Certification: Alabama Board of Medical Examiners & Medical Licensure Commission of Alabama	H
326.00	Gross	Plastic & rubber Manufacturing	P
238220.03	Flat	Plumbing & Gas Fitters – Non-Residential (State Certification Required) Must Provide Board Certification: State of Alabama Plumbers and Gas Fitters Examining Board	\$150
238220.02	Flat	Plumbing & Gas Fitters – Residential (State Certification Required) Must Provide Board Certification: State of Alabama Plumbers and Gas Fitters Examining Board	\$100
331.00	Gross	Primary metal Manufacturing	P
323.00	Gross	Printing	P
541700.00	Flat	Professional Services Not Elsewhere Classified	H
511100.00	Flat	Publishing industries except internet	A
482.00	Flat	Rail transportation	11-51-124
531500.00	Flat	Real estate – offices, agents, brokers	\$100
531400.00	Flat	Real estate, lessors of – each mobile home lot	\$5
531200.00	Flat	Real estate, lessors of – each non-residential unit	\$100
531100.00	Flat	Real estate, lessors of – each residential unit	\$50
531300.00	Flat	Real estate, lessors of – each self-storage units	\$5
532100.00	Flat	Rental and leasing – auto, truck, trailer, RV, all tangible property,	\$100
532300.00	Flat	Rental and leasing – rental centers, all tangible property	A
532400.00	Flat	Rental and leasing commercial/industrial - equipment machinery	A
532200.00	Flat	Rental consumer electronics and appliances	A
532500.00	Flat	Rental of uniforms – uniform rentals	\$100
811200.00	Flat	Repairs and maintenance – all electronic equipment, computer, phone	I
811400.00	Flat	Repairs and maintenance – appliances, home & garden equip't	I
811300.00	Flat	Repairs and maintenance – commercial and industrial machinery	I
811100.00	Flat	Repairs and maintenance— auto, paint/body, carwash	I
623300.00	Flat	Residential Care Facilities – child group homes, halfway house, boot camp	\$350
722100.00	Flat	Restaurant – full service restaurant facility (see also schedule G) Must Provide Board Certification: Department of Health	A

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
722200.00	Flat	Restaurant – limited service, cafeterias, snack bars Must Provide Board Certification: Department of Health	A
522400.00	Flat	S&L Branch or ATM – not main office of S&L	M
517500.00	Flat	Satellite Telecommunications	A
522300.00	Flat	Savings and Loans – not branch location or ATM	M
523.00	Flat	Securities, commodity Must Provide Board Certification: Alabama Securities Commission	\$100
487.00	Flat	Sightseeing	\$100
624400.00	Flat	Social assistance – day care services Must Provide Board Certification: Department of Human Resources	\$0
624200.00	Flat	Social assistance – food, housing, emergency services	\$0
624500.00	Flat	Social assistance – in-home day care	\$0
624300.00	Flat	Social assistance – vocation, rehabilitation services	\$0
624100.00	Flat	Social assistance-shelters, vocational, abuse, emergency	\$0
511200.00	Flat	Software publishing	A
711200.00	Flat	Special Events	\$150
236200.01	Flat	Specialty Trade Contractors Non-Residential – non-residential subcontractor all special trades	\$150
238.00	Flat	Specialty Trade Contractors Residential -construction, all special trades	\$100
451.00	Flat	Sporting Goods & Hobbies	A
541600.00	Flat	Surveyor Must Provide Board Certification: Engineers & Land Surveyors Professional Licensure Board	H
517300.00	Flat	Telecommunications – cellular and other wireless, paging	A
517400.00	Flat	Telecommunications – resellers of service	A
517100.00	Flat	Telecommunications – telephone local	L
517200.00	Flat	Telecommunications – telephone long distance	L
313.00	Gross	Textile Mills	P
314.00	Gross	Textile Products Mills	P
484300.00	Flat	Transportation – other support activity, packing & crating	\$200
336.00	Gross	Transportation Equipment Manufacturing	P
561300.00	Flat	Travel agencies	\$100
484100.00	Flat	Truck transportation – local, long-distance, freight, moving & storing	\$200
484200.00	Flat	Truck transportation – terminal - state regulated	\$25
812100.01	Flat	Unclassified Misc Other Services not listed (no certification required)	I

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
999100.00	Flat	Unclassified miscellaneous business services not elsewhere classified	A
999200.00	Flat	Unclassified miscellaneous personal services not elsewhere classified	A
221.00	Gross	Utilities – gas, electric, water, sewage	B
541650.00	Flat	Veterinarian Must Provide Board Certification: Alabama Veterinary Medical Examiners Board	H
493.00	Flat	Warehousing and storage	\$200
562300.00	Flat	Waste management – septic tanks installation and servicing, portable toilets – state certification required	\$100
562100.00	Flat	Waste management-companies, trucks, and other	\$100
562200.00	Flat	Waste Treatment	A
483.00	Flat	Water transportation	A
421.00	Flat	Wholesale trade - motor vehicle & parts & furniture, machinery, equip	\$100
422100.00	Flat	Wholesale trade – non-durable, paper, apparel grocery, dairy farm, beverages	\$100
422300.00	Flat	Wholesale trade – wholesale beer & wine	\$200
422200.00	Flat	Wholesale trade – wholesale gasoline distributor	\$200
321.00	Gross	Wood Products Manufacturing	P

Calculation Information

Schedule "A" – If gross receipts are:

MORE THAN	but	LESS THAN	AMOUNT
0		\$50,000.00	\$ 25.00
50,001		\$100,000.00	\$ 50.00
\$100,000.01		\$200,000.00	\$100.00
\$200,000.01		\$1,000,000.00	\$200.00
\$1,000,000.01		\$2,000,000.00	\$300.00
\$2,000,000.01		\$5,000,000.00	\$500.00
\$5,000,000.01		\$10,000,000.00	\$1000.00
Over \$10,000,000.00			\$500.00 + 1/100 of 1% Revenue (\$0.10 per thousand in excess of \$10,000,000.00)

Schedule "B" - Electric, Gas, Cable and other Utilities

For selling or distributing electrical current, natural gas, cable television, or for other public utilities which are not otherwise licensed, an amount equal to three percent (3) of the gross receipts of the business transacted in the city for the previous year.

Schedule "C" - Residential Construction

Residential	Developer/Builder	\$200.00
	Sub-Contractor	\$100.00

Schedule "D" - Non Residential Construction

Non-Residential	Developer/Builder	\$300.00
	Sub-Contractor	\$150.00

Schedule "E" - Merchandise Delivery

Merchant delivery license within Chelsea	\$100.00
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Schedule "F" Tow Truck, & Wreckers

Vehicle up to 1 ton (GVW) each	\$50.00
Vehicle over 1 ton (GVW) each	\$100.00

Schedule “G” - Beer, Wine, & Liquor

Alcohol/Beer – off premise - 050	\$50.00
Alcohol/Beer – on premise - 040	\$75.00
Alcohol/Table Wine – off premise - 060	\$75.00
Alcohol/Table Wine – on premise - 040	\$75.00
Alcohol/Liquor/Package Store – off premise	\$250.00
Alcohol/Liquor – Restaurant on premise - 020	\$250.00
Alcohol Special Event	\$150.00 first day \$100.00 each addl. day

Requirements: Must comply with requirements pursuant to application for license with the Alcoholic Beverage Control Board.

Schedule “H” - Professionals

54110 thru 541650 Accountants/CPA's Attorney/Lawyers Architect Chiropractor Dentist Engineer Management Companies Management Consulting Companies Optometrist Physician Surveyor Veterinarian Other Professional Services	\$200.00
541750 thru 541850 Computer Programmer Design Services Photographer	\$100.00

Schedule “I” - Other Services

Repair & Maintenance (all types)	\$100.00
Personal Services (hair, skin, barber, beautician, diet, nails, tanning)	\$100.00 plus \$10 for each operator
Unclassified misc. other services not listed	\$100.00

Schedule “J” - Fireworks

Fireworks, Retail	\$250.00
Fireworks, Wholesale	\$250.00

*Requirements: All provisions of Title 8, Section 17, 210 through 226 of the 1975 Code of Alabama must be complied with; and all necessary permits must be exhibited to the City Clerk prior to obtaining license. *

Schedule “K” - Taxi Cabs & Limousines

Taxi Cab or Limousine	\$75.00 per vehicle
Taxi Cab/Limousine Driver	\$20.00 per driver

*Requirements: Background checks, permit from City Clerk's office, liability insurance (\$1 M) *

Schedule "L" - Telephones & Telecommunications

Annual license for exchange of \$150.00 based on population of more than 3,000 inhabitants and not exceeding 4,000 inhabitants within the limits of the city, according to the most recent federal decennial census.

Annual license for long distance of \$38.00 based on population of more than 3,000 inhabitants and not exceeding 4,000 inhabitants living within the limits of the city, according to the most recent federal decennial census.

Schedule "M" - Capital, Surplus, or Undivided Profits (Banks, Savings & Loan Associations, Etc.)

Bank ATM Location 522200		\$10.00
Bank Branch Locations 522200		\$10.00
Bank Main Office Facility	522100	\$125.00
Savings & Loan ATM Location	522400	\$10.00
Savings & Loan Branch Location 522400		\$10.00
Savings & Loan Main Office Facility	522300	\$125.00

Schedule "N" - Insurance

Insurance A: For doing business in the City of Chelsea, Alabama during the Year 2008 and each successive year, until amended or repealed, except as here in after provided, by agents or otherwise, each fire or marine insurance company shall pay as a privilege license or tax, four percent (4%) of the gross premiums, less return premiums, on property located in said City on policies issued during the preceding year, provided that such percentage shall not exceed \$4.00 on each hundred dollars and major fraction thereof, such gross premiums, and no deduction of credit of any kind shall be allowed or made on account or because of reinsurance by said company in a company not authorized to do business in said City; provided that any company which has not done business in said City for the preceding year shall pay as a privilege license or license tax for the year, subject to adjustment at the end of the year, on the basis of percentages above mentioned on account of the gross premiums on policies issued during the year in property located in said City, less return premiums the sum of \$10.00; provided, such percentage shall not exceed 4% of the gross premiums, less return premiums.

Insurance B: Insurance Company other than Fire or Marine, each insurance company other than fire or marine company, doing business in the City of Chelsea, Alabama shall pay as a privilege license for doing business in said City, the sum of \$20.00 and \$1.00 on each hundred dollars or major fraction thereof of the gross premiums, less the premiums returned by cancellation, received by it on policies issued during the preceded year to citizens residing within said municipality.

Schedule "P" - Manufacturers GR

Manufacturers: Manufacturers of a product within said City shall pay a license based on their gross-sales at the following s:

Annual gross sales of \$100,000.00 or under	\$250.00
Annual gross sales in excess of \$100,000.00	\$250.00 (plus .50 cents per thousand of all receipts in excess of \$100,000.00 having a maximum of \$3,000.000.00

Schedule "Q" - Gasoline Pumps

For each octane grade offered per nozzle, the set forth shall be:	\$5.00 per nozzle
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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. 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 (\$500.00). All licenses not paid within thirty (30) days from the date they fall due (January 1st) will increase by a 15% penalty due February 1st plus 1% interest. An additional 15% penalty will be due March 2nd 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

Phone: 800.556.7274

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

Email: bizlicensesupport@revds.com

Fax: 844.528.6529