

**Town of Cleveland (9496)**  
**Business License Fee Schedule**  
including General Information/FAQs



**Thank you for doing business in  
the Town of Cleveland.**

All businesses operating in the city limits or police jurisdiction of the Town of Cleveland 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
72100	Gross	<b>Accommodations</b> – hotels, motels, trailer parks, RV parks, similar facilities	A
54102	Flat	<b>Accountant/CPAs</b> – individual professional license not local <b>Must Provide Board Certification: Public Accountancy Board</b>	L
54103	Gross	<b>Accountant/CPAs</b> – local <b>Must Provide Board Certification: Public Accountancy Board</b>	A
62100	Flat	<b>Ambulance</b> – ambulance services not local <b>Must Provide Board Certification: Alabama EMSP Licensure</b>	O
62101	Gross	<b>Ambulance Office</b> –local <b>Must Provide Board Certification: Alabama EMSP Licensure</b>	A
71300	Gross	<b>Amusement</b> – arcades, golf clubs, marinas, fitness, bowling centers	A
31500	Units	<b>Apparel manufacturing</b> – women, men, children, hosiery, lingerie outerwear accessories,	S
33500	Units	<b>Appliance manufacturing</b> – small appliance, lighting, electrical, battery, freezer	S
54104	Flat	<b>Architect</b> – individual professional license not local <b>Must Provide Board Certification: Architects Registration Board</b>	N
54105	Gross	<b>Architect</b> – local <b>Must Provide Board Certification: Architects Registration Board</b>	A
71100	Gross	<b>Arts</b> – dance, musical, promoters, agents	A
54101	Gross	<b>Attorney/Lawyer Firms</b> – local <b>Must Provide Board Certification: Alabama State Bar</b>	A
54100	Flat	<b>Attorney/Lawyers</b> – individual professional license not local <b>Must Provide Board Certification: Alabama State Bar</b>	K
52201	Flat	<b>Bank Branch or ATM</b> – not main office of bank	H
52200	Flat	<b>Bank Main Office</b> – not branch location or ATM	H
31200	Units	<b>Beverage</b> manufacturing – all types of soft drinks, bottled water, ice ext.	S
51500	Gross	<b>Broadcasting</b> – radio and television stations	A
44400	Gross	<b>Building materials</b> and gardening equipment dealers – hardware, paint home center, wallpaper, nursery	A
91002	Units	<b>Category for number of</b> – amusement devices and/or games	Q
92000	Units	Category for number of – <b>employees</b> – as a basis for calculating license	S
93000	Units	Category for number of – <b>square feet</b> – used for calculating license amount	T
91000	Units	<b>Category for number of</b> – vending machines for all types vending	Q
91001	Units	<b>Category for number of pool tables and/or billiard</b>	R
72201	Gross	<b>Caterers</b> – and/or mobile food services <b>Must Provide Board Certification: Department of Health Permit</b>	V
32500	Units	<b>Chemical manufacturing</b> – of fertilizer, wood, pesticide, paint, soap, and resin	S
54110	Flat	<b>Chiropractor</b> – individual professional license not local <b>Must Provide Board Certification: Chiropractic Examiners Board</b>	M
54111	Gross	<b>Chiropractor Office</b> – local <b>Must Provide Board Certification: Chiropractic Examiners Board</b>	A
44800	Gross	<b>Clothing and accessories Stores</b> – clothing stores, men’s, women’s, children infants, shoes, jewelry, luggage	A
33400	Units	<b>Computer &amp; electronic product manufacturing</b> – audio, video, circuit boards, peripherals	S

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
54118	Gross	<b>Computer Programmer</b> – individual and/or professional firm license not local	A
23600.04	Gross	<b>Contractor Specialty Trade – electrical</b> Must Provide Board Certification: Alabama Electrical Contractors Board	A
23600.02	Gross	<b>Contractor Specialty Trade – HVAC</b> Must Provide Board Certification: Alabama Board of Heating & Air Conditioning & Refrigeration Contractors	A
23600.01	Gross	<b>Contractor Specialty Trade – other</b> painting, masonry, drywall Carpentry, concrete, roofing, water well drilling, glass, etc...	A
23600.03	Gross	<b>Contractor Specialty Trade – Plumbing</b> Must Provide Board Certification: State of Alabama Plumbers and Gas Fitters Examining Board	A
23601	Gross	<b>Contractors</b> – <u>general &amp; itinerant contractors</u> - itinerant not local Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board	A
23600	Gross	<b>Contractors</b> – <u>general contractors &amp; Subdivisions</u> , residential-local Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board	A
23700	Gross	<b>Contractors</b> – <u>heavy construction</u> , Highway, bridge, street, water, sewer Local and itinerant Must Provide Board Certification: Alabama Licensing Board for General Contractors/Home Builders Licensure Board	A
49200	Gross	<b>Couriers</b> – couriers and local messengers, services, local delivery services	V
52205	Gross	<b>Credit services</b> – companies and activities related to credit and mediation	H
999999	Gross	<b>Delivery - Business Located Inside City Limits</b>	V
999999.01	Gross	<b>Delivery - Business Located Outside City Limits</b>	V
54108	Flat	<b>Dentist</b> – individual professional license not local Must Provide Board Certification: Board of Dental Examiners of Alabama	M
54109	Gross	<b>Dentist Office</b> – local Must Provide Board Certification: Board of Dental Examiners of Alabama	A
42100.02	Flat	<b>Distributor</b> - Fireworks	\$200.00
44300	Gross	<b>Electronic &amp; appliance store</b> – household, radio, television, computers	A
54114	Flat	<b>Engineer</b> – individual professional license not local Must Provide Board Certification: Engineers & Land Surveyors Professional Licensure Board	N
54115	Gross	<b>Engineer Firm Office</b> – local Must Provide Board Certification: Engineers & Land Surveyors Professional Licensure Board	A
56100	Gross	<b>Exterminating services and Landscaping Services</b> – exterminating company and its services Must Provide Board Certification: Alabama Electrical Contractors Board	A
44500	Gross	<b>Food &amp; beverage stores</b> – grocery, convenience store, markets	A
31100	Units	<b>Food manufacturing</b> – meat, seafood, grain, fruit, dairy, animal, poultry processing	S
81201	Flat	<b>Fortune Teller or Clairvoyant</b> – individual reader license	F
52500	Gross	<b>Funds, trusts, other financial agencies</b> – Funds, plans, and/or programs organized to pool securities or other assets for others, other than the Alabama Municipal Funding Corp	H
44200	Gross	<b>Furniture</b> – furniture, home furnishings, stores, floor coverings, window	A

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
33700	Units	<b>Furniture manufacturing</b> – cabinets, office, household, beds, kitchen	S
44700	Gross	<b>Gasoline Retail</b> - selling gasoline with or without convenience stores	A
45200	Gross	<b>General merchandise stores</b> – department, warehouse clubs, superstores	A
44600	Gross	<b>Health and personal care stores</b> – drug, pharmacy, cosmetic, optical health food	A
62200	Gross	<b>Hospitals</b> – surgical, substance abuse, psychiatric, general care, special	A
52400	Gross	<b>Insurance Company and/or its agents</b> – casualty, fire, and/or marine premiums State Regulated	11-51-120/123
52401	Gross	<b>Insurance Company and/or its agents</b> – health, allied and all other premiums State Regulated	11-51-120/123
31600	Units	<b>Leather and allied products manufacturing</b> – shoes, luggage, handbag, related products, all footwear	S
33300	Units	<b>Machinery manufacturing</b> – office machinery, industrial, engines, farm, HVAC	S
55100	Gross	<b>Management of companies and enterprises</b> – Management of companies and enterprises, offices, regional, corporate	A
33200	Units	<b>Metal fabrication manufacturing</b> – cutlery, structural, ornamental, machine shops	S
21200	Gross	<b>Mining</b> - (except for oil and gas) all related mining activities	A
45301.01	Flat	<b>Miscellaneous Retailer</b> - Fireworks	\$50.00
33900	Units	<b>Miscellaneous manufacturing</b> – Misc. Manufacturing, medical, dental, jewelry sporting goods, toys, signs, all other	S
45301	Gross	<b>Miscellaneous retailers</b> – florist, gift, novelty, pet, art, and tobacco	A
51200	Gross	<b>Motion pictures</b> – theatres, videos, recording, drive-ins, sound studios	A
44100	Gross	<b>Motor vehicle parts</b> and accessories – auto, motorcycles, boats, parts and accessories	A
44101	Gross	<b>Motor vehicles</b> - new and/or used automobiles, motorcycles, boats, etc – dealerships and lots <b>Must Provide Board Certification: Revenue Department-License Section</b>	A
71200	Gross	<b>Museums</b> – museums and historical sites, zoos, botanical gardens, parks	A
32700	Units	<b>Nonmetallic mineral product manufacturing</b> – clay, glass, cement, lime, pottery ceramic, brick, tile,	S
45402	Flat	<b>Non-Store Retailer</b> – peddlers license / itinerant peddler	C
45401	Flat	<b>Non-Store Retailer</b> – peddlers license / local peddler	C
45400	Gross	<b>Non-store retailers</b> – vending machine operators, direct selling, mail order	A
62300	Gross	<b>Nursing care</b> – residential care facility, day care, assisted living	A
62301	Gross	<b>Nursing Home</b> – care for elderly and continuing care facilities <b>Must Provide Board Certification: Alabama Board of Examiners of Nursing Home Administrators</b>	A
21100	Gross	<b>Oil and gas extraction</b> – natural gas liquid extraction, crude extraction	A
54112	Flat	<b>Optometrist</b> – individual professional license not local <b>Must Provide Board Certification: Optometry Board</b>	M
54113	Gross	<b>Optometrist Office</b> – local <b>Must Provide Board Certification: Optometry Board</b>	A

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
31400	Units	<b>Other manufacturing</b> – mill operations not covered in 313, rugs, linen, curtains	S
32200	Units	<b>Paper manufacturing</b> – pulp, paper, and converted products, stationary, tubes, cores	S
48500	Units	<b>Passenger transportation</b> – buses, taxi cabs, limousine service, buggy charters	P
52204	Gross	<b>Pawn Shop</b> – whether title pawn or merchandise	A
81200.02	Gross	<b>Personal Services</b> – barber, beautician <b>Must Provide Board Certification: Alabama Board of Cosmetology and Barbering</b>	A
81200.01	Gross	<b>Personal Services</b> – Funerals <b>Must Provide Board Certification: Board of Funeral Services</b>	A
81200	Gross	<b>Personal Services</b> – hair, skin, nail	A
32400	Units	<b>Petroleum and coal manufacturing</b> – asphalt, grease, roofing, paving products	S
54119	Gross	<b>Photographer</b> – studios, portrait, commercial, services	A
54106	Flat	<b>Physician</b> – individual professional license not local <b>Must Provide Board Certification: Alabama Board of Medical Examiners &amp; Medical Licensure Commission of Alabama</b>	M
54107	Gross	<b>Physician Office</b> – local <b>Must Provide Board Certification: Alabama Board of Medical Examiners &amp; Medical Licensure Commission of Alabama</b>	A
32600	Units	<b>Plastic &amp; rubber manufacturing</b> – tires, pipe, hoses, belts, bottles, sheet, wrap, film	S
33100	Units	<b>Primary metal manufacturing</b> – iron, steel, aluminum, wire, copper, foundries	S
32300	Gross	<b>Printing</b> – screen, quick, digital, books, lithographic, handbills, comm	A
51100	Gross	<b>Publishing industries except internet</b> – newspaper, book, periodical databases, software	A
53100	Gross	<b>Real estate</b> – offices, agents, brokers, management, appraisers	A
53200	Gross	<b>Rental and leasing</b> – auto, truck, trailer, RV, all tangible property	A
53201	Gross	<b>Rental and leasing</b> – movie and video rental	A
81100	Gross	<b>Repairs and maintenance</b> – auto, paint/body, carwash, other vehicular, all electronic equipment, all appliances, home & garden equipment	A
72200	Gross	<b>Restaurants</b> – full service restaurant facility, limited facility or service <b>Must Provide Board Certification: Department of Health Permit</b>	A
52203	Flat	<b>S&amp;L Branch or ATM</b> – not main office of S&L	H
52202	Flat	<b>Savings and Loans</b> – not branch location or ATM	H
52300	Flat	<b>Securities, commodity</b> – brokerage, portfolio, investment, other financial services	H
71101	Flat	<b>Special Events</b> – promoter or activity	E
45100	Gross	<b>Sporting Goods, Hobby, Book, Music</b> – sporting goods stores, hobby, toy Fish, gun and music books	A
54116	Flat	<b>Surveyor</b> – individual professional license not local <b>Must Provide Board Certification: Engineers &amp; Land Surveyors Professional Licensure Board</b>	N
54117	Gross	<b>Surveyors Office</b> – local <b>Must Provide Board Certification: Engineers &amp; Land Surveyors Professional Licensure Board</b>	A

Internal No.	Type	Classification/Business Description including Certification information	Calculation Information See Schedule
51700.02	Flat	<b>Telecommunications</b> - cellular and wireless, Paging and resellers of service	\$100.00
51700.01	Flat	<b>Telecommunications</b> – telephone- long distance State Regulated 11-51-128	\$15.00
51700	Flat	<b>Telecommunications</b> – telephone- local State Regulated 11-51-128	\$60.00
31300	Units	<b>Textile manufacturing</b> – fabric, yarn, carpet, canvas, rope, twine, fabric mills	S
33600	Units	<b>Transportation manufacturing</b> – manufacturing auto, truck, trailer, motor home, and motorcycle	S
48400	Gross	<b>Truck transportation</b> – local, long-distance, freight, moving, and storage	A
48401	Flat	<b>Truck transportation</b> – terminal – State Regulated 37-3-33	37-3-33
45300	Gross	<b>Used Merchandise Stores</b> – books, miscellaneous, consignment, flea mkt	A
22100	Flat	<b>Utilities</b> – electric power or light company natural gas	State Regulated
54120	Flat	<b>Veterinarian</b> – individual professional license not local <b>Must Provide Board Certification: Alabama Veterinary Medical Examiners Board</b>	M
54121	Gross	<b>Veterinarian Office</b> – local <b>Must Provide Board Certification: Alabama Veterinary Medical Examiners Board</b>	A
49300	Gross	<b>Warehousing and storage</b> – distribution, household, refrigerated, special	A
56200	Gross	<b>Waste management</b> – companies, trucks, septic tanks, landfill, services	A
42100.01	Flat	<b>Wholesale</b> – Fireworks	\$100.00
42100	Gross	<b>Wholesale trade</b> – <u>durable</u> , vehicle, machinery, equipment, furniture	A
42200	Gross	<b>Wholesale trade</b> – <u>non-durable</u> , wholesale gasoline distributor	A
42201	Gross	<b>Wholesale trade</b> – <u>non-durable</u> , paper, apparel, grocery, beverages, dairy	A
32100	Flat	<b>Wood manufacturing</b> – sawmills, wood preservation	J

# Calculation Information

## Schedule "A" – If gross receipts are:

More Than But Less than:

.00-\$24,999.99	\$100.00		
\$25,000.00-\$49,999.99	\$150.00 plus	1.00 per M in excess of	\$25,000.00
\$50,000.00-and above	\$200.00 plus	.40 per M in excess of	\$50,000.00

## Schedule "B" - 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 "C" - Peddlers

Daily Rate	issued for single day sales activity	\$	10.00
Weekly Rate	issued for week long sales activity	\$	25.00
Monthly Rate	issued for month long sales activity	\$	50.00
Yearly Rate	issued for annual sales activity	\$	100.00

## Schedule "D" - Telephones & Telecommunications

Code of Alabama 11-51-128

## Schedule "E" - Special Events Licenses

Annual licenses rate is \$300.00 in addition to Ordinance No. 97-3 Sales and Use Tax Ordinance

## Schedule "F" - Fortune Tellers

Annual license rate is \$1,000.00

## Schedule "G" – Itinerants

Itinerant businesses operating within the jurisdiction but located outside Blount County, shall pay the itinerant rate for a business license and that rate shall be \$ 500.00 for the first year. *If after that time, same business is operating within the jurisdiction, the license shall be according to the appropriate local business schedule.*

## Schedule "H" - 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 "J" – Wood mfg**

Sawmills, wood yards \$ 100.00

**Schedule "K" – Attorney/Lawyers**

Individual professional license \$ 200.00

**Schedule "L" – Accountants/CPAs**

Individual professional license \$ 200.00

**Schedule "M" – Doctors**

Individual professional license, physicians, chiropractor, optometrist,  
Including veterinarians, ext. \$ 200.00

**Schedule "N" – Engineer/Surveyor/Architect**

Individual professional license \$ 200.00

**Schedule "O" – Ambulance**

Ambulance company services per Ambulance \$ 100.00

**Schedule "P" – Taxi Cabs & Limousines**

1 taxi cab or limousine \$ 50.00

All taxi cabs or limousine over 1 \$ 25.00

**Schedule "Q" – Vending Machines/ Amusement Devices**

Vending machines shall mean any type of machine that dispenses any merchandise or product.

1 to 5 machines vending any type merchandise or product - \$20.00

5 to 10 machines vending any type merchandise or product – \$10.00

All over 10 machines vending any type merchandise or product – \$5.00

A list of machine and locations must be submitted with license fee.

**Schedule "R" – Billiard and/or Pool Tables**

First Table.....\$225.00

Each additional.....\$ 50.00



## **Schedule "S" – Number of Employees**

S-1	Where personnel are from 1 to 2 people.....	\$ 50.00
S-2	Where personnel are from 3 to 5 people.....	\$100.00
S-3	Where personnel are from 6 to 10 people.....	\$200.00
S-4	Where personnel are from 11 to 20 people.....	\$300.00
S-5	Where personnel are from 21 to 50 people.....	\$400.00
S-6	Where personnel are from 51 to 75 people.....	\$500.00
S-7	Where personnel are from 76 to 100 people.....	\$600.00
S-8	Personnel over 100 to 1,000 + 50.00 per person over 100.	

## **Schedule "T" – Square Feet**

T-1	From 0 to 5,000 Square Feet.....	\$100.00
T-2	From 5,000 to 10,000 Square Feet.....	\$200.00
T-3	From 10,000 to 20,000 Square Feet.....	\$300.00
T-4	From 20,000 to 30,000 Square Feet.....	\$400.00
T-5	From 30,000 to 40,000 Square Feet.....	\$500.00
T-6	From 40,000 to 50,000 Square Feet.....	\$600.00
T-7	From 50,000 to 60,000 Square Feet.....	\$700.00
T-8	From 60,000 to 70,000 Square Feet.....	\$800.00
T-9	From 70,000 to 80,000 Square Feet.....	\$900.00
T-10	From 80,000 to 90,000 Square Feet.....	\$1,000.00
T-11	From 90,000 to 100,000 Square Feet.....	\$1,200.00
T-12	From 100,000 up – 1,200.00 plus \$.01 per square foot over 100,000	

## 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.

**\*\*\*\*NOTE\*\*\*\* All New Business License Applicants must apply for a license at the Town of Cleveland. Please call 205-274-9640 with any questions regarding a "New" license.**

## **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 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)

Email: [bizlicensesupport@revds.com](mailto:bizlicensesupport@revds.com)

Phone: 800.556.7274

Fax: 844.528.6529

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