



**ORDINANCE 2022-05  
AMENDING ORDINANCE 2010-08 and  
ORDINANCE 2012-08**

**BUSINESS LICENSE CODE OF THE CITY OF  
CLAY, ALABAMA**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLAY, ALABAMA as follows:

Ordinance 2010-08 is hereby repealed and replaced as follows:

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## **Section 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 of Clay, Alabama for the year beginning January 1, 2023 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 of Clay, by whatever name called.

## **Section 2. Definitions.**

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

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 compensation (barter) any form of compensation including but not limited to bartering or the exchange or any other thing of value 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 of Clay, Alabama. A sales or repair person making calls in the city or a vehicle delivering in the city constitutes “doing business” and is required to purchase a license from the city.

Business License. An annual license issued by the City of Clay for the privilege of doing any kind of business, trade, profession, or any other activity in the city, by whatever name called, 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.

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.

City. The City of Clay, Alabama.

Corporate Limits. The corporate limits of the City of Clay, also known as the city limits.

Department or Department of Revenue. The Alabama Department of Revenue, as created under Section 40-2-1 et seq.

Designee. An agent or employee of the City of Clay authorized to administer or collect, or both the municipality’s business license taxes, which may include another taxing jurisdiction, the Department of Revenue, or a “private auditing or collecting firm” as defined in Section 40-2A-3 of the Code of Alabama.

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, 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 City of Clay.
- (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.
- (e) Gross receipts for businesses located inside the city, where the amount of the license is based upon “gross receipts”, unless the contrary clearly appears, shall mean the entire receipts of the business, vocation, occupation, or profession engaged in, including all receipts from sales regardless of the place where the sale was solicited, or place where the contract of sale was consummated or the place of delivery, and shall include the comparable value of bartered work done in exchange for a product or service, and shall not contemplate any deductions for any purpose not specifically or expressly provided herein.
- (f) Gross receipts for businesses domiciled outside the city, where the amount of the license is based upon “gross receipts”, and where no office or substation is located within the city limits, shall be determined based upon the volume of business conducted within the corporate limits of the city, and shall not contemplate any deductions for any purpose not specifically or expressly provided herein.
- (g) Gross receipts for any salaried or wage earning employees shall be defined as the total gross amount of all salaries, wages, commissions, bonuses, or other money payment of any kind, or any other consideration having monetary value, which a person receives from, or is entitled to receive from or be given credit for by his employer for any work done or personal services rendered in any trade, occupation, or profession, including any kind of deductions before “take home” pay is received. For all other persons, gross receipts shall have that meaning ascribed in Alabama Code (1975) 40-23-18(8).

Home Occupation. A business conducted entirely within the business owner’s home. If the home occupation is classified as a minor home occupation, no prior approval is needed by the planning and zoning commission and city council. If the home occupation is classified as a major home occupation, application procedures according to the City of Clay zoning regulations and hearing must be scheduled. License approval will be recommended by the planning and zoning commission and a final decision will be determined by the Clay City Council.

License Form. Any business license application form, renewal reminder notice, business license remittance form, or business license return by whatever name called.

License Year. The calendar year.

Licensee. Any taxpayer of other persons issued a business license under this ordinance and/or the person responsible for the payment of the license tax.

Municipality. For purposes of this ordinance, any town or city incorporated pursuant to the laws of this state that levies a business license tax from time to time.

Office. This term shall apply where businesses are carried out either from the local business area of the City In any case, where telephone numbers are listed in the telephone directory using a business name, the appropriate license is required.

Person or Company. Used interchangeably, includes any individual, association, estate, trust, partnership, limited liability company, corporation, limited liability 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 municipality.

Preceding Year. Shall have the meaning of the year next preceding the current tax year.

Retail. Shall mean any sale not covered by the term “wholesale sale” as such term is defined in this section.

Revenue Officer, or City Clerk. The municipal employee charged by the City of Clay with the primary responsibility of administering the City of Clay’s business license tax ordinance and related matters thereto.

Taxing Jurisdiction. The City of Clay, which is the taxing jurisdiction 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 Section 11-51-180 et seq., as the context requires.

Taxpayer. Any person subject to or liable under this chapter 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 chapter 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 chapter, or to keep any required by this chapter.

Wholesale. Shall mean a sale to a merchant, jobber, dealer or to any person for resale, but shall not apply to sales made by a wholesaler to users, consumers or contractors not for resale.

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

Willfully. An act is done willfully when it is done voluntarily, with a conscious motion of the will. Willfulness does not require knowledge that the conduct was unlawful.

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

### Section 3. License Term; Application of Payment; Administration.

The license term for a business license and policy for the application of payment are as follows:

- (a) Payment in Full. All license amounts due shall be due and payable in full at one time when the license is taken or renewed.
- (b) Payment of License by Check or Credit Card. Where a license or license receipt shall be issued in return for any check or credit card, the same shall not be valid or in any force or effect unless such check or credit card shall be duly paid/authorized upon presentation to the drawee.
- (c) Full Year. Every person who commences business before the first day of July shall be subject to and shall pay a full year's annual license for such business.
- (d) Half Year. Every person who commences business on or after the first day of July, shall be subject to and shall pay one-half (1/2) the annual license for such business in full for that calendar year.
- (e) Seasonal. Every person who commences a business that is seasonal in nature to include but not limited to the sale of produce, firewood, etc..
- (f) Issue Fee. For each license issued, there shall be an issue fee collected of **fourteen dollars (\$14.00)** and said issue fee shall be collected in the same manner as the license tax.
- (g) Annual Renewal. Except as provided in subsections (i) and (ii), the business license shall be renewed annually on or before the 31<sup>st</sup> day of January each year.
  - (i) If the due date for payment of any business license falls on a weekend or a holiday recognized by the municipality 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 Section 11-51-122 of the Code of Alabama which states that each year, each insurance company shall furnish the City of Clay 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 municipal code. Said insurance licenses are due and payable within sixty days of the due date.
- (h) Renewal Notices. On or before December 31 of each year, a renewal reminder shall be mailed to each licensee that purchased a business license during the current year. Said renewal notice shall be mailed via regular U.S. mail to the licensee's last known address of record with the City of Clay. Licensees are required to furnish the City of Clay any address changes for the business prior to December 1<sup>st</sup> in order to receive their notice.
- (i) Payments to be Applied to Delinquencies First. No license will be renewed to any person, firm, entity, or corporation if any city taxes or fees (sales or use tax, liquor, tobacco, wine, lodging, rental, garbage, or other city tax or fee) are delinquent. Business license renewal payments received by the City of Clay shall be applied to the current renewal only when any and all other debts the licensee owes to the City of Clay are first paid in full. No business license shall be issued if the payment received does not meet said prior obligations and the current renewal amount in full. Any payment received shall first be applied to

the outstanding debt. 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 municipal code.

- (j) Gross Receipts Threshold. The gross receipts threshold for licensing multiple lines of business conducted as one business unit shall be 10% as permitted by 11-51-95(b).
- (k) Interest. Interest shall be assessed on business license tax delinquencies at the rate of one percent (1%) per month simple interest.
- (l) Double License Fee. Any person or company who begins to operate a business without first obtaining a license shall be assessed double the license fee and may be subject to other fines and/or penalties and/or interest as prescribed in this ordinance.
- (m) First Year License. If the business or individual is procuring its first business license with the City of Clay, then the initial year's total gross receipts of the business are to be estimated. Should the actual gross receipts be less than the estimated amount of gross receipts there will be no refunding of license fee, however there will be adjustments made in the license fee in the following year as permitted by 11-51-90.2(c).

The gross receipts of a business for the year next succeeding the first license year shall be the actual results of operations of said business, provided, however, that if said business did not operate for an entire 12 month period during the preceding license year, then the license tax in the succeeding license year shall be based upon an amount of annualized receipts. Such annualized receipts shall be determined by using an amount that bears the same relationship to the actual amount of receipts during the preceding year as the entire year (12 months) bears to the number of months or fractional months that the business was operated during its preceding calendar year of operation in the city.

- (n) Farm Products. The Code of Alabama (1975), 11-51-105, exempts farmers from payment of municipal license for the sale or delivery of products which they have grown themselves. Exemption does not apply for products which they have purchased for resale.
- (o) Exclusions. No provisions of this ordinance shall be construed as to tax interstate commerce, the United States Government, or any state, county or municipal business.

#### **Section 4. License shall be Location Specific.**

- (a) All licenses shall be issued in compliance with the Zoning Ordinance of the City of Clay. Businesses to be licensed at a residential address if deemed major home occupation, must have the approval of the Planning and Zoning Commission and fully comply with the regulations governing home business operations as set out in the Clay Zoning Ordinance.
- (b) No License shall be issued to any business with only a post office box number.
- (c) For each location at which any business is operated, a separate license shall be obtained, and any person engaged in business for which a license is required shall designate the location at which business is operated and the license issued shall designate such location.
- (d) Every person engaged in two or more of the businesses, vocations, occupations or professions scheduled herein, shall obtain a license for each line of business.

- (e) Each person, firm, or corporation operating what is commonly known as a leased department within a department store or other business, shall pay a license on each department so leased according to a proper classification of the business conducted.
- (f) Any business located within the local tax jurisdiction subject to the license authorized by this ordinance shall include all receipts derived from said business regardless of the place where the sale was solicited, place where the contract of sale was consummated, the place of delivery, or the location where work was performed. This shall not include receipts generated from a bona fide branch(s) located within another taxing jurisdiction. To establish a bona fide branch office, the taxpayer must demonstrate proof of all following criteria:
- (1) The taxpayer must demonstrate the continuing existence of an actual facility located outside the city limits 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.
  - (2) The taxpayer must maintain books and records, which reasonably indicate a segregation or allocation of the taxpayer's gross receipts to the particular facility.
  - (3) The taxpayer must provide proof that separate telephone listings, signs and other indications of its separate activity are in existence.
  - (4) 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.
  - (5) All business claimed by a branch office or offices must be conducted by and through said office.
  - (6) The taxpayer must supply proof that all applicable business licenses with respect to the branch office have been issued.
- (g) Nothing herein shall be construed as exempting businesses from payment of a license on the basis of a lack of physical location. Where no office or substation is located within the city limits, the amount of the license shall be determined based upon the volume of business conducted within the corporate limits of the City of Clay, and shall not contemplate any deductions for any purpose not specifically or expressly provided herein.
- (h) No license shall be issued for the commencement of a new business, or for a license transfer to a new business location, without a location inspection, which shall be inspected by the City of Clay building inspections department.
- (i) Certain types of licenses may require proof of State Board certification, Health Department approval, or other certification, approval by the city council or inspection prior to issuance of a local business license.
- (j) Food trucks must have written permission from property owner to operate. Food trucks may not operate within 1,000 feet of an existing brick and mortar food establishment. Schools and government entities are exempt from this requirement.
- (k) Residential rental housing must provide a current certificate of occupancy prior to issuance of business license.

## **Section 5. Delivery License.**

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 municipality or its police jurisdiction;
- (2) The taxpayer conducts no other business in the municipality other than delivering merchandise and performing the requisite set-up and installation of said merchandise;
- (3) Such delivery and set-up and installation is performed by the taxpayer's employees or agents, concerns the taxpayer's own merchandise in that municipality, 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 seventy-five thousand dollars (\$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 10 days after any of said criteria have been violated or exceeded, the taxpayer shall purchase all appropriate business licenses from the municipality for the entire license year and without regard to this section.

Mere delivery of the taxpayer's merchandise by common carrier shall not allow the municipality 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 seventy-five thousand (\$75,000) limitation described in the preceding section 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.

A common carrier, or contract carrier, shall not be entitled to purchase a delivery license.

The delivery license shall be calculated in arrears, based on the related gross receipts during the preceding license year.

The purchase of a delivery license 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 of the Code of Alabama or other provisions of law, nor does the purchase of a delivery license conclusively determine that nexus does not exist between the taxpayer and the City of Clay.

**Per Alabama Act 2019-283, businesses delivering less than \$10,000 in merchandise annually to a municipality where it has no store or other presence is exempt from purchasing a business license. Issuance fee for delivery business license shall be \$10.**

## **Section 6. License Transfer Restrictions.**

No license shall be transferred except with the consent of the revenue officer or 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 the City of Clay from requiring a new business license application and approval for an alcoholic beverage license. In no instance shall any license be transferred from one type of business to another type of business.

### **Section 7. Unlawful to do Business Without a License.**

- (a) It shall be unlawful for any person, taxpayer, or agent of a person or taxpayer to engage in businesses or vocations in the City of Clay for which license is required without first having procured a license. A violation of this division 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.
- (b) Any person or company who begins to operate a business without first obtaining a license shall be assessed double the license fee and may be subject to other fines and/or penalties and/or interest as prescribed in this ordinance

### **Section 8. License Must be Posted.**

Every license shall be posted in a conspicuous place, where said business, trade or occupation is being operated and the holder of the license shall immediately show same to the Revenue Officer or designee of the City of Clay upon being requested. In the case where there is not a physical location within the City of Clay, the license shall be on the jobsite for the Revenue Officer to inspect.

### **Section 9. Duty to File Report; Accuracy.**

- (a) It shall be the duty of every person subject to such license tax to render to the City of Clay 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 of Clay 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 of Clay 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 and interest.
- (c) The City of Clay 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, in the sole discretion of the City of Clay, delivery of the preliminary assessment to the taxpayer by personal delivery.
- (d) If the amount of business license tax remitted by the taxpayer is undisputed by the City of Clay, or if the taxpayer consents to the amount of any deficiency or preliminary assessment in writing, the City of Clay shall enter a final assessment for the amount of tax due, plus any applicable penalty and interest.

(e) If the amount of preliminary assessment is disputed:

- (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 revenue 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 revenue officer of the City of Clay shall schedule a conference with the taxpayer for the purpose of allowing the taxpayer or its representatives and the representatives of the City of Clay to present their respective positions, discuss any omissions or errors, and to attempt to agree upon any changes or modifications to their respective positions.
- (2) If a petition for review is not timely filed, or is timely filed and upon further review the revenue officer determines that the preliminary assessment is due to be upheld in whole or in part, the City of Clay may take the assessment final in the amount of business license tax due as computed by the revenue officer, with applicable interest and penalty computed to the date of entry of the final assessment. The revenue 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 by either first class U.S. mail or certified U.S. mail with return receipt requested in the case of the assessments of business license tax of five hundred dollars (\$500.00). In either case, at the option of the taxing jurisdiction 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.

#### **Section 10. Duty to Permit Records Inspection.**

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

- (a) Permit the designee of the City of Clay to enter the business and to inspect all portions of the place or places of business for the purposes of enabling said municipal 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 municipality, 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/she 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.
- (c) To provide photo identification so that City designee may ascertain that the person operating the business is the same person who obtained the business license.

#### **Section 11. Unlawful to Obstruct Municipal Designee.**

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 of Clay in carrying out the purpose of this ordinance.

## **Section 12. Privacy of Information.**

- (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 of Clay 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 municipal council upon their written request through the Mayor's office. It shall be unlawful for any person to violate the provisions in this section.

## **Section 13. Assessment for Failure to File.**

- (a) In any case where a person subject to paying a license tax as provided herein fails to do so, the revenue officer 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/her right to appear before the municipal governing body 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. Such 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 municipality, such assessment shall be made final in the amount originally fixed, or in such other amount as is determined by the City of Clay to be correct. If upon such hearing the revenue officer 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 revenue officer of the City of Clay shall be prima facie correct upon any appeal.

## **Section 14. Lien for Non-payment of License.**

On all property, both real and personal, used in the business, the City of Clay shall have a lien for such license, which lien shall attach as of the date when the license is due, as allowed by the Section 11-51-96, Code of Alabama(1975), as Amended.

## **Section 15. Criminal Penalties.**

Any person found guilty of violating any of the provisions of this ordinance shall be fined in an amount not less than Fifty Dollars (\$50.00) and not more than Five Hundred Dollars (\$500.00), and may also be sentenced to imprisonment for a period not exceeding six (6) months, or both, at the discretion of the court trying the case, and violations on separate days shall each constitute a separate offense.

## **Section 16. Civil Penalties.**

In addition to the remedies provided by the Section 11-51-150, Code of Alabama, (1975) as Amended, et seq., the continued or recurrent performance of any act or acts within the corporate limits 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 City of Clay, as an additional or alternative remedy, may institute injunctive proceedings in a court of competent jurisdiction to abate the same.

## **Section 17. Injunctive Relief.**

Section 11-51-150, Code of Alabama, (1975), as Amended provides any municipality of the State of Alabama may file in the Circuit Court, in the county in which said petitioning municipality is situated a petition to enjoin the operation and conduct any business, occupation, trade or profession subject to a municipal privilege license or excise tax imposed by the petitioning municipality and which is delinquent in whole or in part. Said petition shall be verified by the mayor, city clerk, police officer or by any other governing official or by any employee of the municipality authorized to receive or collect said license or tax. Sections 11-51-151 through 11-51-160, Code of Alabama, (1975) as Amended, prescribe the method of procedure in any injunction proceeding provided for in section 11-51-150, Code of Alabama (1975) as Amended.

## **Section 18. Penalties and Interest.**

- (a) All licenses not paid within thirty (30) days from the date due, shall be increased fifteen (15) percent for the first thirty (30) days delinquent, and shall be measured by an additional fifteen (15) percent after 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.

## **Section 19. 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.

## **Section 20. Procedure for Denial of New Applications.**

- (a) The revenue officer shall have the authority to investigate all applications and may refer any application to the City of Clay governing body for a determination of whether such license should or should not be issued.
- (b) If the municipal governing body denies the issuance of any license referred to it, the revenue officer shall promptly notify the applicant of the City of Clay governing body's decision.
- (c) If said applicant desires to appear before the City of Clay governing body to show cause why said license should be issued, he/she shall file a written notice with the municipal clerk, said notice to be filed within two (2) weeks from the date of mailing by the municipal clerk of the notice of the denial of such license by the City of Clay governing body.
- (d) Upon receipt of said notice the municipal clerk shall promptly schedule a hearing, to be held within fifteen (15) days from the date of receipt of such notice, before the City of Clay governing body 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/her counsel, or both, and the City of Clay governing body shall proceed to hear any evidence which may be presented both for and against the issuance of said license.
- (f) If the City of Clay governing body 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 of Clay 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.

## **Section 21. Procedure for Revocation/Suspension of License.**

- (a) Any lawful license issued to any person to conduct any business shall be subject to revocation by the City of Clay governing body for the violation of the licensee, his/her agent, servant, or employee of any provision of this ordinance or of any ordinance of the municipality, or any statute of the State of Alabama relating to the business for which such license is issued; and shall also be subject to revocation by the City of Clay governing body if the licensee, his/her 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 of Clay or any criminal law of the State of Alabama; and shall also be subject to revocation by the City of Clay governing body if, in connection with the issuance or renewal of any license, the licensee or his/her agent filed or caused to be filed any application, affidavit, statement, certificate, book or any other data containing any false, deceptive or other misleading information or omission of material fact.
- (b) The conditions hereinabove set forth as grounds for the revocation of a license shall also constitute grounds for refusing to renew a license.
- (c) The City of Clay governing body shall set a time for hearing on the matter of revoking or refusing to renew a license; and a notice of such hearing shall be given to the licensee, or the applicant for renewal, as the case may be, at least ten (10) days before the day set for said hearing. At the hearing

the City of Clay governing body 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.

## **Section 22. Refunds on Overpayments.**

- (a) Any taxpayer may file a petition for refund with the City of Clay for any overpayment of business license tax erroneously paid to the City of Clay. If a final assessment for the tax has been entered by the City of Clay, 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 of Clay within two years from the date of payment of the business license tax, which is the subject of the petition.
- (c) The City of Clay 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 of Clay. The taxpayer shall be notified of the City of Clay's decision concerning the petition for refund for 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 of Clay 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 of Clay or a court otherwise determines that a refund is due, the overpayment shall be promptly refunded to the taxpayer by the City of Clay, together with interest to the extent provided for in Section 11-51-92. If the City of Clay determines that a refund is due, the amount of overpayment plus any interest due thereon may first be credited by the City of Clay against any outstanding tax liabilities due and owing by the taxpayer to the City of Clay, 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 of Clay, the taxpayer, shall be provided with a written detailed statement showing the amount of overpayment, the amount credit 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 the county in which the City of Clay denying the petition for refund is located. Said 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.

**Section 23. License Classification Codes.**

Except as specified below, businesses are classified according to the 2017 North American Industrial Classification System (NAICS) category that best matches its activity or activities conducted in the City of Clay.

<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
541211	Accountants, Certified or Public; individual and/or firm professional	B
541212	Accounting / Bookkeeping Services	A
624121	Activity Center: Youth or Senior Activity Center / Children or Youth	A
713990	Adult Amusement, Entertainment or Recreation	H
713991	Adult Book or Novelty Shop	H
624120	Adult Care Center	A
713992	Adult Theater	H
541810	Advertising Agency	A
541860	Advertising: Direct, Prep Service , Distribution	A
541870	Advertising Material: coupons, flyers, samples, etc.	A
541813	Agent, Dealer, Manufacturer’s Representative	A
	<b>ALCOHOLIC BEVERAGES (Regulated by State)</b>	
	<b>BEER</b>	
445400	BEER, off premise only	J
445401	BEER, On and Off Premise	J
445402	BEER, On Premise	J
	<b>WINE</b>	
445500	Table Wine, off Premise Only	J
445501	Table Wine, On and Off Premise	J
445502	Table Wine, On Premise	J
	<b>LIQUOR</b>	
722410	Lounge Retail Liquor , Class I Bar/Lounge/Tavern Plus an amount equal to 10% of gross purchases of liquor (excluding beer and wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	J
722110	Restaurant Retail Liquor, Class I Plus an amount equal to 10% of gross purchases of liquor (excluding beer and wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	J
445310	Package Store – Lounge Retail Liquor, Class II Plus an amount equal to 10% of gross purchases of liquor (excluding beer and wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	J
722411	Club Liquor License, Class I non-profit Plus an amount equal to 10% of gross purchases of liquor (excluding beer and wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	J
722412	Club Liquor License, Class II for profit Plus an amount equal to 10% of gross purchases of liquor (excluding beer and wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	J
722413	Special Event Plus an amount equal to 10% of gross purchases of liquor (excluding beer and	J

	wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	
<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
722414	Special Retail, 30 days or less Plus an amount equal to 10% of gross purchases of liquor (excluding beer and wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	J
722415	Special Retail, more than 30 days Plus an amount equal to 10% of gross purchases of liquor (excluding beer and wine), due and payable not later than the 20 <sup>th</sup> of the month following the month of purchase	J
492210	Wholesaler	J
492215	Beer, Wholesale Distributor	J
492216	Beer and Wine, Wholesale Distributor	J
492217	Wine, Wholesale Distributor	J
492218	Liquor, Wholesale Distributor	J
493190	Warehouse, Alcoholic Beverage	J
312140	Manufacturer, Alcoholic Beverage	J
422820	Importer, Alcoholic Beverage	J
	<b>END ALCOHOL LICENSE SECTION</b>	J
811490	Alterations	A
621910	Ambulance Service	A
713120	Amusement Devices	K
453310	Antique Dealer	A
811412	Appliance Repair and Maintenance (no retail sale of new)	A
443111	Appliance Sales and Service	A
541131	Architect	B
623110	Assisted Living Facility	A
541100	Attorney; Individual and/or firm professional	B
561990	Auctioneers	A
811111	Automotive: Repair and Maintenance	A
532111	Automotive: Rental	A
441310	Automotive: Parts & Accessories	A
441110	Automotive: Vehicle Dealer – New & Used	C
441320	Automotive: Tire Dealer	A
424490	Bakery or Bakery Products	A
522120	Bank: Commercial Banking	R
522113	Bank: ATM Location	R
812111	Barber Shop	A
812112	Barber	A
812113	Beauty Shop	A
812114	Beautician	A
423850	Beauty / Barber Shop Supplies	A
721191	Bed and Breakfast	A
451110	Bicycle Shop – Sales, Parts and Service	A
541850	Billboard / Outdoor Advertising	V
441222	Boats: Sales New & Used	A



811491	Boats: Service & Repair	A
812000	Body Piercing – Other than ears	H
<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
812990	Bail Bond Services	N
451211	Bookstore	A
541219	Bookkeeping Services	A
422111	Bottled Soft drink Distributors	A
713950	Bowling Alleys	A
444190	Building Materials Supplier	A
485510	Bus Company / Limousine Service / Tour Service Must provide proof of insurance \$500,000 property and \$1,000,000 liability coverage	A
423420	Business Machines and Equipment	A
337211	Cabinet Shop	A
515210	Cable Television	Franchise
811192	Car Wash & Detailing	A
711190	Carnival – Per Week, Must provide proof of insurance	I
442211	Carpet, flooring and rug sales	A
561741	Carpet, Rug & Mattress Cleaning	A
722320	Catering Service	A
812220	Cemetery/Mausoleums	A
522390	Check Cashing Service	H
561790	Chimney Cleaning Service	A
621310	Chiropractors: Individual and/or firm professional	B
454390	Christmas Trees	A
561720	Cleaning Services	A
561440	Collection Agency	A
541511	Computer Consultant	A
811212	Computer Equipment Sales and Service	A
551114	Corporate Office Shall not be used to avoid paying license on gross receipts from sales or services required in another section of this code.	W
522130	Credit Union	R
	<b>CONTRACTORS AND SUBCONTRACTORS</b>	
	<b>MUST HAVE PICTURE I.D. AND CERTIFICATION CARD FOR REGULATED SPECIALTY TRADES</b>	
236220	General Contractor – Commercial	E
236115	General Contractor – Residential Building	E
236118	Home Improvement / Remodeling Allows no contract over \$10,000 without certification	E
	<b>SUB-CONTRACTORS</b>	
238312	Acoustical Ceiling, Sheetrock	E
238190	Awnings and Tents	E
238911	Backhoe Tractor Work	E
238912	Blasting	E
238390	Blinds, Drapery Installation	E
238140	Brick, Block, Masonry and Stone	E
238350	Cabinetry, Counter Tops and Installation	E

238130	Carpentry, Framing	E
238110	Concrete and Finishing	E
<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
238990	Construction Clean Up	E
238991	Crane Operator with Rental	E
238351	Door/Window Installation	E
238226	Duct Installation	E
238210	Electrician	E
811211	Electronics Repair and Maintenance	E
238290	Elevator Installation	E
238910	Excavation, Footing and Site Development	E
238992	Fences and Walls	E
238141	Fire Place Installation	E
238223	Fire Sprinkler Systems	E
238330	Flooring Installation (All types)	E
238221	Gas Fitters	E
238170	Gutter Installation	E
238220	Heating, Ventilation, Air Conditioning Installation	E
238993	House Mover	E
238310	Insulation (any type)	E
238224	Lawn Sprinkler System	E
238225	Landscape Contractor/Service	E
561730	Lawn Care & Service	E
238994	Manufactured Home set up/tie down	E
332323	Ornamental Iron	E
238320	Painting,/Wall covering	E
237310	Parking Lot Striping	E
238996	Paving, Curbs and Gutters	E
238222	Plumbing	E
561791	Pressure Cleaning	E
238240	Refrigeration	E
236118	Residential Restoration	E
238160	Roofing	E
238291	Satellite Installation	E
238292	Security Systems-Installation	E
561622	Security Systems - Sales, Service, Monitoring	E
238913	Septic Tank, Cleaning and Installation	E
332322	Sheet Metal	E
238311	Sheet Rock Installation	E
238170	Siding Installation	E
339950	Signs, Including Painting and Installation	E
238120	Steel Erector	E
238995	Swimming Pool Installation	E
238340	Tile Installation	E
531730	Tree Services	E
238391	Waterproofing	E
238199	All Other Subcontractors	E
	<b>END SUBCONTRACTORS</b>	

<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
611610	Dance, Music, Voice, Art, or Handicrafts School	A
624410	Day Care, Nursery	A
562111	Debris/Waste Hauling	A
722211	Delicatessen, Snack Bar	A
484110	Delivery, Transfer – Retail	F
339116	Dental Laboratories – not to include a dentist or dentist services	A
621210	Dentist, Peridontist, Dental Surgeon; individual and/or firm professional	B
561611	Detective Agency	A
812191	Diet Center (Non-Medical)	A
541871	Directory Service	A
541112	Doctor, Physician, Medical Specialty; individual and/or firm professional	B
541340	Drafting Services	B
512132	Drive-in Theatre	A
446110	Drug Store, Pharmacy	A
812320	Dry Cleaner Shop	A
561791	Duct Cleaning	A
611710	Education Support Services	A
335312	Electric Motor Shop	D
221111	Electric Power	Q
444191	Electrical Power Supply and Lighting	A
812199	Electrolysis and Similar Services	A
561310	Employment Agency	A
541330	Engineering Services	B
532412	Equipment Rental	A
451130	Fabric Store, Sewing Notions	A
332111	Fabricating Plant	D
522291	Finance or Loan Company	O
421910	Firearms – Wholesale	C
454319	Firewood Dealers	G
713993	Fireworks Stand – See Ordinance 2005-30	G
453110	Florist	A
812991	Fortune Teller, Palm Reader, Psychic	H
481112	Freight Carrier	T
812210	Funeral Home, Undertaker, Burial Items	B
337212	Furniture - Manufacturer	A
811420	Furniture Repair and Refinishing	A
442110	Furniture - Retail	A
562112	Garbage Collection Contractor	A
444220	Garden Center	A
221210	Gas Distributor – Natural Gas	Q
424710	Gasoline and Oil Wholesale	C
424720	Gasoline and Oil Wholesale Deliveries	F
447110	Gasoline Station – With Convenience Store	A
447190	Gasoline Station – Without Convenience Store	A
453220	Gift Shop	A
445110	Grocery Store	A

<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
623220	Group Home	A
451111	Gun Shop	A
561792	Gutter Cleaning	A
444130	Hardware Store	A
713940	Health Club, Exercise, Weight Facilities	A
811310	Heavy Equipment / Tractor – Sales and Service	A
451120	Hobby Shop	A
621610	Home Health Care Services	B
541990	Home Inspections Services	B
622110	Hospital, Medical Clinic, Medical Facility	A
722213	Ice Cream Parlor, Frozen Yogurt, Snow Cone	A
524210	Insurance Agency	U
524291	Insurance Adjuster	U
524126	Insurance – Fire and Marine	U
524128	Insurance – Other than Fire and Marine and Fraternal	U
541410	Interior/Exterior Decorator	B
454111	Internet Sales	A
448310	Jeweler	A
812910	Kennel	A
611110	Kindergarten - Private	A
423450	Lab Supplies	A
237210	Land Company or Land Developer	E
541320	Landscape Design	A
812310	Laundry Mat - Coin Operated or Automated	A
812331	Laundry Supply and Delivery	A
811411	Lawnmower Sales, Repair and Service	A
561622	Locksmith	A
722410	Lounge –(Bar & Tavern)	J
332710	Machine Shop	D
423810	Machinery and Equipment Sales	A
333999	Manufacturer ( Misc. & General Purpose)	D
812200	Massage Parlor	H
611519	Massage Therapists – Requires Picture I.D. and current state license and/or certification plus proof of liability insurance as mandated by State Law	B
621399	Massage Therapy	A
423840	Mechanical Supply Sales	A
452990	Merchant Retail	A
446199	Medical Supplies	A
492210	Messenger, Courier Service	A
423510	Metal Products Sales	A
531190	Mobile Home Park or Motor Home Camp	A
522310	Mortgage/Loan Brokers	A

<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
721110	Motel, Motor Hotel, and Inn In addition thereto, each person, firm or corporation engaged in the business of operating a motel, motor hotel, hotel or inn shall pay for the privilege of engaging in such business with the corporate limits, an amount equal to (3%) of the amount charged by said operator to the person or persons using or occupying a room or other quarters in said place of business for the use or occupancy thereof, including charges for use or rental of personal property and services furnished in such rooms. The license first hereinabove provided shall be payable annually, as provided by the City of Clay business license Code, and the additional amount hereinabove provided shall be due and payable on or before the twentieth (20 <sup>th</sup> ) day of each calendar month on the charges made by said operator for use and occupancy of said rooms or other quarters in said place of business during the preceding calendar month, and if not paid by said date, shall be subject to a penalty of fifteen percent (15%) of said charges.	A
488991	Moving/Packing Company	A
451140	Musical Instruments	A
812115	Nail Salon	A
812116	Nail Tech/Manicurist	A
511110	Newspapers and Magazines – publishing, circulating, or distributing daily, weekly or monthly	A
453221	New / Used Merchandise	A
623111	Nursing Care Facilities	A
446199	Nursing, Medical Supplies and Equipment	A
561110	Office Administrative Services	A
621111	Ophthalmologists, Optician; individual and/or firm professional	B
446130	Optical Goods	A
621211	Orthodontist; individual and/or firm professional	B
444120	Paint and/or Wallpaper Retail	A
812930	Parking Garage/Lot	A
522298	Pawn Broker, in compliance with State and Local Regulations	H
454391	Peddlers, - All Other Direct Sellers	A
531130	Personal Storage – Mini Warehouses	Y
453910	Pet Shop	A
561710	Pest Control	A
541922	Photography	A
562991	Portable Toilet Services	A
444192	Plumbing or Gas Supply	A
423940	Precious Metal Wholesaler	A
323114	Print Shop, Copying	A
445230	Produce Sales	G
541990	Professions and Vocations – not listed elsewhere	B
334220	Radio/Stereo/Television/Video – Sales and Service	A
482111	Railroads	AA
713941	Recreational Facilities – not listed elsewhere	A
531210	Real Estate Agency/Agent – buying, selling, renting, managing, or exchanging whether as principal or agent	X

<b>NAICS CODE</b>	<b>CLASSIFICATION TITLE</b>	<b>SCHEDULE</b>
531320	Real Estate Appraisers	A
531120	Rental of Nonresidential Buildings (except miniwarehouses)	Y
<b>531110</b>	<b>Rental of Residential Buildings or Dwellings</b>	<b>Y</b>
722110	Restaurant, cafeteria, donut shop, sandwich shop, snack bar, or drive-in restaurant	A
452991	Retail merchants – not covered elsewhere	A
611111	School, Private – Day School, Nursery, K-12 or other	A
561621	Security Alarm Service	A
561612	Security Guard Service, Patrol Service	A
443112	Sewing machines sales and services	A
811430	Shoe repair shop without retailing new shoes	A
713942	Skating rink	A
454392	Special Event – Retail	G
451112	Sporting Goods	A
611620	Sports and Recreation Instruction	A
541370	Surveyors, Land Surveyor/Mapping	B
453998	Swimming pools and spas – sales and accessories	B
812201	Tanning Salon	A
812202	Tattoo Parlor	H
541213	Tax Preparation Service	A
485310	Taxicabs - operators must furnish evidence of insurance including a minimum of \$500,000 property damage and \$1,000,000 public liability. Evidence of such insurance protection, in current full force and effect must be furnished at the time of making application for license.	A
532490	Telecommunications Equipment Rental	A
517111	Telecommunications Tower	Y
517110	Telephone Company – Local or Long Distance	S
811211	Telephone/Television Repair (no new sales)	A
443113	Telephone/Television Sales	A
512131	Theaters, including outdoor or drive-in	A
453991	Tobacco Products	A
611520	Training Center, Trade School, Tutoring	A
561510	Travel Agency	A
532120	Truck and Trailer Rental	A
811421	Upholstery	A
454210	Vending Machine	M
541940	Veterinarian; Individual and /or firms	B
532230	Video Rentals and Sales	A
531121	Warehouse (non-residential)	Z
562119	Waste Recycling	AB
221310	Water Company	Q
812992	Wedding chapels (except churches)	A
811310	Welding Shop	D
423990	Wholesale Merchants	C
424990	Wigs	A
442291	Window Treatment Store	A
811122	Window Tinting	A

488410	Wrecker Service	A
453911	All Other Business	A

**Section 24. License Fee Schedules.**

The measure of a municipal business license based on gross receipts shall be based on the taxpayer’s gross receipts for the license year next preceding the current license year, unless the taxpayer first began doing business in the municipality during the current license year, in which circumstance the gross receipts shall be estimated.

Any schedule adopted herein having a fee established by the Code of Alabama, whether or not said schedule is based upon census population of the municipality, may be amended as necessary to remain in compliance with the Code, without amendment to this ordinance.

**Schedule “A” – Basic**

\$100.00, plus an amount equal to 1/10 of 1% (.001) of gross receipts in excess of \$50,000 of the gross receipts for the previous year.

**Schedule “B” – Professional**

\$150.00, plus an amount equal to 1/10 of 1% (.001) of gross receipts in excess of \$50,000 of the gross receipts for the previous year.

**Schedule “C” – Wholesale**

\$150.00, plus an amount equal to 1/20 of 1% (.0005) of gross receipts in excess of \$50,000 of the gross receipts for the previous year.

**Schedule “D” – Manufacturer**

\$150.00, plus an amount equal to 1/50 of 1% (.0002) of the gross receipts for the previous year.

**Schedule “E” – Contractor/Land Company/Land Developer**

\$150.00, plus an amount equal to 1/20 of 1% (.0005) of gross receipts in excess of \$50,000 .

**Schedule “F” – Delivery License**

\$100.00 – The rate for the delivery license is established in Section 5 for deliveries up to \$75,000 for the previous year. When deliveries exceed more than \$75,000 in the preceding year, the delivery license shall be collected under the appropriate license category for the specific type of business listed herein.

**Schedule “G” – Seasonal**

\$100.00

City sponsored special events are exempt from the license fee.

Fireworks stands – See Ordinance 2005-30

**Schedule “H” – Other Business**

\$5,000.00 plus an amount equal to 1/10 of 1% (.001) of gross annual receipts.

**Schedule “I” – Carnival Show**

Per Week \$500.00

**Schedule “J” – Beer, Wine and Liquor**

State regulated under Code of Alabama Alcoholic Beverage Licensing Code Section 28-3A-1 through 28-3A-26

<b><u>State ABC Code</u></b>	<b><u>Classification</u></b>	<b><u>Amount</u></b>	<b><u>Licensing Notes</u></b>
040 (Beer On/Off Premise)	445401	75.00	
050 (Beer Off Premise Only)	445400	50.00	
060 (Table Wine On/Off Premise)	445501	75.00	
070 (Table Wine Off Premise Only)	445500	75.00	
010 (Lounge Retail Liquor Class I)	722410	<b>Schedule A</b>	
On/Off Premise	445401	75.00	All four codes are part of total establishment Business license
	445601	150.00	
	445501	75.00	
011 (Package Store Liquor Class II)	445310	<b>Schedule A</b>	
Off Premise	445400	75.00	All four codes are part of total establishment Business License
	445600	150.00	
	445500	75.00	
020 (Restaurant Retail Liquor)	722110	<b>Schedule A</b>	
On Premise Only	445402	75.00	All four codes are part of total establishment Business License
	445602	150.00	
	445502	75.00	
--- (Club Liquor Class I)	445700	150.00	
Non-profit – On Premise	445401	75.00	All four codes are part of total establishment Business License
Off Premise (except Sunday)	445601	150.00	
	445501	75.00	
--- (Club Liquor Class II)	445701	150.00	
For Profit – On Premise	445401	75.00	All four codes are part of total establishment Business License
Off Premise (except Sunday)	445601	150.00	
	445501	75.00	
--- (Special Event – Limit 7 Days)	455702	75.00	
	445401	75.00	All four codes are part of total establishment Business License
	445605	150.00	
	445501	75.00	
--- (Special Retail – less than 30 days)	455703	50.00	
	445401	75.00	All four codes are part of total establishment Business License
	445605	150.00	
	445501	75.00	
160 (Special Retail – more than 30 days)	455703	150.00	
	445401	75.00	All four codes are part of total establishment Business License
	445605	150.00	
	445501	75.00	
Wholesaler :	Beer	492215	275.00
	Table Wine & Beer	492216	375.00



Table Wine	492217	275.00
Liquor	492218	250.00
Manufacturer's License	312140	250.00

**Schedule “K” - Amusement Devices**

For each amusement device placed, an amount shall be collected as follows:

For the first three machines	\$100.00 per machine
All machines over three	\$ 50.00 per machine

**Schedule “L”- Billiard and/or Pool Tables**

For each billiard and/or pool table placed, an amount shall be collected as follows:

For one billiard or pool table	\$500.00 per table
All billiard or pool tables over one	\$100.00 per table

**Schedule “M” – Vending Machines**

For each vending machine placed per location, other than operated by a 501(3)c organization, an amount shall be collected as follows:

1 to 3 machines vending type merchandise or product	\$75.00 per machine
3 to 10 machines vending any type merchandise or product	\$50.00 per machine
Each machine in excess of 10 machines vending any type merchandise or product	\$25.00 per machine

**Schedule “N” – Bonding Company or Agent**

For each person, firm or corporation making appearance or appeal bonds \$500.00

**Schedule “O” Finance or Loan Company**

\$500.00 plus an amount equal to 1/10 of 1% (.001) of the gross amount of interest and carrying charges, including all commissions of every kind, during the preceding year.

**Schedule “P” – Cable Television**

As per franchise agreement.

**Schedule “Q” – Utilities**

Amount of license is state regulated under 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 City of Clay for the previous year.

Shall also include sewer utility service not regulated under Section 11-51-129 in an amount not to exceed three percent of the gross receipts of the business transacted in the City of Clay for the previous year.

**Schedule “R” – Banks / Savings and Loans**

Amount of license is state regulated under Code of Alabama, Section 11-51-130 for Bank and Section 11-51-131 for Savings and Loan main office facilities and branches. Set locally for ATM locations.

Bank ATM Location (not at branch location)	\$10.00
Bank Branch Location	\$10.00
Bank Main Office Facility	\$125.00
Savings and Loan ATM Location (not at branch location)	\$10.00
Savings and Loan Branch Location	\$10.00
Savings and Loan Main Office Facility	\$125.00

**Schedule “S” – Telephones and Telecommunications**

Amount of license is state regulated and Code of Alabama 11-51-128 shall be applied based upon municipal population for telephone and long distance service.

Telecommunications tower license shall be based upon gross rental or lease – Schedule Y

**Schedule “T” – Express Company/Freight Carrier**

State regulated under Code of Alabama 11-51-126 by population.

**Schedule “U” – Insurance**

State regulated under Code of Alabama 11-51-120 and 11-51-121.

**Schedule “V” – Billboards/Outdoor Advertising**

\$750.00 per billboard/outdoor advertising face for non-changeable faces or \$750.00 per display for billboard/outdoor advertising utilizing changeable faces.

**Schedule “W” – Office, Business or Corporate**

\$150.00 plus an amount equal to 1/5 of 1% (.002) of gross annual payroll

**Schedule “X” – Real Estate Agency/Real Estate Agent**

If a realtor is domiciled or having a business location within the City of Clay the rate shall be \$100.00 plus an amount equal to 1/10 of 1% (.001) of gross commissions, fees, or other income generated from buying, selling, renting, managing, or exchanging real estate, whether as principal, broker or real estate agent working under the agency umbrella or separately as an independent contractor.

**Schedule “Y” – Rental Property – Residential, Commercial, Mini-Warehouses**

Commercial Zones and Mini-Warehouses: Minimum license fee shall be \$150.00 plus 1/10 of 1% (.001) of gross receipts of such rentals.

**Residential Rental Property:**

- 1 house \$100.00 plus 1/10 of 1% (.001) of gross receipts of such rentals
- 2-4 houses \$200.00 per property plus 1/10 of 1% (.001) of gross receipts of such rentals
- 5-9 houses \$500.00 per property plus 1/10 of 1% (.001) of gross receipts of such rentals
- 10+ houses \$1,000.00 per property plus 1/10 of 1% of gross receipts of such rentals

**Schedule “Z” – Warehouses, Other than Mini-Warehouses**

- Up to 10,000 square feet of floor space \$200.00
- Over 10,000 square feet of floor space \$200.00 plus an amount equal to 1/10 of 1% (.001) of gross receipts.

**Schedule “AA”- Railroads**

To be amended as needed.

**Schedule “AB”- Waste Grease Rendering or Recycling**

State regulated Code of Alabama, 11-40-23.

**Schedule “AC” – Massage Therapy Establishment**

This schedule shall pay an establishment rate of \$100.00 and shall follow the guidelines as stated:

Definition – A massage therapy establishment is any site, premises or business where massage therapy is practiced by a licensed professional massage therapist, regardless of whether or not the provision of massage therapy services is the primary function of the establishment.

Location – No massage therapy establishment, building, structure or part thereof which is integral to a massage therapy establishment shall be erected, maintained, or located in any zone other than that zone required and recommended by the City of Clay Planning and Zoning Commission and approved by the City Council of the City of Clay, Alabama.

Requirements - Every massage therapy establishment shall conform to all rules and regulations for licensure and operation as required by the State of Alabama and the Alabama Board of Massage Therapy and any applicable ordinance of the City of Clay. Each massage therapy establishment must display a current, valid license obtained from the Alabama Board of Massage Therapy as well as a current business license issued by the City of Clay in plain view.

***-- End License Schedule***

## **Section 25. Exchange of Information.**

- (a) The revenue officer may exchange tax returns, information, records, and other documents secured by the City of Clay, with other municipalities adopting similar ordinances for the exchange of taxpayer information, or with the county or state authorities. The revenue 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:
  - Collecting taxes due.
  - Ascertaining the amount of taxes due from any person
  - Determining whether a person is liable for, or whether there is probably 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 municipality in the proper administration of any matter administered by the revenue officer. The revenue 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 the Code of Alabama Section 40-23-25, 40-23-82 or 40-12-224.

## **Section 26. Effective Date.**

This ordinance shall become effective with the **January 1, 2023** business license and renewal cycle.

## **Section 27. 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 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 of Clay Council without the incorporation of any such unconstitutional phrase, clause, sentence, paragraph or section.

## **Section 28. Repealer.**

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

## **Section 29. No Intent to Repeal Special License Ordinances.**

This ordinance is not intended to, nor shall it repeal such special license ordinances as are currently in effect or may be adopted by the City Council of the City of Clay, Alabama.

Adopted and Approved this the 13<sup>th</sup> day of September, 2022.