

ORDINANCE NO 08-12-02-438

**Adopting Business License Code for the Year 2008 and
Each Subsequent Year, Including Schedule of Licenses and Fees**

***BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHELSEA, ALABAMA
AS FOLLOWS:***

Ordinance 07-11-06-407 is amended to read as follows:

SCHEDULE OF LICENSES AND FEES INDEX

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Sec. 1. Levy of Tax.

Pursuant to the Code of Alabama, the following is hereby declared to be and is adopted as the business license code and schedule of licenses for the city for the year beginning January 1, 2008, and for each subsequent year thereafter. There is hereby levied and assessed a business license fee for the privilege of doing any kind of business, trade, profession or other activity in the city.

Sec. 2. Definitions.

Unless the context clearly requires otherwise, the following terms shall have the meaning set forth below:

(1) *Business*. Any commercial or industrial activity or any enterprise, trade, profession, occupation, or livelihood, including the lease or rental of residential or nonresidential real estate, whether or not carried on for gain or profit, and whether or not engaged in as a principal or as an independent contractor, which is engaged in, or caused to be engaged in, within the city.

(2) *Business license*. An annual license issued by the city for the privilege of doing any kind of business, trade, profession, or any other activity in the city which document is required to be conspicuously posted or displayed except to the extent the taxpayer's business license tax or other financial information is listed thereon.

(3) *Business license remittance form*. Any business license return, renewal reminder notice, or other writing on which the taxpayer calculates the business license tax liability for all or part of the license year and remits the amount so calculated with the form.

(4) *Department or department of revenue*. The Alabama Department of Revenue, as created under Alabama Code §§40-2-1 *et seq.*

(5) *Designee*. An agent or employee of the city (including the city license officer) authorized to administer or collect the city's business license taxes, which may include another taxing jurisdiction, the Department of Revenue, or a "private auditing or collecting firm" as defined in §40-2A-3, Code of Alabama.

(6) *Gross receipts*. 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, 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 of Chapter 21 of Title 40; license taxes levied pursuant to Article 2 of Chapter 21 of 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 ordinance.

(b) A different basis for calculating the business license may be used by the city with respect to certain categories of taxpayers as prescribed in §11-51-90(b).

(c) For a utility or other entity described in §11-51-129, gross receipts shall be limited to the gross receipts derived from the retail furnishing of utility services within the city 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 city.

(d) Gross receipts shall not include dividends or other distributions received by a corporation, or proceeds from borrowing, the sale of a capital asset, and 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.

(7) *License form.* Any business license application form, renewal reminder notice, business license remittance form, or business license return, by whatever name called.

(8) *License officer or city license officer.* The city employee charged by the city with the primary responsibility of administering the city's business license tax ordinance and matters related thereto.

(9) *License year.* The calendar year.

(10) *Municipality.* Any town or city in Alabama that levies a business license tax from time to time.

(11) *Person.* Any individual, association, estate, trust, partnership, limited liability company, corporation, or other entity of any kind, except for any nonprofit corporation formed under the laws of Alabama which is operated to enable municipalities that become members of

such nonprofit corporation to finance or refinance capital projects and related undertakings, on a cooperative basis, and whose board of directors or other governing body consists primarily of elected officials of the city.

(12) *Taxing jurisdiction.* Any municipality that levies a business license tax, whether or not a business license tax is levied within its police jurisdiction, or the Department of Revenue acting as agent on behalf of a municipality pursuant to §§11-51-180 *et seq.*, Code of Alabama, as the context requires.

(13) *Taxpayer.* Any person subject to or liable under this ordinance for any business license tax; any person required to file a return with respect to, or pay or remit the business license tax levied under this ordinance or to report any information or value to the taxing jurisdiction; or any person required to obtain, or who holds any interest in, any business license issued by the taxing jurisdiction; or any person that may be affected by any act or refusal to act by the taxing jurisdiction under this ordinance, or to keep any information required by this ordinance.

(14) *U.S.C.* The applicable title and section of the United States Code, as amended from time to time.

(15) *Other terms.* Other capitalized or specialized terms used in this ordinance, and not defined above, shall have the same meanings ascribed to them in §40-2A-3, Code of Alabama, unless the context therein otherwise specifies.

Sec. 3. License term; minimums; renewal; payment.

The license term and the minimum amount for a business license are as follows:

(a) Full Year. Every person who commences business before July 1 shall be subject to and shall pay the annual license for such business in full. Unless otherwise specified in the enclosed schedules, the minimum annual license shall be \$100.00.

(b) Half Year. Every person who commences business on or after July 1 shall be subject to and shall pay one-half the annual license for such business for that calendar year.

(c) Issuance Fee. For each license issued, an issuance fee of \$10.00 shall be collected in the same manner as the license tax.

(d) Annual Renewal. Except as provided in subsections (i) or (ii), the business license shall be renewed annually on or before February 15th of each year.

(i) If the due date for payment of any business license falls on a weekend or a holiday recognized by the city from time to time, the due date shall automatically be extended until the next business day.

(ii) Insurance company annual license renewals shall be renewed in accordance with §11-51-122, Code of Alabama, which states that on or before March 1st of each year, each insurance company shall furnish the city a statement in writing duly certified showing the full and true amount of gross premiums received during the preceding year and shall accompany such statement with the amount of license tax due according to the licensing schedule. Failure to furnish such statement or to pay such sum shall subject the company and its agents to those penalties as prescribed for doing business without a license as provided for in the city code.

(iii) On or before December 31 of each year, a renewal reminder notice shall be mailed to each licensee that purchased a business license during the current year. The renewal notice shall be mailed by regular U.S. mail to the licensee's last known address of record with the city. Licensees are required to furnish the city any address changes for their business prior to December 1 in order for them to receive their notice.

(iv) Business license renewal payments received by the city shall be applied to the current renewal only when any debts the licensee owes to the city are first paid in full. No business license shall be issued if the current renewal payment does not meet said prior obligations and the current renewal. Failure to pay such sums shall subject the licensee and its agents to those penalties as prescribed for doing business without a license provided for in the city code.

(e) Deadline for mailing renewal application. Any license renewal application submitted by mail will be deemed to have been received by the applicable due date in subsection (d) if it bears a postmark on or before the applicable due date. Since some post offices stop postmarking of mail early (that is, before midnight) in order to allow time to dispatch the mail, it is the responsibility of the licensee to contact the local post office to determine the correct cutoff time.

(f) Due date falling on Saturday, Sunday or holiday. Where the due date provided in subsection (d) falls on a Saturday, Sunday or municipal holiday, the due date shall be extended to

the next day which is not a Saturday, Sunday or municipal holiday. The postmark rules in subsection (e) shall apply to that day as if it were the due date.

(g) Billing for unpaid amount. If the amount paid is not sufficient to cover all the fees and penalties due, the excess shall be billed by the revenue department. If the excess is not paid within 30 days, the license shall be revoked.

(h) Waivers. If payment is delayed because of extraordinary events which are beyond the control of the licensee, and the licensee makes a written request, the license officer is authorized to grant a waiver of any or all of the delinquent penalty. Extraordinary events include such things as acts of God, catastrophes, natural disasters, civil emergencies, major computer system failures, etc.

(i) Credit for payment. No license fee paid through bank institutes (check or in the future possibly drafts) shall be valid unless and until such instrument has been duly paid by the drawee upon presentation.

Sec. 4. License shall be location specific.

(a) For each place at which any business is carried on, a separate license shall be paid. Any person desiring to engage in any business for which a license is required shall designate the place at which business is carried on. The license to be issued shall designate such place. The license shall authorize the carrying on of such business only at the place designated.

(b) Every person dealing 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 the following criteria:

(i) The taxpayer must demonstrate the continuing existence of an actual facility located outside the city 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 or 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.

Sec. 5. Restriction on transfer of license.

No license shall be transferred except with the consent of the city council or of the city license officer or his or her designee. No license shall be transferred to reflect a physical change of address of the taxpayer within the city more than once during a license year and never from one taxpayer to another. 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 ordinance, unless (1) the change requires the taxpayer to obtain a new federal employer identification number or Department of Revenue taxpayer identification number or (2) the subject license is one for the sale of alcoholic beverages. The fee for transfer of a license shall be \$10.00 and must be paid before the transferee may act thereunder. Any licensee moving from one location to another shall notify the city license officer prior to the moving date. Movement to any new location requires the licensee to obtain a certificate of occupancy from the building office of the planning department.

Sec. 6. Unlawful to do business without a license.

It shall be unlawful for any person, taxpayer, or agent of a person or taxpayer to engage in businesses or vocations in the city for which a license is required without first having procured

a license. A violation of this section of the ordinance passed hereunder fixing a license shall be punishable by a fine not to exceed the sum of five hundred (\$500) for each offense, and if a willful violation, by imprisonment, not to exceed six months, or both, at the discretion of the court trying the same. Each day shall constitute a separate offense.

Sec. 7. License must be posted.

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 city upon being requested so to do.

Sec. 8. Duty to file report.

(a) It shall be the duty of every person subject to such license tax to render to the city on such forms as may be required, a sworn statement showing the total business done, amount of sales, gross receipts and gross sales, stock, value of furniture and other equipment, capital invested, number of helpers or employees, amount of space occupied, or other factor described in the schedule, one or several, as the case may require, for the ascertainment of the classification of such person for license taxation purposes and the correct amount of license tax to which he is subject.

(b) If the city determines that the amount of business license tax reported on or remitted with any business license remittance form is incorrect, if no business license remittance form is filed within the time prescribed, or if the information provided on the form is insufficient to allow the taxing jurisdiction to determine the proper amount of business license tax due, the city shall calculate the correct amount of the tax based on the most accurate and complete information reasonably obtainable and enter a preliminary assessment for the correct amount of business license tax, including any applicable penalty.

(c) If the amount of business license tax remitted by the taxpayer is undisputed by the city, or if the taxpayer consents to the amount of any deficiency or preliminary assessment in writing, the city shall enter a final assessment for the amount of the tax due, plus any applicable penalties.

(d) The city shall promptly mail a copy of any preliminary assessment to the taxpayer's last known address by either first class U.S. mail or certified U.S. mail with return receipt requested or deliver the preliminary assessment to the taxpayer by personal delivery.

(1) If a taxpayer disagrees with a preliminary assessment as entered by the taxing jurisdiction, the taxpayer shall file a petition for review with the city license officer within 30 days from the date of entry of the preliminary assessment setting out the specific objections to the preliminary assessment. If a petition for review is timely filed, the city license officer shall schedule a conference with the taxpayer for the purpose of allowing the taxpayer or its representatives and the representatives of the city to present their respective positions, discuss any omissions or errors, and to attempt to agree upon any changes or modifications to the assessment.

(2) If a petition for review is not timely filed, or is timely filed, and upon further review the license officer determines that the preliminary assessment is due to be upheld in whole or in part, the municipality may make the assessment final in the amount of business license tax due as computed by the license officer, with applicable interest and penalty computed to the date of entry of the final assessment. The license officer shall, whenever practicable, complete his or her review of the taxpayer's petition for review and applicable law within 90 days following the later of the date of filing of the petition or the conference, if any.

(3) A copy of the final assessment shall promptly be mailed to the taxpayer's last known address (i) by either first class U.S. mail or certified U.S. mail with return receipt requested in the case of assessments of business license tax of \$500.00 or less, or (ii) by certified U.S. mail with return receipt requested in the case of assessments of business license tax of more than \$500.00. In either case, a copy of the final assessment may be delivered to the taxpayer by personal delivery. The final assessment shall include a statement informing the taxpayer of his or her right to appeal the final assessment to circuit court within 30 days from the date of the entry of the final assessment.

Sec. 9. Duty to permit inspection and produce records.

Upon demand by the designee of the city, it shall be the duty of all licensees to:

(a) Permit the designee of the city to enter the business and to inspect all portions of his place or places of business for the purposes of enabling the designee to gain such information as may be necessary or convenient for determining the proper license classification, and determining the correct amount of license tax;

(b) To furnish information during reasonable business hours, at the licensee's place of business, in the city, all books of account, invoices, papers, reports and memoranda containing

entries showing amount of purchases, sales receipts, inventory and other information from which the correct license tax classification of such person may be ascertained and the correct amount of license tax to which he is subject may be determined, including exhibition of bank deposit books, bank statements, copies of sales tax returns to the State of Alabama, copies of Alabama income tax returns and federal income tax returns.

Sec. 10. Unlawful to obstruct.

It shall be unlawful for any person, or for any agent, servant or employee of such person, to fail or refuse to perform any duty imposed by this ordinance; nor shall any person, agent, servant or employee of such person obstruct or interfere with the designee of the city in carrying out the purposes of this ordinance.

Sec. 11. Privacy.

(a) It shall be unlawful for any person connected with the administration of this ordinance to divulge any information obtained by him/her in the course of inspection and examination of the books, papers, reports and memoranda of the taxpayer made pursuant to the provisions of this ordinance, except to the mayor, the city attorney or others authorized by law to receive such information described herein.

(b) It shall be unlawful for any person to print, publish, or divulge, without the written permission or approval of the taxpayer, the license form of any taxpayer or any part of the license form, or any information secured in arriving at the amount of tax or value reported, for any purpose other than the proper administration of any matter administered by the taxing jurisdiction, or upon order of any court, or as otherwise allowed in this ordinance.

(c) Nothing herein shall prohibit the disclosure of the fact that a taxpayer has or has not purchased a business license. Statistical information pertaining to taxes may be disclosed to the city council upon their written request through the Mayor's office. It shall be unlawful for any person to violate the provisions of this section.

Sec. 12. Failure to file assessment.

(a) In any case where a person subject to paying a license tax as provided herein fails to do so, the city designee shall be authorized to assess and determine the amount of license taxes due using the best information available either by return filed or by other means.

(b) The taxpayer shall be notified by registered or certified mail, or by personal service, of the amount of any such assessment, and of his right to appear before the city council

on a day named, not less than twenty (20) days from the date of notice, and to show cause why such assessment shall not be made final. The appearance may be made by agent or attorney.

(c) If no showing is made on or before the date fixed in such notice, or if such showing is not sufficient in the judgment of the city, such assessment shall be made final in the amount originally fixed, or in such other amount as is determined by the city to be correct. If upon such hearing the city designee finds a different amount due than that originally assessed, he/she shall make the assessment final in the correct amount, and in all cases shall notify the taxpayer of the assessment as finally fixed.

(d) A notice by the United States mail, addressed to the taxpayer's last known place of business, shall be sufficient. Any assessment made by the designee of the city shall be prima facie correct upon any appeal.

Sec. 13. Lien for non-payment of license tax.

On all property, both real and personal, used in the business, the city shall have a lien for such license, which lien shall attach as of the date when the license is due, as allowed by §11-51-96, Code of Alabama.

Sec. 14. Criminal penalties.

Any person found guilty of violating any of the provisions of this ordinance shall be fined in an amount not less than \$50.00 and not more than \$500.00, and may also be sentenced to imprisonment for a period of not exceeding six months, in the discretion of the court trying the case. Violations on separate days shall each constitute a separate offense.

Sec. 15. Civil penalties.

In addition to the remedies provided by *Code of Alabama*, Section 11-51-150 (1975) et seq., continued or recurrent performance of any act or acts within the corporate limits or within its police jurisdiction for which a license may be revoked or suspended under this ordinance is hereby declared to be detrimental to the health, safety, comfort and convenience of the public and is a nuisance. The municipality, as an additional or alternative remedy, may institute injunctive proceedings in a court of competent jurisdiction to abate the same.

Sec 16. Penalties and interest.

(a) All licenses not paid within thirty (30) days from the date they fall due shall be increased by fifteen (15) percent for the first thirty (30) days they shall be delinquent and shall be measured by an additional fifteen (15) percent for a delinquency of sixty (60) or more days, but

this provision shall not be deemed to authorize the delay of thirty (30) days in the payment of the license due, which may be enforced at once.

(b) In the case of persons who began business on or after the first day of the calendar year, the license 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.

(c) All delinquent accounts (both license taxes and penalties) shall also be charged simple interest at the rate of one (1) percent per month.

Sec 17. Prosecutions unaffected.

The adoption of this ordinance shall not in any manner affect any prosecution of any act illegally done contrary to the provisions of any ordinance now or heretofore in existence, and every such prosecution, whether begun before or after the enactment of this article shall be governed by the law under which the offense was committed; nor shall a prosecution, or the right to prosecute, for the recovery of any penalty or the enforcement of any forfeiture be in any manner affected by the adoption of this ordinance; nor shall any civil action or cause of action existing prior to or at the time of the adoption of this ordinance be affected in any manner by its adoption.

Sec. 18. Procedure for denial of new applications.

(a) The city designee shall have the authority to investigate all applications and may refer any application to the city council for a determination of whether such license should or should not be issued.

(b) If the city council denies the issuance of any license referred to it, the city clerk shall promptly notify the applicant of the city council’s decision.

(c) If an applicant desires to appear before the city council to show cause why the license should be issued, he shall file a written notice with the city clerk, said notice to be filed within two weeks from the date of mailing by the city clerk of the notice of the denial of such license by the city council.

(d) Upon receipt of said notice the city clerk shall promptly schedule a hearing, to be held within 15 days from the date of receipt of such notice, before the city council and shall give the notice of the date, time and place of said hearing to the applicant.

(e) The applicant shall be given the opportunity to appear personally, or through his counsel, or both, and the city council shall proceed to hear any evidence which may be presented both for and against the issuance of said license.

(f) If the city council determines from the evidence presented that in order to either provide for the safety, preserve the health, promote the prosperity, or improve the morals, order, comfort and convenience of the inhabitants of the city said license should not be granted, it shall enter an order to that effect; otherwise, said license shall be ordered issued upon payment of any required license fees.

Sec. 19. Procedure for revocation or suspension of license.

(a) Any lawful license issued to any person to conduct any business shall be subject to revocation by the city council for the violation by the licensee, his agent, servant, or employee of any provision of this ordinance or of any ordinance of the municipality, or any statute of the state relating to the business for which such license is issued.

(b) The license shall also be subject to revocation by the city council if the licensee, his agent, servant, or employee under color of such license violates or aids or abets in violating or knowingly permits or suffers to be violated any penal ordinance of the city or any criminal law of the state.

(c) The city council shall set a time for hearing on the matter of revoking or refusing to renew a license. A notice of such hearing shall be given to the licensee, or the applicant for renewal, as the case may be, at least ten days before the day set for the hearing. At the hearing, the city council shall hear all evidence offered by any party and all evidence that may be presented bearing upon the question of revocation or the refusal of renewal, as the case may be.

Sec. 20. Refunds on overpayments.

(a) Any taxpayer may file a petition for refund with the city for any overpayment of business license tax erroneously paid to the city. If a final assessment for the tax has been entered by the city, a petition for refund of all or a portion of the tax may be filed only if the final assessment has been paid in full prior to or simultaneously with the filing of the petition for refund.

(b) A petition for refund shall be filed with the city within two years from the date of payment of the business license tax, which is the subject of the petition.

(c) The city shall either grant or deny a petition for refund within six months from the date the petition is filed, unless the period is extended by written agreement of the taxpayer and the city. The taxpayer shall be notified of the city's decision concerning the petition for refund by first class U.S. mail or by certified U.S. mail, return receipt requested, sent to the taxpayer's last known address. If the city fails to grant a full refund within the time provided herein, the refund petition shall be deemed to be denied.

(d) If the petition is granted or the city or a court otherwise determines that a refund is due, the overpayment shall be promptly refunded to the taxpayer by the city. If the city determines that a refund is due, the amount of overpayment thereon may first be credited by the city against any outstanding tax liabilities due and owing by the taxpayer to the city, and the balance of any overpayment shall be promptly refunded to the taxpayer. If any refund or part thereof is credited to any other tax by the city, the taxpayer shall be provided with a written detailed statement showing the amount of overpayment, the amount credited for payment to other taxes, and the resulting amount of the refund.

(e) A taxpayer may appeal from the denial in whole or in part of a petition for refund by filing a notice of appeal with the clerk of the circuit court of Shelby County. The notice of appeal must be filed within two years from the date the petition was denied. The circuit court shall hear the appeal according to its own rules and procedures and shall determine the correct amount of refund due, if any. If an appeal is not filed with the appropriate circuit court within two years of the date the petition was denied, then the appeal shall be dismissed for lack of jurisdiction.

Sec. 21. Delivery License.

(a) In lieu of any other type of license, a taxpayer may at its option purchase for \$100.00 plus the issuance fee, a delivery license for the privilege of delivering its merchandise in the municipality if the taxpayer meets all of the following criteria:

(1) Other than deliveries, the taxpayer has no other physical presence within the city or its police jurisdiction;

(2) The taxpayer conducts no other business in the city other than delivering merchandise and performing the requisite set-up and installation of said merchandise;

(3) The delivery and set-up and installation is performed by the taxpayer's employees or agents, concerns the taxpayer's own merchandise in the city, and is done by means of delivery vehicles owned, leased, or contracted by the taxpayer;

(4) The gross receipts derived from the sale and any requisite set-up or installation of all merchandise so delivered shall not exceed \$75,000 during the license year;

(5) Any set-up or installation shall relate only to (i) that required by the contract between the taxpayer and the customer or as may be required by state or local law, and (ii) the merchandise so delivered;

(6) If at any time during the current license year the taxpayer fails to meet any of the above stated criteria, then within ten days after any of said criteria have been violated or exceeded, the taxpayer shall purchase all appropriate business licenses from the city for the entire license year and without regard to this section.

(b) Mere delivery of the taxpayer's merchandise by common carrier shall not allow the city to assess a business 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 \$75,000 limitation 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.

(c) A common carrier, contract carrier, or similar delivery service making deliveries on behalf of others shall not be entitled to purchase a delivery license.

(d) 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 shall not, in and of itself, establish nexus between the taxpayer and the city for purposes of the taxes levied by or under the authority of Title 40 of the Code of Alabama or other provisions of law. The purchase of a delivery license does not conclusively determine that nexus does not exist between the taxpayer and the city.

Sec. 22. License classifications.

<u>CODE</u>	<u>2002 NAICS TITLES / BUSINESS LICENSE CODES</u>	<u>SCHEDULE</u>
221	Utilities –utilities, gas, electric, water, sewage,	B
236100.01	Construction – residential building construction	C
236200 .01	Construction – nonresidential building construction	D
237.01	Heavy Construction – construction, heavy const., highway, bridge, street	D
238	Specialty Trade Contractors – construction, all special trades	\$100.00

Manufacturing

311	Manufacturing – food manufacturing	P
312	Beverage and Tobacco Manuf – soft drinks, bottled water, breweries, ice	P
313	Textile Mills	P
314	Textile Product Mills	P
315	Apparel Knitting Mills –apparel manuf., hosiery & lingerie	P
316	Leather and Hide Tanning and Finishing – shoes, luggage, handbags	P
321	Wood Products Manufacturing – wood Products, sawmills, millwork	P
	Paper Manufacturing – paper manufacturing, pulp paper converted products	P
323	Printing – printing and related support activities	P
324	Petroleum and Coal Products Manufacturing	P
	Basic Chemical Manufacturing	P
326	Plastic & Rubber Mfg – plastic and tire manf., pipe, hoses, belts, bottles	P
327	Nonmetallic Mineral Product Manufacturing – clay, glass, cement, lime	P
331	Primary Metal Manufacturing – metal manf, iron, steel, aluminum, copper	P
332	Fabricated Metal Product Manufacturing cutlery structural, ornamental, wire	P
333	Industrial Machinery Manufacturing – farm, HVAC, office, industrial	P
334	Computer and Electronic Product Manufacturing	P
335	Electrical Equip Appliance Component Manufacturing	P
336	Transportation Equipment Manufacturing	P
337	Furniture Related Product Manufacturing	P
339	Miscellaneous Manufacturing	P

Wholesale Trade

421	Wholesale trade - motor vehicle & parts & furniture, machinery, equip	\$100.00
422100	Wholesale trade – non-durable, paper, apparel grocery, dairy farm, beverages	\$100.00
422200	Wholesale trade – wholesale gasoline distributor	\$200.00
422300	Wholesale trade – wholesale beer & wine	\$200.00

Retail Trade

441	Motor vehicle tires, accessories & parts – tires, parts and accessories	A
441100	New/Used Car Dealerships	A
442	Furniture – furniture, home furnishings, stores, floor coverings, window	A
443	Electronic & appliance store – household, radio, television, computers	A
444	Building materials – hardware, paint, home center, wallpaper, nursery	A
445100	Food & beverage stores – grocery, convenience store, markets, beer	A
445200	Package Stores – selling beer, wine and liquor plus general mdse	G
446	Health care stores – drug, pharmacy, cosmetic, optical, health food	A
447100	Gasoline Retail - selling gasoline with or without convenience stores	A
447200	Gasoline Pumps – each pump	Q
448	Clothing & accessories – men, women, children, infant, shoe, jewelry luggage	A
451	Sporting goods & hobbies – sporting gds, hobbies, sewing, book, music	A
452	General merchandise stores – warehouse clubs, superstores, department	A
453100	Miscellaneous store retailers – florist, pet, art, MH dealer, novelty, tobacco	A
453200	Miscellaneous store retailers – retail fireworks	J
454100	Non-store retailers – vending machine operators, direct selling, also schedule 910 for vending machines	\$100.00
454200	Non-store retailer – peddlers license	\$50.00
454300	Non-store retailer – yard sale permit	\$ 0

Transportation and Warehouse

481	Air transportation – airline tickets, shipping, freight, charters service	A
482	Rail transportation – transportation, ticket offices, state regulated 11-51-124	
483	Water transportation – coastal, freight forwarders, inland, passenger	A
484100	Truck transportation – local, long-distance, freight, moving & storing	\$200.00
484200	Truck transportation – terminal - state regulated 37-3-33 max.	\$ 25.00
484300	Transportation – other support activity, packing & crating	\$200.00
485100	Passenger transportation – charter and other vehicle transit services	\$100.00

485200	Passenger transportation – bus terminals state regulated -37-3-33 max.	\$25.00
485300	Passenger transportation – taxi cabs, limousine service,	K
487	Sightseeing – scenic and sightseeing, land, air, water, special trans.	\$100.00
492	Couriers – couriers, local messengers, services, local delivery services	\$100.00
493	Warehousing and storage – distribution, household, refrigerated, special	\$200.00

Information

511100	Publishing industries – newspaper, book, periodical, database	A
511200	Software publishing – software publishing	A
512	Motion pictures – theatres, videos, drive-ins, sound studios, recording	A
515	Broadcasting – radio and television stations	A
517100	Telecommunications – telephone local per 11-51-128	L
517200	Telecommunications – telephone long distance per 11-51-128	L
517300	Telecommunications – cellular and other wireless, paging	A
517400	Telecommunications – resellers of service	A
517500	Satellite Telecommunications – provide point-to-point telecommunications via satellites	A
517600	Cable & other distribution – third-party distribution systems for cable, local TV, radio	A
517700	Other telecommunications – satellite tracking, telemetry, radar station, rec’v/transmit	A
519100	Internet Service Providers – internet serve providers, web hosting, email, web design	A
519200	Information Services – data processing – providing, storing, processing	A

Finance and Insurance

522100	Bank Main Office – not branch location or ATM 11-51-130	M
522200	Bank Branch or ATM – not main office of bank 11-51-130	M
522300	Savings and Loans – not branch location or ATM 11-51-131	M
522400	S&L Branch or ATM – not main office of S&L 11-51-131	M
522500	Pawn shop – whether title pawn or merchandise	A
522600	Credit services – companies and activities related to credit And mediation	\$100.00
523	Securities, commodity – brokerage, investment banking, other	\$100.00
524100	Insurance Company – casualty, fire, and/or marine premiums 11-51-120/123	N

524200	Insurance Company – health, allied and all other premiums 11-51-120/123	N
524300	Agent Office – adm. of third parties, pension funds, annuities, etc	\$100.00
525	Funds, trusts, other financial agencies – agents, agencies, investments	\$100.00

Real Estate and Rental and Leasing

531100	Real estate, lessors of – <u>each</u> residential unit	\$50.00
531200	Real estate, lessors of – <u>each</u> non-residential unit	\$100.00
531300	Real estate, lessors of – <u>each</u> self-storage units	\$5.00
531400	Real estate, lessors of – <u>each</u> mobile home lot	\$5.00
531500	Real estate – offices, agents, brokers	\$100.00
532100	Rental and leasing – auto, truck, trailer and RV	\$100.00
532200	Rental consumer electronics and appliances – formal wear, Movie/video rentals, med-equipment, consumer goods	A
532300	Rental and leasing – rental centers, all tangible property	A
532400	Rental and leasing commercial/industrial - equipment machinery	A
532500	Rental of uniforms – uniform rentals,	\$100.00

Professional, Scientific and Technical Services

541100	Accountant/CPAs – individual professional license	H
541150	Attorney/Lawyers – individual professional license	H
541200	Architect – individual professional license	H
541250	Chiropractor – individual professional license	H
541300	Dentist – individual professional license	H
541350	Engineer – individual professional license	H
541400	Management companies – offices, enterprises, regional, corporate	H
541450	Management, Scientific and Technical Consulting – HR, marketing, environmental	H
541500	Optometrist – individual professional license	H
541550	Physician – individual professional license	H
541600	Surveyor – individual professional license	H
541650	Veterinarian – individual professional license	H
541700	Professional Services Not Elsewhere Classified – tax consultant, tech	H
541750	Computer Programmer – individual professional license	H
541800	Design Services – interior, graphic, industrial and other	H
541850	Photographer – studios, portrait, commercial, services	H

551	Direct Mail Advertising - advertising materials, billboards, media buying agencies; each individual advertising media (no new billboards to be erected)	\$250.00
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Administrative/Support/Waste Management

561100	Employment services – employment agencies, temp services,	\$100.00
561200	Administrative services – answering, collection sec., agencies	\$100.00
561300	Travel agencies – travel agencies, tour operators	\$100.00
561400	Investigation/security services – investigation, security, armored car, locksmiths	\$100.00
561500	Dwelling services/exterminating services – exterminating company,	\$100.00
561600	Dwelling services/cleaning services – janitorial services; individual or firm and carpet cleaning	\$100.00
561700	Dwelling services/landscaping	\$100.00
562100	Waste management – companies, trucks, and other	\$100.00
562200	Waste treatment – landfills, sewer treatment plants	A
562300	Waste management – septic tanks installation and servicing, portable toilets	\$100.00

Educational Services

611	Educational services – business schools, computer, professional Development, sports, fine arts, daycare	\$100.00
621100	HMO – medical centers and services	A
621200	Outpatient Care Centers – all other types of services	A
621300	Medical/diagnostic – medical labs, diagnostic imaging	\$100.00
621400	Ambulance – ambulance company and/or services	\$100.00
622	Hospitals – surgical, substance abuse, psychiatric, general care, special	A
623100	Nursing care – residential care facility, day care, assisted living	\$100.00
623200	Nursing Home – care for elderly and continuing care facilities	\$350.00
623300	Residential Care Facilities – child group homes, halfway house, boot camp	\$350.00
624100	Social assistance – shelters, vocational, abuse, emergency	\$0
624200	Social assistance – food, housing, emergency services	\$0
624300	Social assistance – vocation, rehabilitation services	\$0
624400	Social assistance – day care services	\$0
624500	Social assistance – in-home day care	\$0

Arts, Entertainment and Recreation

711100	Arts – performing arts companies, sports, promoters, agents,	A
711200	Special Events – promoter of activity – (see also schedule G for rates)	\$150.00
712	Museums – museums and historical sites, zoos, botanical gardens, parks	A
713100	Amusement – arcades (see also schedule 910)	\$50.00
713200	Amusement – amusement & theme parks	A
713300	Amusement – golf courses, fitness, sports, and bowling centers,	A
713400	Amusement – fireworks displays	J

Accommodations & Food Services

721100	Accommodations – hotels, motels and similar facilities	\$500.00
721200	Accommodations – bed and breakfast inns and services	\$300.00
721300	Accommodations – trailer parks, RV parks, and travel parks	\$100.00
721400	Accommodations – rooming houses and boarding houses	\$50.00
722100	Restaurant – full service restaurant facility (see also schedule G)	A
722200	Restaurant – limited service, cafeterias, snack bars	A
722300	Caterers – and/or mobile food services	\$100.00
722400	Drinking Establishment – club, lounge, bar or other (see also schedule G)	A

Other Services

811100	Repairs and maintenance – auto, paint/body, carwash, transmission, glass replacement	I
811200	Repairs and maintenance – all electronic equipment, computer, phone	I
811300	Repairs and maintenance – commercial and industrial machinery	I
811400	Repairs and maintenance – appliances, home & garden equip't, serviceman, med equipment and footwear	I
812100	Personal Services – hair, skin, barber, beautician, diet, nail, tanning (Plus \$10.00 each, additional operator)	I
812200	Fortune Teller or Clairvoyant – individual reader license	\$500.00
812300	Death Care Services - funeral homes/services, cemeteries	A
812400	Dry cleaning and Laundry – dry cleaning and laundry (except coin-op)	A
812500	Laundry – (coin-operated)	\$100.00

812600	Linen-Towel Service – pick-up, delivery, linen or diaper service	\$100.00
812700	Other Personal Services – pet care (except vets) photofinishing and parking lots	\$100.00
910100	Category for number of – vending machines for all types vending and independently owned ATM	\$25.00
910200	Category for number of – pool tables each	\$50.00
910300	Category for number of – each amusement devices and /or games	\$50.00
910400	Category for number of – each tow trucks, wreckers	F
999100	Unclassified miscellaneous business services not elsewhere classified	A
999200	Unclassified miscellaneous personal services not elsewhere classified	A

Sec. 23. License fee schedules.

Rate Schedule “A”

Gross Receipts

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)	

Rate 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.

Rate Schedule “C”

Residential Construction

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

Rate Schedule “D”

Non Residential Construction

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

Rate Schedule “E”

Merchandise Delivery

Merchant delivery license within Chelsea	\$100.00
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Rate Schedule “F”

Tow Truck, & Wreckers

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

Rate 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.

Rate Schedule “H”

Professionals

54110 thru 541650

Accountants/CPA's - Attorney/Lawyers -	
Architect - Chiropractor-	
Dentist - Engineer	\$200.00
Management Companies -	
Management Consulting Companies -	
Optometrist - Physician - Surveyor -	
Veterinarian - Other Professional Services	

541750 thru 541850

Computer Programmer - Design Services -	\$100.00
Photographer	

Rate Schedule "T"

Other Services

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

Rate 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. ***

Rate 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) ***

Rate 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.

Rate Schedule “M”

Capital, Surplus, or Undivided Profits (Banks, Savings & Loan Associations, Etc.)

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

Rate 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 \$10.00 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.

Rate Schedule “P”

Manufacturers GR

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

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

Rate Schedule “Q”

Gasoline Pumps

For **each** octane grade offered per nozzle, \$5.00 per nozzle
the rate set forth shall be:

Sec. 24. Exchange of information.

(a) The license officer may exchange tax returns, information, records, and other documents secured by the city, with other municipalities adopting similar provisions for the exchange of taxpayer information, or with county or state authorities. The license officer may charge a reasonable fee for providing such information or documents. Any tax returns, information, records, or other documents so exchanged shall remain subject to the confidentiality provisions, restrictions, and criminal penalties for unauthorized disclosure as provided under state or municipal law.

(b) Any such exchange shall be for one or more of the following purposes:

- (1) Collecting taxes due.
- (2) Ascertaining the amount of taxes due from any person.
- (3) Determining whether a person is liable for, or whether there is probable cause for believing a person might be liable for, the payment of any tax to a state, county, or municipal agency.

(c) Nothing herein shall prohibit the use of tax returns or tax information by the city in the proper administration of any matter administered by the license officer. The license officer may also divulge to a purchaser, prospective purchaser as defined pursuant to the regulations of the Alabama Department of Revenue, or successor of a business or stock of goods the outstanding sales, use, or rental tax liability of the seller for which the purchaser, prospective purchaser as defined pursuant to the regulations of the Alabama Department of Revenue, or successor may be liable pursuant to §§40-23-25, 40-23-82, or 40-12-224, Code of Alabama.

Sec 25. Effective date.

This ordinance shall become effective on and after January 1, 2008.

Sec 26. Severability.

The sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by a court of competent jurisdiction, then such ruling shall not affect

any other paragraphs and sections, since the same would have been enacted by the city council without the incorporation of any such invalid or unconstitutional phrase, clause, sentence, paragraph or section.

Sec 27. Repealer.

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Approved and adopted this the 2nd day of December, 2008

S. Earl Niven, Mayor

Ricky King, Councilmember

Tony Picklesimer, Councilmember

Robert Barnes, Councilmember

Jeffrey M. Denton, Councilmember

Juanita J. Champion, Councilmember

Becky C. Landers, City Clerk

City of Chelsea
P.O. Box 111
Chelsea, Alabama

***Certification
Of
Ordinance***

Ordinance Number: 08-12-02-438

I, Becky C. Landers, City Clerk of the City of Chelsea, Alabama, hereby certify the attached to be a true and correct copy of an Ordinance adopted by the City Council of Chelsea, at the regular meeting held on December 2nd, 2008 as same appears in minutes of record of said meeting, and published by posting copies thereof on December 3rd, 2008, at the public places listed below, which copies remained posted for five business days (through December 8th, 2008).

Chelsea City Hall, 11611 Chelsea Road, Chelsea, Alabama 35043
Chelsea Sports Complex, Highway 39, Chelsea, Alabama 35043
U.S. Post Office, Highway 280, Chelsea, Alabama 35043
Chelsea Senior Lodge, 706 County Rd 36, Chelsea, AL 35043
City of Chelsea Website-www.cityofchelsea.com

Becky C. Landers, City Clerk