

ORDINANCE NO. 526

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**AN ORDINANCE OF THE CITY OF PELHAM, ALABAMA
TO ADOPT A COMPREHENSIVE AMENDMENT TO THE
CITY OF PELHAM BUSINESS LICENSE CODE OF ORDINANCES**

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

Section 1. The City of Pelham recognizes the importance of maintaining a fair, consistent, and transparent system for business licensing. In order to better serve its citizens, businesses, and prospective investors, the City has undertaken its first comprehensive review and update of the Business License Ordinance in nearly two decades. This update is intended to:

1. Streamline the licensing process to ensure clarity, consistency, and efficiency.
2. Modernize provisions to comply with applicable state and federal laws.
3. Provide a straightforward and customer-focused approach for both new and existing businesses.
4. Promote economic development by reducing confusion, eliminating outdated language, and improving the customer experience.

Section 2. The City of Pelham hereby adopts a new Business License Ordinance, as set forth in the Attachment to this Ordinance, which is incorporated by reference as if fully set forth herein. The provisions of the Attachment shall govern the business license process and requirements for the City of Pelham as of the effective date of this Ordinance.

Section 3. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed. Such repeal shall be effective as of the effective date of this Ordinance. Section 5-1 through Section 5-27, as codified in the City of Pelham Code of Ordinances, is hereby repealed and replaced with language set forth in the Attachment.

Section 4. Section 5-20 through Section 5-27 of the City of Pelham Code of Ordinances shall be reserved for later use, as necessary.

Section 5. If any section, subsection, sentence, clause, or phrase of this Ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, such declaration shall not affect the validity of the remaining portions of the Ordinance.

Section 6. This Ordinance and the Attachment shall be effective for the 2026 business license year and every subsequent year thereafter following its adoption and publication as required by law.

Section 7. Section 5-1 through Section 5-19 shall be effective immediately and implemented following its adoption and publication as required by law. Section 5-17 through Section 5-19 shall be assessed and applied beginning with the 2026 business license year and every subsequent year thereafter.

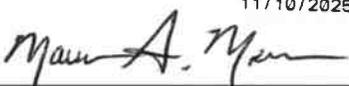
THEREUPON David Coram, a councilmember moved and Michael Harris, Jr., a councilmember seconded the motion that Ordinance No. 526 be given vote. The roll call vote on said motion was recorded as follows:

Maurice Mercer, Council President	<u>Yes</u>
David Coram, Council Member	<u>Yes</u>
Chad Leverett, Council Member	<u>Yes</u>
Rick Wash, Council Member	<u>Yes</u>
Michael Harris, Jr., Council Member	<u>Yes</u>

Ordinance No. 526 passed by a unanimous vote of those members of the Council present and the Council President declared the same passed.

ADOPTED this the 20th day of October 2025.

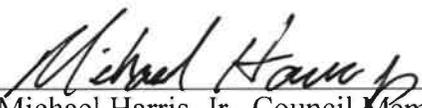
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Maurice Mercer, Council President


David Coram, Council Member


Chad Leverett, Council Member


Riek Wash, Council Member

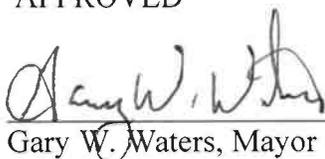

Michael Harris, Jr., Council Member



ATTEST


Jonathan Seale, CMC, City Clerk/Treasurer

APPROVED

 10-20-2025
Gary W. Waters, Mayor Date

POSTING AFFIDAVIT

I, the undersigned qualified City Clerk/Treasurer of the City of Pelham, Alabama, do hereby certify that the above and foregoing **ORDINANCE NO. 526** was duly ordained, adopted, and passed by the City Council of the City of Pelham, Alabama at a regular meeting of such Council held on the 20th day of October 2025 and duly published by posting an exact copy thereof on the 21st day of October 2025 at four public places within the City of Pelham, including the Mayor's Office at City Hall, Park & Recreation Center, Library, Pelham Water Works and www.pelhamalabama.gov. I further certify that said ordinance is on file in the office of the City Clerk/Treasurer and a copy of the full ordinance may be obtained from the office of the City Clerk/Treasurer during normal business hours.


Jonathan Seale, CMC, City Clerk/Treasurer





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Chapter 5 BUSINESS LICENSES, TAXES AND REGULATIONS

ARTICLE I. IN GENERAL

Sec. 5-1. Revenue administration; general provisions.

Sec. 5-1-1. - Definitions.

(a) General definitions. The words and terms as used in this chapter and elsewhere in this Code shall have the following meanings and conditions unless the context indicates a clearly different meaning:

Auditor. Shall mean a revenue official who, by job description or assignment by the finance director, conducts examinations or audits of taxpayer records.

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 of Pelham. The term shall include, without limitation, all activity and conduct for which state law authorizes or empowers the city to levy and collect a business license.

Business license. An annual license issued by the municipality for the privilege of doing any kind of business, trade, profession or any other activity in the municipality, 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 Pelham, Alabama.

Code of Ala. or Code of Alabama. Shall mean and refer to the Code of Alabama, 1975, as amended.

Department of Revenue. The Alabama Department of Revenue, as created under the Code of Ala. § 40-2-1 et seq.

Designee. An agent or employee of the City of Pelham authorized to administer or collect, or both, the City's business license taxes and all other taxes, which may include another taxing jurisdiction, the Department of Revenue, or a "private auditing or collecting firm" as defined in Code of Ala. § 40-2A-3.

Franchise agreement or contract. A written agreement approved by the city council of the City of Pelham defining the conditions upon which any person, firm, association, corporation, "utility" as defined by Code of Ala. § 37-4-1(7), "holding company" as defined by Code of Ala. § 37-4-1(10), subsidiary corporation, contractor, or subcontractor thereof which shall be authorized or permitted to use the rights-of-way consisting of streets, avenues, alleys, or public places of the City of Pelham for the construction or operation of any public utility or private enterprise, in the absence of which any such person would be guilty of trespassing upon such streets, avenues, alleys, or public places in accordance with Ala. Const. art. XII, § 220 et seq., and in accordance with the City of Pelham Code.

Finance director. Shall mean the director of revenue code enforcement charged with administration of revenue ordinances and supervision of all revenue officials.

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, without regard to the location in which the activity giving rise to the receipts was transacted, solicited, executed, consummated, or delivered, to be used in calculating the amount due for a business license, provided, however, that:



(1) 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 taxes levied pursuant to the Code of Ala. § 40-21-3; license taxes levied pursuant to Code of Ala. § 40-21-2; 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.

(2) A different basis for calculating the business license may be used by a municipality with respect to certain categories of taxpayers as prescribed in Section 11-51-90.2.

(3) For a utility or other entity described in Code of Ala. § 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 the Code of Ala. 40-21-3, except that nothing herein shall affect any existing contract or agreement between the city 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.

(4) Gross receipts shall not include dividends or other distributions received by a corporation, or proceeds from borrowings, 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.

(5) Gross receipts for businesses domiciled outside of the city, with no office or substation located within the city, shall include the gross receipts derived from business activity within the corporate limits of the city.

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

Licensee. Any taxpayer or any person issued a business license under this article and/or other person responsible for the payment of the municipal license tax and all other taxes.

License year. The calendar year.

Manufacturer. A person who either directly or by contracting with others for the necessary labor or mechanical services, manufactures within the city for sales or commercial use, any articles, substances or commodities, including but not limited to the following: All the activities of a commercial nature wherein labor or skill is applied, by hand or machinery to materials so that as a result thereof a new, different or useful article of tangible personal property or substance of trade or commerce is produced; the production or fabrication of specialty or custom made articles; the making, fabricating, processing, refining, mixing, slaughtering, packaging, aging, curing, preserving, canning, preparing and freezing of fresh foods.

Municipality. Any town or city in this state that levies a business license tax from time to time.

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 municipalities.

Professionals. Accountant certified or public; architect; attorney; chemist; chiropractor; dentist; physician; engineer and land surveyor; forester; optometrist; insurance adjuster and any other like occupation. Each person, and each member and/or employee of a corporation, professional association or partnership engaged in any of the above or like professions shall pay a license tax based on personal gross compensation. Amounts received such as automobile allowance or any and all other amenities shall be included as part of the gross compensation.

Retail sale; sale at retail. Any sale not covered by the term "wholesale sale" as defined in this section.

Revenue clerk or revenue officer. The city employee charged by the City of Pelham with the primary responsibility of administering the City of Pelham's business license tax and related matters.

Revenue official. Shall mean the finance director, and any duly authorized revenue officer or other designee.



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Taxing jurisdiction. Any municipality that levies a business license tax or the Department of Revenue acting as agent on behalf of a municipality pursuant to the Code of Ala. § 11-51-180 et seq., as the context requires.

Taxpayer. Any person subject to or liable under this chapter for any business license tax and all other tax; any person required to file a return with respect to, or pay or remit the business license tax or all other tax levied under this chapter or to report any information or value to the City of Pelham; or any person required to obtain, or who holds any interest in, any business license issued by the city; or any person that may be affected by any act or refusal to act by the city under this chapter, or to keep any records required by this chapter.

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

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

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 section, and not defined above, shall have the same meanings ascribed to them in Code of Ala. § 40-2A-3, as amended, unless the context otherwise requires.

(b) Rule of plain meaning; aid to construction of words and provisions; finance director's general power of interpretation and administration. Unless this chapter or any federal, state, or local law, rule, or regulation requires a particular meaning for any word, term, or provision not expressly defined, all other words, terms, and provisions shall be interpreted and construed in accordance with the rule of plain meaning. Solely as a nonbinding aid to assist in interpreting and construing any word, term, or provision of this chapter, revenue officials may utilize any reasonable source, including without limitation the City of Pelham Code, other ordinances and resolutions of the city council; prior interpretations, constructions, rules, regulations, policies, and rulings of revenue officials; the Code of Ala.; rules, regulations, interpretations, and rulings of the Alabama Department of Revenue, the Alabama Tax Tribunal, or any local tax tribunal; judicial decisions, rulings, and opinions; dictionaries and encyclopedias; rules, regulations, rulings, and promulgations of any department, agency, commission, authority, or bureau of the city, the state, or the United States. To the extent allowed by law and subject only to the executive, administrative, statutory, judicial, or legislative powers of other bodies or officials or as otherwise provided by law, the interpretation, construction, and administration by the finance director of this chapter shall be final and binding.

(c) Construction to allow maximum taxation. The provisions of this chapter shall be construed to allow taxes, licenses, and other revenues to be assessed in the maximum amount allowed by the constitution and laws of the United States and the state, including, without limitation, those provisions relating to interstate commerce. All provisions of this chapter are intended to be consistent with the constitution and laws of the United States and the state. This rule of construction shall be applied as follows:

- (1) The amount of tax, license, or other revenue due to the city shall be calculated in accordance with municipal law.
- (2) If the constitution or laws of the United States or the state impose no limitation thereon, then the amount due shall be assessed solely in accordance with municipal law.
- (3) If the constitution or laws of the United States or the state do impose a limitation on the amount due under municipal law, then the amount due shall be reduced only to the extent required by such federal or state limitation.

(d) Use of the term "tax." Use of the word "tax" in this chapter shall include, without limitation, business license taxes and all other taxes unless the context indicates that the reference is to only a particular kind or kinds of taxes such as sales and use taxes, lodging taxes, and the like.

(e) Automatic conformity to federal and state law. To the extent this chapter may conflict with any valid superseding federal or state law, it shall automatically conform to such federal or state law. The finance director is authorized to administer this chapter in accordance with such automatic conformity.

Sec. 5-1-2. - Finance department generally.

Except as may otherwise be provided, revenue officials shall administer and enforce this chapter and any other ordinance or resolution relating to revenues, business licenses, and taxes. In addition to all other powers granted or implied by this chapter, law, ordinance, resolution, or job description, revenue officials shall have the following powers and duties:

- (a) To administer and enforce this chapter of the City of Pelham Code and any other ordinance or resolution relating to revenues, business licenses, and taxes.
- (b) To promulgate and issue rules, regulations, policies, and rulings approved by the finance director that are allowed by law in furtherance of the administration of this chapter and any other ordinance or resolution relating to revenues, business licenses, and taxes.
- (c) To issue or enter all levies, notices, licenses, assessments, and other matters as may be provided by this chapter of the City of Pelham Code, and any other ordinance or resolution relating to revenues, business licenses, and taxes.
- (d) To make determinations of the amounts owed or due under this chapter and any other ordinance or resolution relating to revenues, business licenses, and taxes.
- (e) To authorize and approve promissory notes, installment agreements, and other instruments of indebtedness for levies, assessments, and other business license or tax amounts due to the city.
- (f) To suspend renewal of business licenses and issuances of new business licenses to persons or taxpayers who owe business license or tax liabilities to the city or for which other reasonable cause exists.
- (g) To audit and examine or cause to be audited or examined the records and books of taxpayers.
- (h) To take all civil, administrative, and criminal actions in enforcement of this chapter or any other ordinance or resolution relating to revenues, business licenses and taxes. All remedies for enforcement and collection of licenses and taxes shall be cumulative.
- (i) To the maximum extent allowed by state law, rule, or regulation, in addition to powers granted elsewhere in this chapter or otherwise, as related to licenses and taxes, revenue officials shall have all powers of administration, enforcement, assessment, collection, levy, seizure, and distraint, as provided by, authorized by, or parallel to all provisions of Code of Ala., title 11 and title 40, as amended.

Sec. 5-1-3. - Records of taxpayers required to be maintained.

It shall be the duty of every person engaging in any business to keep and maintain an accurate and complete set of records. The records maintained must be sufficient to allow the city or its auditors to determine the correct amount of any tax, business license, or other amount levied by this chapter or otherwise levied by the city. To the extent necessary to determine the correct amount of any tax, business license, or other amount levied, the records required to be maintained shall include without limitation all books of account, invoices, purchases, sales, receipts, register tapes, inventory, reports, bank statements, financial statements, and federal income tax returns. It shall be the duty of every person to keep and preserve all invoices of goods and merchandise purchased, for resale or otherwise. The records for any person selling both at wholesale and retail shall be kept separately in order to show the gross proceeds of wholesale sales and the gross proceeds of retail sales. All such books, invoices, and other records shall be open for examination by revenue officials. Without limiting the foregoing, taxpayers shall also keep and maintain any records required by state law. In the event the taxpayer's records are inadequate, revenue officials may calculate and determine the amount of license or tax based on any information available.

In accordance with the Code of Ala. § 40-23-11, any person subject to the provisions of this chapter who shall fail to make the reports or any of them, as herein required, or who shall fail to keep the records as herein required, shall be guilty of a misdemeanor, and upon conviction shall be fined not less than twenty-five dollars (\$25.00) nor more than five hundred dollars (\$500.00) for each offense. Each month of such failure shall constitute a separate offense.



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In accordance with the Code of Ala. § 40-23-12, any person subject to the provisions of this chapter willfully refusing to make the reports herein required, or who shall refuse to permit the examination of his records by the revenue official or designee, shall be guilty of a misdemeanor, and upon conviction shall be fined not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00) for each offense, and in addition may be imprisoned in the county jail for a period not to exceed six months. Each month of failure to make such reports shall constitute a separate offense, and each refusal of a written demand of the department to examine, inspect or audit such records shall constitute a separate offense.

Sec. 5-1-4. - Audit procedures.

(a) Revenue officials shall give notice of the audit examination to the taxpayer in writing by first-class mail or personal delivery. The notice shall indicate the types of licenses and/or taxes to be audited, the initial period of examination, and the business records needed for review. The taxpayer shall have five (5) business days to respond to revenue officials to schedule a starting date for the audit and to discuss the details of the audit examination. At that time, an audit appointment will be set that is agreeable to both the taxpayer and the auditor. If the taxpayer does not respond to the audit notice in a timely manner or does not agree to a reasonable time and date for the audit examination, the city shall set a start date for the audit and shall notify the taxpayer in writing of the date selected.

(b) Prior to the commencement of the audit, the auditor shall provide the taxpayer with a statement of taxpayer's rights. An initial interview shall be conducted with the taxpayer or his representative. If the taxpayer chooses to designate an accountant, attorney, or other agent to represent him, the taxpayer must provide revenue officials with an executed power of attorney or designation of representative form.

(c) If the auditor determines that the amount of any business license or tax reported or remitted is incorrect, if no license or tax is filed, or if the information provided is insufficient, the auditor shall calculate the correct amount of license or tax based on the most accurate information obtainable, and a preliminary assessment for the correct amount of license or tax, including any penalty and interest shall be entered. At the time the preliminary assessment is issued, the auditor shall provide written information as to how the tax, penalty, and interest were calculated and explain the assessment guidelines for payment and/or appeal.

(d) The preliminary assessment entered by the city, or a copy thereof, shall promptly upon entry 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, or, at the option of the city, the preliminary assessment may be delivered to the taxpayer by personal delivery.

(e) If the amount of business license or tax remitted by the taxpayer is undisputed by the city or the taxpayer consents to the amount of the preliminary assessment in writing, the city may immediately enter a final assessment for the amount of any tax due, plus penalty and interest. Payment is due ten (10) business days after the final assessment has been issued.

Sec. 5-1-5. - Assessment period.

(a) *Business licenses.* A preliminary assessment shall be entered within four (4) years from the due date of the business license form or four (4) years from the date the form is filed, whichever is later, except as follows:

(1) A preliminary assessment may be entered at any time if no license form is filed as required, or if a false or fraudulent license form is filed with the intent to evade the business license tax.

(2) A preliminary assessment may be entered within six (6) years from the due date of the license form or six (6) years from the date the license form is filed with the city, whichever date occurs last, if the taxpayer omits or fails to report an amount in excess of twenty-five (25) percent of its gross receipts or other applicable business license tax base.

(3) A preliminary assessment may be entered within five (5) years from the due date of the license form, or five (5) years from the date the form is filed, whichever is later, if the taxpayer or its authorized agent fails or refuses to execute and return to the city a written extension of the statute of limitations on issuing preliminary



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assessments for up to eight (8) months, as requested by the city, within thirty (30) days after receipt of the request for the extension by the taxpayer or its authorized agent.

(b) *Taxes (sales, use, rental of tangible personal property, lodging, wine, liquor, gas)*. A preliminary assessment may be entered within the later of three years of the due date of the return or three (3) years from the date the return is filed, except as follows:

(1) A preliminary assessment may be entered at any time if no return is filed as required, or if a false or fraudulent return is filed with the intent to evade the tax.

(2) A preliminary assessment may be entered within six (6) years from the due date of the return or six (6) years from the date the return is filed, whichever is later, if the taxpayer underreports the tax liability by more than twenty-five (25) percent.

Sec. 5-1-6. - Review and appeal procedures for license and tax assessments.

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

(b) If a petition for review is not timely filed or is timely filed and upon further review the finance director determines that the preliminary assessment is due to be upheld in whole or in part, the city shall make the assessment final in the amount of license or tax due as computed by the city, with applicable interest and penalty computed to the date of entry of the final assessment. The finance director shall, whenever practicable, complete his or her review of the taxpayer's petition for review and applicable law within ninety (90) days following the later of the date of filing of the petition or the conference. The final assessment entered by the city, or a copy thereof, shall promptly upon entry 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 assessments of five hundred dollars (\$500.00) or less, or by certified U.S. mail with return receipt requested in the case of assessments over five hundred dollars (\$500.00). At the option of the city, the final assessment, or a copy thereof, may be delivered to the taxpayer by personal delivery.

(c) A taxpayer may appeal from any final assessment entered hereunder by the city by filing a notice of appeal according to the methods prescribed in the Code of Ala., title 11 and title 40, as amended.

(d) If a final assessment is reduced on appeal, any overpayment shall promptly be refunded to the taxpayer by the city together with interest to the extent allowed by Code of Ala. § 11-51-192.

(e) No court shall have the power to enjoin the collection of any business license tax due on an assessment so appealed or to suspend the payment thereof.

Sec. 5-1-7. - Refunds.

(a) Any taxpayer may file a petition for refund with the city for an overpayment of taxes 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:

(1) Three (3) years from the date that the tax form was filed; or

(2) Two (2) years from the date of payment of the tax, which is the subject of the petition, whichever is later.



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(c) The city shall either grant or deny a petition for refund within six (6) 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 court otherwise determines that a refund is due, the overpayment shall be promptly refunded to the taxpayer by the city, together with interest to the extent allowed by Code of Ala. § 11-51-192.

(e) If the city determines that a refund is due, the amount of overpayment plus any interest due 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 liability 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.

(f) A taxpayer may appeal from the denial in whole or in part of a petition for refund by filing a notice of appeal according to the methods prescribed in the Code of Ala., title 11 and title 40, as amended.

Sec. 5-1-8. - Taxpayer confidentiality; exchange of taxpayer information with other taxing authorities; no cause of action created.

(a) *Generally.* It shall be unlawful for any person to print, publish, or divulge, without the written permission or approval of the taxpayer, the license or other tax form of any taxpayer or any part of the license or tax form, or any information secured in arriving at the amount of tax or value reported, for any purpose other than the proper administration of this chapter, or upon order of any court, or as otherwise allowed by Code of Ala. § 11-51-196, as amended, or otherwise allowed by state or federal law. Nothing herein shall prohibit the disclosure, upon request, of the fact that a taxpayer has or has not purchased a business license or of the name and address of a taxpayer purchasing or renewing a business license from the municipality. Statistical information pertaining to taxes may be disclosed to the city council upon request. Revenue officials may disclose to a purchaser, prospective purchaser as defined pursuant to the regulations of the Alabama Department of Revenue, or successor to a business any outstanding tax liabilities 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 Ala. § 40-23-25, 40-23-82, or 40-12-224.

(b) *Exchange of taxpayer information with other taxing authorities.* Revenue officials may exchange business license and tax information with other municipalities, counties, and the state in a manner consistent with state law. Such exchanged information shall be subject to all taxpayer confidentiality provisions of this section and state law.

(c) *No cause of action created; nonwaiver of defenses.* Notwithstanding this section or any other provision of law pertaining to taxpayer confidentiality, any violation of this section or other provision regarding taxpayer confidentiality shall not create any cause of action, and the city does not waive any immunity or other defense provided by law pertaining to taxpayer confidentiality.

Sec. 5-1-9. - Lien for taxes.

(a) *Lien for license taxes.* On all property, both real and personal, used in any exhibition, trade, business, vocation, occupation or profession for which a license is or may be required, the city shall have a lien for such license, which lien shall attach as of the date the license is due and shall be superior to all other liens, except the lien of the state, county and municipal corporations for taxes and the lien of the state and county for licenses. Such lien may be enforced by attachment or as otherwise provided by law.

(b) *Lien for other taxes.* The city shall have a lien for all taxes as provided or authorized by state law, rule or regulation, including but not limited to sales and use taxes, lodging taxes, rental taxes, liquor taxes, and any other tax levied by the city in this chapter or otherwise.

Sec. 5-1-10. - Unlawful acts.

In addition to all other acts declared to be unlawful, it shall be unlawful for any person to commit any of the following acts:

- (a) Make or provide a false statement or affidavit on the business license application or renewal form or when reporting any information upon which the amount of a license fee or tax is based.
- (b) Engage in any activity for which a business license is required without first having obtained and paid a business license, as provided in this chapter.
- (c) Fail to remit and pay any business license or tax in the amount due or by the date due.
- (d) Falsely represent to any member of the public, to revenue officials, to any law enforcement officer, or to any public official that a person has a city business license, or to falsely represent that a person has a city business license for a particular license classification.
- (e) Alter the taxpayer's name, address, or license classification on a business license, or to forge a city business license.
- (f) Obstruct or interfere with revenue officials in obtaining information necessary to determine the proper license classification and/or proper tax amount due, or to obstruct or interfere with revenue officials carrying out the requirements of this chapter.
- (g) Fail or refuse to perform any duty imposed by this chapter.

The provisions of this section are strict liability criminal offenses unless state law requires that a particular culpable mental state be shown. In addition, all provisions of this section and chapter are enforceable administratively or civilly as provided by law.

Sec. 5-2. - Levy of tax.

Pursuant to the Code of Ala. as amended, and in accordance with the Municipal Business License Reform Act of 2006 (Alabama Act No. 2006-586), the following is hereby declared to be and is adopted as the business license code and schedule of licenses for the City of Pelham for the year beginning January 1, 2026, 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 Pelham as provided herein.

The levy of the tax, the powers authorized for administration, collection and enforcement of the City of Pelham business license tax and the related definitions shall be as specified not only by the Code of Ala., as amended by the Municipal Business License Reform Act of 2006 (Act No. 2006-586), but also as the same may be further amended by actions of the Alabama Legislature to include additional requirements relating to municipal business licenses.

Sec. 5-3. - Licensing procedure generally.

(a) *Application.* Each taxpayer who is required to purchase a business license shall make application to the finance department utilizing forms and procedures promulgated or approved by the finance department or as otherwise provided by law. Although the finance department may assist the person in determining the proper classification for the license and shall have the authority to determine the proper license classification, the taxpayer shall be responsible for obtaining a business license for the proper classification. The application form shall mirror the Uniform Business License Application set forth in the Code of Ala. § 11-51-90 and every applicant shall furnish the following additional information under oath:

- (1) Name and address of the applicant (business address of a corporation or other business entity not an individual) as follows:



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An individual shall furnish his or her legal name and all aliases, social security number, current legal identification, legal business name or trade name, business physical and mailing addresses and residential addresses of the applicant.

A partnership shall furnish its legal name, any trade name(s), business and physical mailing addresses, date and state of formation, proof of good standing to do business in the state, and names and aliases used by all the partners, whether general or limited, accompanied by proof of the existence of the partnership.

A corporation shall furnish its exact corporate name, and any trade name(s) under which it operates or has operated, business and physical mailing addresses, the date and state of incorporation, evidence that it is qualified to do business and is in good standing in Alabama, and the legal names and all aliases used and the capacity of all officers, directors and shareholders owning 20 percent or more of the corporate stock.

A limited liability company or any other business entity shall furnish its exact name, any trade name(s) under which it operates or has operated, business and physical mailing addresses, the date and state of its organization, evidence that it is in good standing in the state, and the legal names and aliases used in capacity of all its officers, directors and members or owners with a 20 percent or more interest in the entity.

(2) The nature of the business to be conducted and products to be sold or otherwise made available to customers.

(3) All regulated businesses shall furnish proof of current licensure, permit or certification by the appropriate regulatory agency.

(b) *Code compliance procedure.* The code compliance procedure provided in section 5-4 is part of the license application process. No business shall be carried on, at a location or place of business, and no privilege license shall be issued therefor until such time as the zoning ordinances, building codes and other codes and ordinances of the city are fully complied with where applicable; proof thereof to be evidenced through certification or other acknowledgement of code compliance by the appropriate department(s) or other responsible city office(s).

(c) *Amount levied for early years of doing business.* Business license amounts for early years of doing business shall be subject to the following special rules:

(1) For the initial business license, taxpayer shall make a good-faith estimate of the total amount of gross receipts it expects for the remainder of the calendar year, which shall be referred to as the "short year." The initial business license payment shall be based on this estimated amount. When the taxpayer next renews the business license, the estimated amount for the initial business license shall be compared to the taxpayer's actual gross receipts in the short year, and the amount for the initial license shall be adjusted accordingly, with the taxpayer owing at the time of such renewal any deficient amounts or alternatively obtaining a credit for any overpayment. The basis for the license tax in the short year shall be the actual gross receipts for the short year.

(2) For the first renewal of the business license, the amount paid for the taxpayer's business license initially shall be based on an estimated full year's gross receipts, to be determined and adjusted utilizing the following procedure. The taxpayer shall project the first full year's gross receipts by annualizing the short year's gross receipts. This shall be done by dividing the number of full months the taxpayer was in business in the municipality into the short year's gross receipts and multiplying that amount by twelve (12); provided that each taxpayer shall be deemed to have been in business in the municipality for a minimum of one month for purposes of this calculation. The initial amount levied on the taxpayer for this first renewal shall be based on this annualized projected amount, but the final levy shall be based on the actual gross receipts for that year.

(3) When the business license is renewed the following year after a full year of doing business, the amount paid in the previous year shall be adjusted to accord with the taxpayer's actual annual gross receipts, with the taxpayer owing at the time of such renewal any deficient amounts, or alternatively obtaining a credit for any overpayment for the previous year.



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(4) In all subsequent years that the business license is renewed, the amount of business license owed shall be based on the gross receipts for the license year next preceding the current license year. Unless otherwise specified in the enclosed schedules, the minimum annual license shall be one hundred dollars (\$100.00).

(d) *Sworn statements required.* Taxpayers shall be required to file with each renewal of a business license a sworn statement as to the total amount of gross receipts or other basis for the business license, utilizing forms and procedures promulgated or approved by the finance department. For licenses in the phase-in period that are based on estimated gross receipts, the taxpayer shall only be required to make an unsworn good faith effort to reasonably estimate the gross receipts.

Sec. 5-4. - Code compliance procedure.

(a) *Generally.* Upon submission of an application for a business license, the finance department is authorized to determine whether the operation of the business would conflict with the public safety, health, or welfare, or with any provision of law including but not limited to zoning laws, building and safety codes, fire codes, health codes, and any other laws or codes which would potentially affect public safety, health and welfare prior to the issuance of a business license.

(b) *Code compliance procedure.* The finance department may promulgate rules or regulations to require that prior to the issuance of a business license, approvals must be obtained from other departments of the city and the health department for compliance with any law, code, ordinance, rule, or regulation over which such other department has administrative or enforcement responsibilities. This procedure may include a requirement to obtain approval from the Pelham police department as to whether the operation of the business would potentially negatively impact public health, safety, and welfare and whether any measures must be taken by the taxpayer to provide for security, traffic control, crowd control, or other public safety issues. The other departments that participate in the code compliance procedure are authorized to utilize their discretion in giving approval with or without conditions, or in denying approval. Any such City department or agency may withhold their consent or approval until the business conforms to its respective ordinances or regulations. Upon receipt of the proper written approvals of all applicable departments, the approving department is authorized to issue a certificate of occupancy, code compliance certificate, or other acknowledgement of code compliance.

(c) *Denial of approval.* If any department denies approval, the reason for the denial shall be given in writing to both the taxpayer and the finance department. The finance department shall not issue a business license when another department has denied approval; and if such other department grants approval with conditions, the business license shall be issued subject to such conditions, which shall become part of the business license. The finance department, by rule or regulation, may make the code compliance procedure apply to the renewal of a business license by particular license classifications, or if there is reason to believe that the business is not in compliance at the time of renewal.

(d) *Code compliance; not a certification of lawfulness; no cause of action.* The code compliance procedure is entirely regulatory in nature as an exercise of the police powers of the city, and for determining whether a license shall be issued. It shall not relieve the taxpayer from compliance with all such codes, ordinances, rules, and regulations. Issuance of a code compliance certificate or the issuance of a business license shall not constitute a certification, endorsement, finding, representation, warranty, or guarantee by the city or the finance department that the taxpayer is conducting a lawful business or is otherwise in compliance with such laws, codes, ordinances, rules, and regulations; or that the taxpayer or its business does not and shall not negatively impact public health, safety, or welfare. The code compliance procedure and the issuance of a business license shall not give rise to any cause of action against the city for any activity by the taxpayer or the taxpayer's business, even if the city erroneously concludes that the taxpayer is in compliance.

Sec. 5-5. - Issuance of business license generally; issuance fee.

(a) *Issuance generally.* Upon meeting all conditions for the issuance of a business license, the finance department shall issue an appropriate license, but the issuance and grant thereof is expressly conditional upon the truth and



accuracy of the application and sworn statements. The license shall be revocable as provided in this chapter if such information was untruthful, inaccurate, or if the amount paid by the licensee was insufficient.

(b) *Issuance fee.* Before any person shall engage in or carry on any business or do any act within the corporate limits of the city for which a license is required by this article, he shall pay to the city the amount required for such license under this article; plus an issuance fee for issuing the license in an amount equal to the maximum amount allowable by the State of Alabama Department of Revenue, which shall be adjusted every five (5) license years by an amount equal to the percentage increase, if any, in the U.S. Department of Labor's Producer Price Index, rounded to the nearest dollar, with the base year being 2006.

Sec. 5-6. - Terms of licenses; transfers.

(a) *Term.* All licenses due to the city shall be valid for the remainder of the calendar year in which they are issued, except in cases where a daily, weekly, or monthly license is specifically provided. Every license shall automatically expire at the end of the period for which it is valid. For a flat rate business license that is taken out after July 1, only one-half of the license fee shall be charged and collected, except for those classifications for which daily, weekly, monthly, quarterly or semiannual licenses are provided.

(b) *Notification of the sale/transfer of business ownership.* Notwithstanding anything to the contrary in this section, upon the lawful sale or lawful transfer of a business from one taxpayer (owner) to a new taxpayer (owner), any and all new business owners are required to notify the City of Pelham finance department, in writing, within five business days of the consummation of a lawful sale, or transfer of ownership of a business located within the city limits of Pelham. The notification will include the name, title, and mailing address of the new owner of the business, the phone number and an alternative phone number of the new owner, the name, title, and mailing address and phone number of any and all managing representatives of the business. If the business is going to be managed by a third party, the name, mailing address, phone number, and email of the managing person, company, or representative are required. Additionally, a list of all other businesses operated and operating within the City of Pelham is required.

(c) *Transfer of licenses.* No license shall be transferred to a different taxpayer, person, location, or otherwise. 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 section, unless:

- (1) The change requires the taxpayer to obtain a new federal employer identification number or Alabama Department of Revenue taxpayer identification number; or
- (2) The subject license is one for the sale of alcoholic beverages; a new business license application and approval for any alcoholic beverage license shall be required as provided in the City of Pelham Code.

Nothing in this section shall prohibit the city from requiring a new business license, and applicable City of Pelham sales and/or business tax identification numbers, as required in this chapter of the City of Pelham Code of Ordinances.

Sec. 5-7. - Renewal dates; delinquencies and penalties.

(a) *Annual renewal.* Each annual business license shall be renewed on or before the 31st day of January each year and shall be delinquent if renewed after January 31st. If the due date for payment of any business license hereunder 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. Notwithstanding the foregoing, insurance company licenses shall be renewed annually on or before March 1, in accordance with the Code of Ala. § 11-51-122. A renewal license is deemed received on the day payment is actually made in the finance department, or, if sent by the United States mail and received in the finance department within a reasonable time, the day it is lawfully postmarked.

(b) *No license issued when amounts owed.* A renewal license will not be issued until all amounts due under this chapter of the City of Pelham Code are filed and paid, and no new license will be issued to any person who owes



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unpaid amounts due under this chapter. Business license renewal payments shall be applied to the current renewal only when any other debts the licensee owes to the municipality are 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 taxpayer to those penalties as prescribed for doing business without a license. To the extent allowed by law, for purposes of administering this subsection, the finance department is authorized to disregard the corporate form, and/or consider the liability of individuals, shareholders, partners, and of parent, sister, or subsidiary corporations.

(c) *Validity of license paid by check.* Whenever a license shall be issued in return for payment by any check, such license shall not be valid or of any force or effect unless and until such check shall be duly paid upon presentation to the drawee. If the check is returned, the business is considered to be and is operating without a license in violation of this article. Returned checks shall be collected by the finance department in accordance with the city's administrative and enforcement procedures.

(d) *Cancellation of licenses not renewed.* All licenses not renewed by March 1 of the calendar year are deemed canceled. Any person seeking to reinstate a cancelled license must apply for a new license that shall be subject to all inspections and zoning reviews prior to its issuance. If a new license is granted the licensee doing business shall also pay any penalties and interest that have accrued from January 1 to the date of the issuance of the new license.

(e) *Civil penalties.*

1. If a taxpayer fails to pay any business license tax owed to the city on or before the due date prescribed therefor, there shall be assessed a penalty of fifteen (15) percent of the business license tax required to be paid with the license form. There shall be assessed a penalty of thirty (30) percent of any business license tax required to be paid with the license form if the business license tax and any assessed penalties are not paid within thirty (30) days of the due date prescribed in the preceding sentence. Such penalties shall not be cumulative. This shall be in addition to all other penalties provided in the City of Pelham Code or by law, including without limitation criminal penalties.
2. In the case of person 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 are delinquent and shall be increased by an additional fifteen (15) percent for a delinquency of forty-five (45) days or more.
3. To the extent a licensee underreports gross receipts, the licensee shall be subject to thirty (30) percent penalties and interest on the underreported amount.

(f) *Criminal penalties for failure to obtain license.* It shall be unlawful for any person to engage in the activity for which a business license is levied without first having procured a business license therefor. In addition to any applicable civil penalties, violations of this section shall be punishable by a fine of up to five hundred dollars (\$500.00) for each offense, and if the violation is willful, by imprisonment, not to exceed six (6) months for each offense, or both such fine and imprisonment, all at the discretion of the court trying the same. Each day during which such violation occurs shall constitute a separate offense.

(g) *Interest.* Interest shall be computed based on the underpayment rate established by the Secretary of the Treasury under the authority of 26 U.S.C. § 6621.

(h) *Waiver of penalties.* Notwithstanding the foregoing, no fine or penalty under this section shall be assessed, or if assessed, shall be waived, if reasonable cause exists. "Reasonable cause" shall mean the death or major illness of or an accident involving a sole proprietor causing serious bodily injury that in either case resulted in the sole proprietor being unable to purchase the license or operate his or her business during the ten (10) days preceding the due date for the license; natural disaster, fire, explosion, or accident that caused the closing or temporary cessation of the business of the taxpayer during the ten (10) days preceding the due date for the license; or reliance on the erroneous advice of an employee of the finance department given in writing or by electronic mail. The burden of proving reasonable cause shall be on the taxpayer, and a determination by the city that reasonable cause does not exist shall be reversed only if that determination was made arbitrarily and capriciously. All



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penalties and interest administered by the city shall be assessed, collected, and enforced in the same manner as business licenses. This waiver procedure shall not apply to criminal prosecutions.

(i) *Prosecutions unaffected.* The adoption of this section 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 section 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 section; nor shall any civil action or cause of action existing prior to or at the time of the adoption of this section be affected in any manner by its adoption.

Sec. 5-8. - Renewal notices and taxpayer duty to report certain changes.

The finance department shall mail or otherwise transmit a renewal reminder notice to each taxpayer that purchased a business license during the preceding license year, via regular U.S. mail addressed to the taxpayer's last known address, on or before December 31 of the current license year. The failure of the finance department to comply with the preceding sentence shall not, however, preclude it from enforcing the business license tax laws against a taxpayer, but shall preclude the assessment of any fines or penalties otherwise due for late payment until ten (10) days after a renewal reminder notice has been mailed to the taxpayer at its last known address as indicated in the finance department's records, or personally delivered to the taxpayer, and the taxpayer then fails or refuses to remit the business license tax due for such license year within the ten-day period. If the finance department mails a renewal reminder notice to the last known address of the taxpayer, as indicated in the finance department's records, there shall exist a presumption that the finance department has complied with the above provisions. The finance department shall not be precluded from assessing fines and penalties otherwise due for late payment if the taxpayer does not notify the finance department of a change in address within ninety (90) days after changing such address. Taxpayers shall notify the finance department of a change of mailing address within ninety (90) days of the address change. In like manner, taxpayers shall notify the finance department of a change in their federal employer identification number or Alabama Department of Revenue taxpayer identification number within a reasonable time after such number is changed.

Sec. 5-9. - Branch office rules.

A taxpayer required by this chapter to purchase a business license that is engaged in business in more than one municipality shall be permitted to account for its gross receipts so that the part of its gross receipts attributable to one or more branch offices will not be subject to the business license tax imposed on the principal business office required to obtain a business license. Branch office gross receipts are those receipts that are the result of business conducted at or from a qualifying branch office. In order to establish the existence of a qualifying branch office, the taxpayer shall meet all the following criteria:

- (1) Demonstrate the continuing existence of an actual physical facility located outside the police jurisdiction of the municipality in which its principal business office is located, such as a retail store, outlet, business office, showroom, or warehouse, to which employees or independent contractors, or both, are assigned or located during regular normal working hours.
- (2) Maintain books and records which reasonably indicate a segregation or allocation of the taxpayer's gross receipts to the particular facility or facilities.
- (3) Provide reasonable proof that separate telephone listings, signs, or other indications of separate activity are in existence.
- (4) Billing or collection activities, or both, 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, whether or not the representative is physically located at the branch office.
- (5) All business claimed by a branch office or offices must be conducted by and through the office or offices.



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(6) Supply proof that all applicable business licenses with respect to the branch office or offices have been issued.

Sec. 5-10. - License required for each location and line of business; posting of license required.

(a) *License specific to location.* Every taxpayer required to purchase a business license under this chapter shall obtain a separate business license for each location at which it does business in the city except for mobile food units as provided for under Schedule FF of this section.

(b) *More than one line of business.* Any taxpayer engaged in additional lines of business listed in the NAICS classifications shall purchase a license for each separate NAICS license classification from which the taxpayer derived more than ten (10) percent of its gross receipts during the preceding license year. For each business license, the gross receipts which are taxed with regard to such license shall be only those gross receipts which arise within the line of business, which is the subject of the license, except as provided in subsection (c), other provisions of this chapter, or as otherwise provided by law.

(c) *Gross receipts under the ten (10) percent threshold.* Nothing herein shall be construed to exempt the gross receipts derived from one or more additional lines of business of the taxpayer if those gross receipts do not exceed the required ten (10) percent threshold for the purchase of a second or multiple business licenses. Instead, those gross receipts shall be included in the business license for the taxpayer's primary line of business. Alcohol sales and flat fee schedules are exceptions to the ten (10) percent threshold and shall be licensed separately for each business activity.

(d) *Reporting requirements for businesses with dual certifications.* Any business engaged in any activity that requires certification or licensure from a State of Alabama board or agency shall be required to procure, pay for, and take out a separate license from the City of Pelham therefor, regardless of the amount of gross receipts derived from such business activity.

(e) *Posting of license.* Each business license is required to be conspicuously posted or displayed at the location where such business is conducted. The taxpayer shall immediately show the license to any revenue official or other designee upon request.

(f) Nothing herein shall be construed as exempting businesses from payment of a license on the basis of a lack of physical location.

Sec. 5-11. - Prima facie evidence of doing business.

(a) *Indications of business activity.* Each of the following, without limitation, shall constitute prima facie evidence of doing business:

- (1) The maintenance of an office or place of business.
- (2) Advertising, signs, websites, promotional materials, or similar matters that promote the business.
- (3) Maintaining books or records indicating business activity.
- (4) Engaging in any activity which would require that the person obtain a license from the state or Shelby County, or the obtaining of such a license; or the filing of a tax return with the Alabama Department of Revenue or Internal Revenue Service indicating the existence of a business.
- (5) Engaging in any activity described in the 2002 North American Industrial Classification System.
- (6) Engaging in any activity for which state law would enable or authorize the city to require a business license.

(b) *List not exclusive.* This section is supplemental to all other provisions of this chapter. No specific kind of evidence of engaging in business activity shall be required. A business license shall be required as provided in this chapter regardless of the quality or quantity of evidence.



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Sec. 5-12. - Inspection of premises.

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) To the extent allowed by the statutes and constitutions of the United States or state, upon demand by the finance department, the taxpayer shall be required to provide access during business hours to all portions of the place of business to enable the finance department to determine the correct license classification and/or the correct amount of license tax. In the event a search warrant is required by law, the finance department shall collaborate with the police department to make application for obtaining and execution of a search warrant.
- (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 amounts 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 but not limited to 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) The provisions of this chapter shall be enforced by the revenue official, by whatever name called, under the supervision of the finance director. This official shall have the authority: to enter upon any premises for the purpose of making inspections necessary in carrying out his/her duties, to write citations for violations, to institute criminal proceedings, and to require any illegal business or one operating illegally to immediately cease operations in accordance with the city's administrative and/or enforcement procedures. This official shall be empowered with the authority to issue citations for violations of this chapter. Citation fees of up to five hundred dollars (\$500.00) may be imposed for violations when a citation has been issued and the recipient does not comply within the time allowed.

Sec. 5-13. - Revocation of license or privilege to obtain a license.

(a) *Generally.* Any business license issued pursuant to this chapter, the privilege to obtain a business license, and/or the privilege to renew a business license, may be revoked by the city council after notice and public hearing for any of the following reasons:

- (1) The taxpayer or license applicant, or its agent or employee, violates or has violated any provision of federal or state law or rule, or any municipal ordinance, relating to the license, business, business premises, or business activity to which the license or application pertains.
- (2) The taxpayer or license applicant, or its agent or employee, violates, aids in violating, or knowingly allows to be violated any criminal ordinance of the city or any criminal law of the state on the licensed premises.
- (3) The activity to which the license, license application, or license renewal pertains is offensive, injurious, and dangerous to the public health, safety, and welfare to the extent that the licensed premises or licensed activity is a public nuisance. The city, as an additional or alternative remedy, may institute injunctive proceedings in a court of competent jurisdiction to abate the same.
- (4) Any application, affidavit, return, or other document filed by or on behalf of the taxpayer or applicant with the finance department contains false or misleading information or an omission of a material fact. Any application, affidavit, or document or any statement or presentation made before any board, committee, commission, or council meeting of the city to obtain any special conditions, zoning exception, alcohol license or other City approval required to operate the licensed business that contains false or misleading information or an omission of a material fact.
- (5) The taxpayer or license applicant fails to pay within the time allowed by law any business license or tax liability for which a final assessment has been entered and for which further review is not available, or for which the taxpayer or license applicant is required to pay as the result of a conviction for which no further direct appeal is available.



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(6) The taxpayer or license applicant fails to meet any qualification, criteria, or credentialing standard under federal, state, or municipal law required in order to engage in the kind of business to which the license relates.

(7) The taxpayer or license applicant has been convicted of a felony within the past five years that is related to activity that tends to show that the issuance or renewal of the business license in question would place the health, safety, or welfare of the general public at risk.

(8) Any other reason provided or allowed by law or rule.

(b) *Procedure for revocation.*

(1) The finance department shall petition the city council to set a public hearing to consider a resolution for the revocation of the business license, privilege to obtain a business license, and/or the privilege to renew a business license, for any of the reasons set out in subsection (a).

(2) Upon receipt of the petition, the city council shall hold a public hearing to determine if there is substantial evidence justifying the revocation of the license or privilege to obtain or renew a license. Notice of the public hearing and grounds for the revocation of the license shall be in writing and served on the licensee by first-class or certified mail, or by personal delivery, or by any other means authorized by the Alabama Rules of Civil Procedure for service of process, at least ten (10) calendar days prior to the hearing.

(3) *Hearing procedure.*

a. The city council will set the hearing date and may choose a regularly scheduled council meeting or a specially set council meeting for the hearing.

b. The city attorney or designee shall present witnesses and/or evidence to support the revocation. The city council members may question witnesses as the city attorney or designee concludes with each witness and may ask questions during the presentation of a witness for clarification.

c. At the conclusion of the city attorney's or designee's presentation, the licensee or the licensee's attorney may present witnesses and/or evidence on behalf of the licensee. The city council members may question witnesses as the licensee or the licensee's attorney concludes with each witness and may ask questions during the presentation of a witness for clarification.

d. The public may speak on behalf of or against the revocation. The city council may set a time limit for each person to speak.

e. The city council may choose to recall a witness for questioning or call a witness to be examined by the city council.

f. At the conclusion of the public hearing, the city council may close the public hearing and discuss the revocation in the public forum prior to voting.

g. There shall be no cross-examination of witnesses or the calling of an adverse witness for direct examination.

h. The city council may set a time limit for the city attorney or designee and the licensee or licensee's attorney to present evidence.

i. All documents for the hearing must be submitted five (5) days in advance of the hearing to the city clerk for distribution to the city council members.

j. The public hearing shall be recorded or transcribed for the purpose of maintaining a reasonably accurate record of the proceedings; provided, however, that the city council shall not be required to follow particular rules of evidence or procedure unless specifically required by law or ordinance.

(4) If, after the hearing, the city council adopts a resolution revoking the business license, the privilege to obtain a business license, and/or the privilege to renew a business license, then all business activity shall cease.

(5) Once a license or the privilege to obtain or renew a license has been revoked, the person who was the subject of the revocation, or any entity in which such person is an owner, partner, principal, or shareholder of a



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privately held corporation, must obtain city council approval of all future license applications prior to the issuance of any new City business license. The finance department shall notify the city clerk of applications requiring the city council approval and the city clerk shall place the application request on the city council agenda. Thereafter the proceedings shall be by public hearing before the city council, generally following the same procedures as for a revocation.

(6) Upon revocation of a license or the privilege to obtain or renew a license, the taxpayer or applicant may seek judicial review in accordance with state law.

(c) *Waiver of hearing.* The taxpayer or license applicant may elect in lieu of a public hearing to concede the revocation and waive any right to contest the revocation.

(d) *Licensee fails to appear for the hearing.* If, after proper notice required in subsection (b)(2), the licensee fails to appear for the hearing; the city council may proceed without the licensee present and take action provided for by this section.

(e) Authority to temporarily close business following a class A felony. The Chief of Police or his designee is authorized to temporarily close a business in the city up to forty-eight (48) hours following a class A felony on the premises, which shall include the parking area and area adjacent to the business, when necessary to conduct an investigation and when necessary for public safety.

Any person aggrieved by a decision of the Chief of Police to close a business pursuant to this section may appeal such a decision to the city council by giving notice of appeal to the city clerk.

Sec. 5-14. - Exemptions.

(a) *Federal or state exemptions.* Those business activities specifically exempted at the municipal level of government by a franchise contract, by state or federal law or by some other legal requirement superior to this article and only to the extent required by the same.

(b) *Farmer's exemption.* For purposes of this section, the following terms shall have the meanings ascribed to them in this subsection:

(1) The term farmer means a farmer or other individual engaged in the production of farm products for sale or other disposition exclusively of articles produced by him.

(2) The term farm product means all agricultural, horticultural, vegetable and fruit products of the soil, meats, marine food products, poultry, eggs, dairy products, wool, hides, feathers, nuts and honey, but shall not apply to seeds sold at retail, nor include timber products, tea, coffee or pelts of fur-bearing animals.

(3) A farmer or other producer of farm products is by reason of the Code of Ala. § 11-51-105 exempt from the imposition of a delivery license under Code of Ala. § 11-51-101 although, for the purposes of marketing his products, he operates a vehicle on the streets of the city.

Any business desiring to claim exemption from the business license fee under this provision shall file with the finance director a duly executed affidavit attesting to such eligibility. In addition, such business shall file with the finance director a certificate signed by a county agricultural agent certifying that said business is a bona fide grower or producer of the kind of farm products which said business proposes to sell in the city.

(c) *Exemption for school booster organizations.* No license shall be required of any bona fide nonprofit school music, academic, or athletic group, group booster, or parents' group when raising money by selling "band" candy, ornaments, fruitcakes, fresh fruit or gift items, or washing cars, etc., where all of the profits from such sales will go to support the school band, math team, athletic team, cheerleaders, etc., by purchasing equipment, musical instruments, or uniforms, or to pay for transportation to and from games, tournaments, competitions, or exhibitions where such trips or activities, games, tournaments, competitions, or exhibitions are approved by the school board of the city schools. If a retail sale of these items is made, an academic sponsor or parents' group would be responsible to ensure that all sales taxes are collected and paid to the finance department.



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(d) *Churches and other religious organizations.* No license shall be required of any church or religious organization for the privilege of gathering and operating a church or religious fellowship in the city; provided, however, that, except as expressly provided herein, an organization's status as a church or religious organization shall not exempt said organization from the requirement to obtain a business license if it engages in business activity that otherwise would be subject to licensure under this article.

(e) *Full-time student exemption.* No license shall be required for a business with annual gross receipts less than fifteen thousand dollars (\$15,000.00) that is solely operated by a person enrolled as a full-time student during the calendar year at any public or private primary or secondary school, including homeschooled students. The intent of this exemption is to encourage entrepreneurship in the city's youth and to exempt traditional students' business activities such as cutting lawns and operating lemonade stands. This exemption shall not be used as a subterfuge to allow students to conduct businesses in the city without a license under this article.

(f) No business required by this article to secure a license shall be exempt from application requirements or the payment of said license fee on the grounds that such business is operated for charitable purposes.

(1) Nonprofit organizations which have been granted exemptions from business license taxation by Acts of the Alabama Legislature are exempt from City license taxes but will be required to register. The legislative act, or a copy thereof, must be submitted to the department in order to be eligible for the grant of such exemption. Nonprofit organizations are not automatically exempt from the provisions of this chapter by virtue of having qualified for nonprofit status on the federal income tax level.

(2) Nonprofit organizations that do not have a specific state exemption from business license taxation will be classified by the service they provide according to the License Schedules. They shall purchase the minimum license for the NAICS classification applied if the business operates totally on donations. All gross receipts other than donations shall be reported and the license will be calculated according to the pay schedule for the applied classification.

Any entity claiming exemption hereunder that is operating within the corporate City limits shall file with the finance department an application signed by an authorized representative of the entity. The application shall be provided by the finance department and shall contain (1) the name and address of the entity, (2) whether the entity is a corporation or other form of organization, (3) if applicable, affirmation that the entity is tax-exempt pursuant to Internal Revenue Code, 1986, as amended, and (4) such other related and pertinent information as may be required by the finance department. A copy of the Internal Revenue Service determination letter with respect to the entity's exempt status must be attached to the application.

Exemption from licensing under this section does not relieve any person from complying with other applicable City laws or ordinances, including the zoning ordinance and building codes of the city.

Sec. 5-15. - Other license requirements.

(a) *Gasoline sales.* In addition to any license fee required under this article, the sale of gasoline shall be subject to provisions of article X of chapter 5 of the City of Pelham Code.

(b) Compliance with state health regulations and state licensure or certification requirements.

(1) No establishment, work or other endeavor controlled or covered by the provisions of the Code of Ala. § 22-20-5 dealing with public health requirements, shall be issued a license until a permit or other evidence of compliance with such provisions of such law is presented to the finance director or his designee.

(2) No business or profession which requires licensure by an agency of the state or a professional organization such as the Alabama Medical Licensure Board, Alabama State Bar, Alabama State Board of Health, Alabama State Health Planning and Development Agency, Alabama Alcoholic Beverage Control Board and other similar regulatory agencies, shall be licensed by the city until a permit, certification or other evidence of compliance with the provisions of law regulating such business or profession is presented to the finance director or his designee. Attachment of a copy of a current license, certificate or permit issued by such regulatory agency shall be sufficient proof of compliance for the revenue official, and if referred, sufficient proof of compliance with those regulatory standards for consideration by the city council.



(3) No City business license shall be issued to any business that is regulated by the State of Alabama without evidence that the business owner possesses a current state license to provide services of the type so regulated. Businesses regulated by the State of Alabama include but are not limited to general contractors, electrical contractors, plumbing contractors, heating/air-conditioning contractors, exterminators and landscapers.

(c) *Day care center.* A day care center is defined as any person providing care, for compensation, to more than six (6) children during part of, or all of, the day but less than twenty-four (24) hours apart from their own parents or guardians. A business license shall be issued only upon presentation of proof that the applicant is licensed to operate a day care center as may be required by the State of Alabama and upon proof that the premises meet City building, fire, safety and health standards and zoning requirements.

(d) *Day care home.* A day care home is defined as any person(s) providing care, for compensation, to more than two (2) but less than six (6) children other than his or her children, in his or her own home during part of, or all of the day, but less than twenty-four (24) hours apart from their own parents or guardians. A business license shall be issued only upon presentation of proof that the applicant is licensed to operate a day care home as may be required by the State of Alabama and upon proof that the premises meet City fire, safety and health standards and zoning requirements. Foster homes registered with the State of Alabama are not required to obtain a city business license.

(e) *Restaurant/catering service.* A business license shall not be issued to any establishment where meals and/or snacks are prepared and/or served without presentation of a valid state health permit.

(f) *Rental of real property.* Every property owner must obtain an individual license for each rental property. Owners of real property who have engaged a third party to manage their rental properties may choose to have the third-party manager submit such owners' rental license application and renewal. This does not preclude the property management company from obtaining a separate business license for property management business activities.

(g) *Vehicle signs.* All vehicles used in the course of business by contractors, subcontractors or any other business that normally works from a vehicle, such as lawn service, landscape, or curb painter, shall have signs plainly and visibly marked on each side of the vehicle indicating the full name, address and phone number of the business or owner.

Sec. 5-16. - Licenses governed by the Code of Alabama, 1975.

(a) *Cable television and telecommunications services.* All businesses providing cable services within the city shall pay a license fee of 5 percent (or maximum allowed) of gross receipts, except as herein provided. Less any existing franchise agreement fees.

(b) *Waste Grease and Animal By-Products.* Each person engaged in the business of purchasing and receiving or collecting waste grease and animal by-products for rendering or recycling, from businesses, schools, and institutions located in various cities of the state, shall pay a business license fee of the maximum allowed as provided by Code of Ala. § 11-40-23.

(c) *Insurance company - fire and marine.* \$4.00 on each \$100.00 of gross premiums, less return premiums, on policies issued during the preceding year on property located in the city, provided that in case such company shall not have conducted business in the city for the full period of said preceding year, it shall pay that amount which bears the same relationship to the gross premiums, less return premiums, on policies issued during the said preceding year on property located in the city as 365 bears to the number of days during which business was conducted in such preceding year. Companies commencing business after the first of the current license year shall pay a flat minimum license of \$5.00 upon which there shall be an adjustment at the end of the year, upon the basis herein provided for new companies.

(d) *Insurance company, other than fire and marine.* \$20.00 plus \$1.00 of each \$100.00 and major fraction thereof of gross premiums, less return premiums, on policies issued during the preceding year to citizens of the city, provided that in case such company shall not have conducted business for the full period of said preceding year, it shall pay \$20.00 plus that amount which bears the same relationship to the gross premiums, less return premiums, on policies issued during the said preceding year as 365 bears to the number of days during which business was



conducted in such preceding year. Companies commencing business after the first of the current license year shall pay \$20.00 plus \$1.00 on each \$100.00 and major fraction thereof of gross premiums, less return premiums, on policies issued during the said current year to the citizens of the city. Such new companies shall pay a flat minimum license of \$20.00 at the time of commencement of business upon which there shall be an adjustment at the end of the year, upon the basis herein provided for new companies.

Should the City of Pelham's population subsequently exceed 50,000, the schedule will be adjusted to \$50.00 and \$1.00 on each \$100.00 and major fraction thereof of gross premiums, less return premiums, received during the preceding year on policies issued during said year to citizens within the city.

(e) *Railroads.* Each railroad company or each person operating railroads, whether such companies are incorporated under the laws of Alabama or any other state or whether incorporated at all or not, shall pay a business license fee of twenty-five dollars (\$25.00) for the first one thousand (1,000) inhabitants of the city and thirty-five dollars (\$35.00) for each additional one thousand (1,000) inhabitants or major fraction thereof; provided, however, that in no case shall the city assess or collect such a privilege or license tax exceeding two thousand dollars (\$2,000.00) as provided by Code of Ala. § 11-51-124.

Each railway sleeping car company, whether incorporated or not under the laws of Alabama, shall pay a business license fee of ten dollars (\$10.00) as provided by Code of Ala. § 11-51-125.

(f) *Express companies.* Express companies conducting business within the city shall pay a business license fee of the maximum allowed per year as provided by the Code of Ala. § 11-51-126.

(g) *Telegraph companies.* Telegraph companies conducting business in the city shall pay an annual business license fee of the maximum allowed per year as provided by the Code of Ala. § 11-51-127.

(h) *Telephone companies with exchange license.* Telephone companies with an exchange license operating in the city shall pay an annual business license fee of one thousand one hundred ten dollars (\$1,110) for the first twenty thousand (20,000) inhabitants of the city and sixty dollars (\$60.00) for each additional one thousand (1,000) inhabitants or major fraction thereof as provided by Code of Ala. § 11-51-128.

(i) *Telephone companies with long-distance service.* Telephone companies providing long-distance service and conducting business in the city shall pay an annual business license fee of the maximum allowed per year as provided by the Code of Ala. § 11-51-128.

(j) *Electric, gas, waterworks, and related businesses.* Utility companies which are not otherwise classified shall pay a business license fee equal to three (3) percent of gross receipts of the business done by the utility in the municipality during the preceding year as provided by Code of Ala. § 11-51-129. This section shall not affect any existing contract between the city and any public utility operating therein, except those provisions of contracts which relate to the amount or basis of the business license fee imposed by the city on such utility.

For selling or distributing electrical current, natural gas, or water, and for collecting sewer services an amount equal to three (3) percent of the gross receipts (unless otherwise agreed to by parties) of the business transacted in the municipality for the previous year for the sale or distribution of electrical current or natural gas or water services or sewer services from any point in or into the municipality. The three (3) percent of gross receipts does not negate other agreements entered into with the City of Pelham.

Each private treatment facility shall abide by all applicable requirements and regulations of the City of Pelham, the Alabama Department of Environmental Management (ADEM), the Environmental Protection Agency (EPA), the State Department of Public Health, or any agency having jurisdiction over such operation.

(k) *Banks.* The city shall levy a business license fee for banks and financial institutions according to the schedule provided by the Code of Ala. § 11-51-130 and 11-51-131.

(l) *Savings and loans.* The city shall levy a business license fee for savings and loan associations according to the schedule provided by Code of Ala. § 11-51-130 and 11-51-131.



(m) *Transportation Network Company (TNC)*. A TNC is not subject to local municipal ordinances. A one (1) percent local assessment fee must be paid to the Alabama Public Service Commission as provided by Code of Ala. § 32-7c-23.

(n) Delivery license

(1) A business that has no physical location in the city and is only delivering merchandise herein may at its option purchase a delivery license in accordance with the Code of Ala. § 11-51-194 in lieu of any other type of license.

(2) When deliveries total more than prescribed in Code of Ala. § 11-51-194, the delivery license shall be collected under the appropriate license category for the specific type of business listed herein as a retail or wholesale.

Sec. 5-17. - License Schedules.

(a) The North American Industry Classification System (NAICS) is hereby adopted by reference as the master guide in defining and describing occupations and trades covered by this article. Those occupations and trades not herein defined will be defined and described in the NAICS.

(b) It shall be the duty of the finance director to review and update the city license ordinance for approval by the city council to be effective January 1, 2026, and every four years thereafter.

(c) Each person required to obtain a business license shall be classified according to the following schedule, and shall pay a business license fee in accordance with the payment schedule indicated for that NAICS classification:

Code	Title/Description	Schedule
11	Agriculture, Forestry, Fishing and Hunting	
111	Crop Production	A
112	Animal Production and Aquaculture (Alabama Department of Public Health)	A
113	Forestry and Logging	A
114	Fishing, Hunting and Trapping (Alabama Department of Conservation and Natural Resources)	A
115	Support Activities for Agriculture and Forestry	A
21	Mining, Quarrying, and Oil and Gas Extraction	
211	Oil and Gas Extraction (Alabama Oil and Gas Board)	A
212	Mining (Except Oil and Gas) (Alabama Department of Labor/Board of Mine Examiners)	A
213	Support Activities for Mining (Alabama Board of Geologists)	A
22	Utilities	
221	Utilities (Alabama Licensing Board for General Contractors/Liquefied Petroleum Gas Board)	F
2211	Electric Power Company (Code of Ala. 11-51-129)	F
2212	Natural Gas Company (Code of Ala. 11-51-129)	F
2213	Water, Sewage and Other Systems (Code of Ala. 11-51-129)	F



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Code	Title/Description	Schedule
23	Construction/Contractor/Subcontractor -Residential contractors must be licensed by the Home Builders Licensure Board. A Home Builders License allows contractors to perform "construction, remodeling, repair, improvement, or reimprovement" on a residential structure where the contract exceeds \$10,000. Home builders can only work on buildings under 3 stories. -The Alabama Licensing Board for General Contractors licenses all nonresidential contractors. A "General Contractor" is one who works on commercial or public contracts over \$50,000, or on swimming pool construction over \$5,000. This definition includes specialty or trade contractors who perform work on these types of projects.	
236	Construction Of Buildings (Must Have Picture I.D. and Certification Card for Regulated Specialty Trades)	O
236	Manufactured Buildings (Alabama Manufactured Housing Commission)	O
2361	Residential Building Construction (Home Builders Licensure Board)	O
236118	Home Improvement/Handyman (State Licensing Is Not Required for the Type or Volume of Work)	P
2362	General Contractor (Alabama Licensing Board for General Contractors)	O
2362	General Contractor - Subcontractor (Alabama Licensing Board for General Contractors)	O
237	Heavy and Civil Engineering Construction (Alabama Licensing Board for General Contractors)	A
2372	Land Subdivision/Development	A
238	Specialty Trade Contractors (Must Have Picture I.D. and Certification Card for Regulated Specialty Trades)	P
2381	Foundation, Structure, and Building Exterior Contractors (May Require a State Regulatory License)	P
23811	Subcontractor - Concrete	P
23812	Subcontractor - Structural Steel and Precast Concrete	P
23813	Subcontractor - Carpentry - Framing and Finishing	P
23814	Subcontractor - Masonry	P
23815	Subcontractor - Glass and Glazing - Installation Only	P
23816	Subcontractor - Roofing (Home Builders Licensure Board)	P
23817	Subcontractor - Siding - Installation Only	P
23819	Subcontractor - Other Structure, Foundation or Building Exterior - Installation Only	P
2382	Building Equipment Contractors (May Require a State Regulatory License)	P
23821	Subcontractor - Electrical (Alabama Board of Electrical Contractors)	P
23821	Subcontractor - Low Volt Electrical	P
23822	Subcontractor - HVAC (Alabama Board of Heating, Air Conditioning and Refrigeration Contractors)	P
23822	Subcontractor - Refrigeration (Alabama Board of Heating, Air Conditioning and Refrigeration Contractors)	P
23822	Subcontractor - Plumbing (The Alabama Plumbers and Gas Fitters Examining Board)	P
23822	Subcontractor - Gas (Alabama Plumbers and Gas Fitters Examining Board)	P
23822	Subcontractor - Sprinkler System	P
23822	Subcontractor - Fire System (Alabama Fire Marshal's Office)	P
23822	Subcontractor - Exhaust Hood Installation	P
23822	Subcontractor - Propane Installation (Liquefied Petroleum Gas Board)	P



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Code	Title/Description	Schedule
23829	Subcontractor - Other Building Equipment - Installation Only	P
23829	Subcontractor - Elevator/Escalator (Alabama Department of Labor/Elevator Safety Review Board)	P
2383	Building Finishing Contractors	P
23831	Subcontractor - Drywall/Acoustical/Insulation	P
23832	Subcontractor - Painting and Wall Covering	P
23833	Subcontractor - Flooring - Installation Only	P
23834	Subcontractor - Tile, Terrazzo, Mosaic - Installation Only	P
23835	Subcontractor - Finish Carpentry & Cabinetry - Installation Only	P
23839	Subcontractor - Other Building Finishing - Installation Only	P
2389	Other Specialty Trade Contractors	P
23891	Subcontractor - Site Preparation, Excavating, Grading	P
23891	Subcontractor - Septic Tank Systems (Alabama Onsite Wastewater Board)	P
23899	Subcontractor - Not Otherwise Listed - Installation Only	P
23899	Swimming Pool Contractor (Alabama Licensing Board for General Contractors)	P
	Alcohol & Tobacco Licenses - Requires Alabama ABC Board License	
312121	(040) Retail Beer (on/off-premises)	W
312122	(050) Retail Beer (off-premises only)	W
312131	(060) Retail Table Wine (on/off-premises)	W
312132	(070) Retail Table Wine (off-premises only)	W
312133	(090) Wholesale Beer Only	W
312134	(100) Wholesale Table Wine Only	W
312135	(110) Wholesale Table Wine and Beer Combined	W
312141	(010) Lounge Retail Liquor - Class I	W
312142	(011) Package Store Liquor - Class II	W
312143	(020) Restaurant Retail Liquor	W
312144	(080) Liquor (Wholesaler/Importer)	W
312145	(990) Tobacco Permit	W
312146	(140) Special Event Retail (Limit 7 Days)	W
312147	(150) Special Retail - 30 Days or Less	W
312148	(160) Special Retail - More than 30 Days	W
312149	(120) Alcoholic Beverage Warehouse	W
312150	(130) Additional Warehouse - Wine, Beer or Both	W
312151	(200) Manufacturer	W
312152	(210) Importer - Wine, Beer or Both	W
312153	(220) Brewpub	W
31-33	Manufacturing	
311	Food Products Manufacturing (Alabama Department of Public Health)	K
311613	Rendering and Meat Byproduct Processing	State max
312	Beverage and Tobacco Product Manufacturing (Alabama Department of Public Health)	K
3121	Beverage Manufacturing (Alabama Department of Public Health)	K



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Code	Title/Description	Schedule
3122	Tobacco Manufacturing	K
313	Textile Mills	K
314	Textile Product Mills	K
315	Apparel Manufacturing	K
316	Leather and Allied Product Manufacturing	K
321	Wood Product Manufacturing (Alabama Manufactured Housing Commission)	K
322	Paper Manufacturing	K
323	Printing and Related Support Activities	K
324	Petroleum and Coal Products Manufacturing	K
325	Chemical Manufacturing (Alabama State Board of Pharmacy)	K
326	Plastics and Rubber Products Manufacturing	K
327	Nonmetallic Mineral Product Manufacturing	K
331	Primary Metal Manufacturing	K
332	Fabricated Metal Product Manufacturing	K
333	Machinery Manufacturing	K
334	Computer and Electronic Product Manufacturing (Alabama Electronic Security Board of Licensure)	K
335	Electrical Equipment, Appliance, and Component Manufacturing (Alabama Electronic Security Board of Licensure)	K
336	Transportation Equipment Manufacturing	K
337	Furniture and Related Product Manufacturing	K
339	Miscellaneous Manufacturing	K
33995	Sign Manufacturing	K
42	Wholesale Trade	
423	Merchant Wholesalers, Durable Goods	K
42394	Precious Metal Objects Dealer (Reference City of Pelham Code Sections 5-60 Through 5-70)	E
424	Merchant Wholesalers, Nondurable Goods	K
4247	Petroleum and Petroleum Products (Gasoline) Merchant Wholesalers	T
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	K
42494	Tobacco and Tobacco Product Merchant Wholesalers	K
425	Wholesale Electronic Markets, Agents and Brokers	K
44-45	Retail Trade	
441	Motor Vehicle and Parts Dealers (Revenue Department - Motor Vehicle Division)	A
4411	Automobile Dealers (Revenue Department - Motor Vehicle Division)	A
4412	Other Motor Vehicle Dealers	A
4413	Automotive Parts, Accessories, and Tire Stores	A
442	Furniture and Home Furnishings Retailers	A
443	Electronics and Appliance Retailers	A
444	Building Material, Garden Equipment, and Supplies Dealers	A
445	Food and Beverage Stores (Alabama Department of Public Health/ Alcoholic Beverage Control Board)	A



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Code	Title/Description	Schedule
44512	Convenience Store/Truck Stop (Alcohol and Retail Fuel License Is Separate)	A
445299	Cottage Food Retailers (Shelby County Health Department)	A
4453	Beer, Wine, and Liquor Stores	A
446	Health and Personal Care Stores (Alabama Board of Home Medical Equipment)	A
44611	Drug Store/Pharmacy (Alabama State Board of Pharmacy)	A
447	Gasoline Stations and Fuel Dealers	A
44711	Gasoline Stations with Convenience Stores	A
448	Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	A
451	Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers	A
452	General Merchandise Stores	A
453	Miscellaneous Store Retailers (Alcoholic Beverage Control Board/ Liquefied Petroleum Gas Board)	A
4533	Used Merchandise Store (Excluding Vehicles and Pawn Shops)	A
45393	Manufactured (Mobile) Home Dealer	A
453991	Tobacco, Retail	A
454	Nonstore Retailers - Does Not Include Door-to-door Solicitation	A
4542	Vending Machine Operators (In addition to Schedule G per device)	A
45431	Fuel Dealer	A
45439	Solicitor/Peddler/Itinerant	AA
45439T	Temporary Vendor, Special Event (Mobile Food Unit Not Included)	DD
48-49	Transportation and Warehousing	
481	Air Transportation	A
482	Rail Transportation (Code of Ala. § 11-51-124)	State max
483	Water Transportation	A
484	Truck Transportation (Interstate)	A
48412	General Freight Trucking (Intrastate) (Code of Ala. § 37-3-33)	State max
485	Transit and Ground Passenger Transportation	A
4851	Bus and Other Motor Vehicle Transit Systems (Code of Ala. § 37-3-33)	State max
48531	Taxi Service	Q
48532	Limousine Service	Q
486	Pipeline Transportation	A
487	Scenic and Sightseeing Transportation	A
488	Support Activities for Transportation	A
48841	Motor Vehicle Towing	A
4889	Transportation - Crating/Packing	A
492	Couriers and Messengers (Code of Ala. § 11-51-126)	A
493	Warehousing and Storage	K
49319	Warehouse and Storage - Alcoholic Beverages	K
51	Information	
511	Publishing Industries (Except Internet)	A
512	Motion Picture and Sound Recording Industries	A



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Code	Title/Description	Schedule
515	Broadcasting Station/Network	A
516	Internet Publishing and Broadcasting	A
517	Telecommunications	A
5171	Wired Telecommunications Carriers (Code of Ala. § 11-51-128, Local)	State max
5171	Wired Telecommunications Carriers (Code of Ala. § 11-51-128, Long Distance)	State max
5175	Cable Telecommunications	I
518	Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services	A
519	Web Search Portals, Libraries, Archives, and Other Information Services	A
52	Finance and Insurance	
522	Credit Intermediation and Related Activities	A
52211	Bank - Main Office (Code of Ala. 11-51-130)	X
52211	Bank Branch or ATM (Code of Ala. 11-51-130)	X
52212	Savings and Loan - Main Office (Code of Ala. 11-51-131)	X
52212	Savings and Loan Branch or ATM (Code of Ala. 11-51-131)	X
5222	Consumer Credit Services	A
522298	Pawn Shop (Reference Code Sections 5-50 Through 5-56)	E
522298	International, Secondary Market, and All Other Nondepository Credit Intermediation	E
5223	Mortgage Loan	A
52239	Other Financial Transaction Services	E
523	Securities, Commodity Contracts, And Other Financial Investments and Related Activities (Alabama Securities Commission)	A
524	Insurance Carriers and Related Activities	A
52411	Direct Life, Health, and Medical Insurance Carriers (Code of Ala. 11-51-120/123)	U
52412	Direct Insurance (except Life, Health, and Medical) Carriers (Code of Ala. 11-51-120/123)	V
52421	Insurance Agencies and Brokerages	A
52429	Other Insurance Related Activities	A
525	Funds, Trusts, and Other Financial Vehicles	A
53	Real Estate, Rental/Leasing of Real or Personal Property	
531	Real Estate (Alabama Real Estate Commission)	A
5311	Lessors Of Real Property	A
53111	Lessors of Residential Buildings and Dwellings (Over 180 consecutive days)	N
53111	Short-Term Rental of Residential Buildings and Dwellings (Less than 180 consecutive days)	N
53112	Lessors of Nonresidential Buildings (Except mini-warehouses)	A
53113	Mini-warehouses, Self-storage	A
53119	Mobile Home Park	A
5312	Real Estate Office (Code of Ala. § 11-51-132) (Alabama Real Estate Commission)	A
53121	Real Estate Agent (Code of Ala. § 11-51-132) (Alabama Real Estate Commission)	B
5313	Real Estate - Other Activities	A
53132	Real Estate Appraiser (Alabama Real Estate Appraisers Board)	A



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Code	Title/Description	Schedule
532	Rental and Leasing Services	A
5321	Rental/Leasing - Automotive Equipment Rental and Leasing	A
5322	Rental/Leasing - Consumer Goods Rental	A
5323	Rental/Leasing - General Rental Centers	A
5324	Rental/Leasing - Commercial and Industrial Machinery and Equipment Rental and Leasing	A
533	Lessors Of Nonfinancial Intangible Assets (Except Copyrighted Works)	A
54	Professional, Scientific and Technical Services	
541	Professional, Scientific, and Technical Services (Must Have Picture I.D. and Certification Card for Regulated Professions)	M
5411	Legal Services	M
541110	Offices of Lawyers	M
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	M
541211	Offices of Certified Public Accountants	M
5413	Architectural, Engineering, and Related Services	M
5413	Architect/Architectural Service	M
54133	Engineer	M
54134	Drafting Service	M
54135	Building Inspection Services	M
54137	Surveyor	M
54138	Testing Service/Laboratory	M
5414	Specialized Design Services	M
5414	Interior Design Service	M
54143	Graphic Art/Design	M
54149	Other Design Service - Clothing, Textile, Fur, Jewelry, Shoes	M
5415	Custom Computer Services	M
5416	Management, Scientific, and Technical Consulting Services	M
54162	Consulting, Environmental	M
54169	Consulting - Other Scientific or Technical	M
5417	Scientific Research and Development Services	M
5418	Advertising and Related Services	M
54185	Display Advertising - Billboards, Aerial, Transit Advertising	R
54186	Direct Mail Advertising	M
54189	Sign Painting/Lettering	M
5419	Other Professional, Scientific, and Technical Services	M
54192	Photographer	M
54193	Translation/Interpretation Service	M
54194	Veterinary Services	M
54199	Other Professional, Scientific, and Technical Services	M
55	Management of Companies and Enterprises	
551	Management of Companies and Enterprises	A



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Code	Title/Description	Schedule
56	Administrative/Support/Waste Management/Remediation	
561	Administrative and Support Services (Must Have Picture I.D. and Certification Card for Regulated Professions)	A
5611	Office Administrative Services	A
5612	Facilities Support Services	A
5613	Staffing Service	A
5614	Business Support Services	A
56143	Private Mailing Service	A
56149	Repossession Service	A
5615	Travel/Tour/Convention Bureaus	A
5616	Investigation/Security Service	A
561621	Security Systems (State of Alabama Electronic Security Board of Licensure)	A
561622	Locksmith (State of Alabama Electronic Security Board of Licensure)	A
5617	Services to Buildings and Dwellings	
56171	Exterminating/Pest Control (Alabama Department of Agriculture and Industries)	A
56172	Janitorial Services	A
56173	Landscaping Services (Alabama Department of Agriculture and Industries)	A
561730	Lawn Maintenance (Landscaping Services Not Requiring Certification from Alabama Department of Agriculture and Industries)	A
56174	Carpet/Upholstery Cleaning	A
56179	Other Services to Buildings	A
5619	Organizational Support Services	A
562	Waste Management and Remediation Services (Alabama Department of Public Health)	A
5621	Waste Grease Collection (Code of Ala. 11-40-23)	State max
61	Educational Services	
611	Educational Services	A
62	Health Care and Social Assistance	
621	Ambulatory Health Care Services (Must Have Picture I.D. and Certification Card for Regulated Professions)	M
6211	Physician	M
6212	Dentist	M
6213	Offices of Other Health Practitioners	M
62131	Chiropractor	M
62132	Optometrist	M
62133	Mental Health Practitioner	M
62134	Physical, Occupational, Speech Therapist, Audiologist	M
62139	Podiatrist	M
621395	Massage Therapist (Alabama Board of Massage Therapy)	M
621399	Health Practitioner - Acupuncturist, Hypnotherapist, Dietitian, Physician Assistant	M
6214	Outpatient Care Centers	M
62142	Outpatient Mental Health and Substance Abuse Centers	CC



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Code	Title/Description	Schedule
6215	Medical and Diagnostic Laboratories	M
6216	Home Health Care Services	M
62191	Ambulance/Rescue Services	M
62199	All Other Ambulatory Health Care Services	M
622	Hospitals	L
6221	General Medical and Surgical Hospitals	L
6222	Psychiatric and Substance Abuse Hospitals	CC
623	Nursing and Residential Care Facilities (Alabama Department of Human Resources)	L
62322	Residential Mental Health and Substance Abuse Facilities	CC
6239	Other Residential Care Facility	L
624	Social Assistance Services (Alabama Department of Human Resources)	M
6241	Individual and Family Services	M
6242	Community Food and Housing, And Emergency and Other Relief Services	M
6243	Vocational Rehabilitation Services	M
6244	Child Day Care Center (Alabama Department of Human Resources)	M
6244	Child Care, In-Home (Alabama Department of Human Resources)	M
71	Arts, Entertainment and Recreation	
711	Performing Arts, Spectator Sports, and Related Industries	A
711T	Temporary Vendor - Special Event - One Day (Entertainment)	DD
711190	Carnival, Circus, Traveling Show - Includes Fairs	S
712	Museums, Historical Sites, and Similar Institutions	A
713	Amusement, Gambling, and Recreation Industries (In addition to Schedule H per device)	A
71394	Fitness and Recreational Sports Centers	A
71395	Bowling Center (In addition to Schedule H per device)	A
72	Accommodation and Food Services	
721	Accommodation (Less than 180 consecutive days)	A
72111	Hotels and Motels (Less than 180 consecutive days)	A
7212	RV Park/Campground	A
722	Food Services and Drinking Places (Alabama Department of Public Health)	A
72211	Full-Service Restaurants	A
72221	Limited Service Eating Places	A
72231	Food Service Contractors	A
72232	Caterers	A
72233	Mobile Food Services	FF
72233T	Temporary Mobile Food Vendor - Special Event	DD
7224	Drinking Places (Alcoholic Beverages)	A
81	Other Services	
811	Repair and Maintenance	A
8111	Minor Automotive Repair and Maintenance	A
8111	Major Automotive Repair and Maintenance	A



Code	Title/Description	Schedule
812	Personal and Laundry Services (Must Have Picture I.D. and Certification Card for Regulated Specialty Trades)	D
8121	Personal Care Service	D
812111	Barber Shops - Per Technician (Alabama Board of Cosmetology and Barbering)	C
812112	Beauty Salons - Per Cosmetologist (Alabama Board of Cosmetology and Barbering)	C
812112	Beauty Salons - Per Esthetician (Alabama Board of Cosmetology and Barbering)	C
812113	Nail Salons - Per Technician (Alabama Board of Cosmetology and Barbering)	C
812199	Other Personal Care Services (May Require State Regulatory Licenses and Health Certificates)	D
812199	Tattoo Parlor (Alabama Department of Public Health)	D
8122	Death Care Services (May Require State Regulatory Licenses and Health Certificates)	D
8123	Dry-cleaning and Laundry Services	D
81231	Coin-Operated Laundries and Drycleaners (In addition to Schedule G per device)	D
81233	Linen Supply	D
8129	Other Personal Services (May Require State Regulatory Licenses and Health Certificates)	D
81299	Mediums and Fortunetelling Services	D
81299	Bail Bondsman (Shelby County Court Authorization Required)	D
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	A
91-99	Classifications Not Covered by NAICS	
910	Category For Number of Vending Machines	G
915	Category For Number of Game/Amusement Device	H
920	Administrative Office/Support Services Only	BB
925	Nonprofit Organizations – IRS Tax-Exempt and Donations Only [See Sec. 5-14(f)(2)]	\$25.00
940	Special Events, Short-term and Seasonal Businesses	DD
960	Delivery License - Retail or Wholesale Merchandise Delivery Within State Allowance	State max
999	Other Business - Lines of Business Not Otherwise Classified	A
999	Employees: As In Number of Employees Used in License Calculation	Y
999	Other Business - Square Feet Used for Warehousing, Large Buildings, and Other Types	K

Each business activity shall be assigned a six-digit NAICS number from subsection (a). The classification schedule in subsection (a) is based on the 2002 North American Industrial Classification System ("NAICS"). The finance department is authorized, as an aid to interpretation and construction of the classifications, to utilize and apply the standards and criteria set out in any applicable NAICS publication promulgated or recognized by any agency of the United States. In accordance with section 5 of Alabama Act No. 2006-586, references to sectors or subsectors as set out in subsection (a) or in the 2002 North American Industrial Classification System (NAICS) shall mean and include references to any subsequently published North American Industrial Classification System.

In the event a person who is required to purchase a license is engaged in an activity with a NAICS number that does not correspond to all six (6) digits delineated in subsection (a), then the following procedures shall be followed:

- (1) The proper classification for the activity in which the person is engaged in shall be identified, as provided by NAICS.
- (2) The first three (3) digits of the NAICS classification that best describes the activity shall be used to identify a classification in subsection (a) that has the same first three (3) NAICS digits, and the person shall then be



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assigned to the NAICS classification in subsection (a) with the nearest last three (3) digits, provided the nearest NAICS number adequately describes the licensed activity.

(3) In the event the person cannot be classified using this procedure, then the person shall be assigned the license classification 999, unclassified.

Sec. 5-18. - License fee schedules.

There are hereby established the following schedules of payments for licenses for those exhibitions, trades, businesses, vocations, occupations and professions.

The Gross Receipts shall be used in calculating the License fee where the Business is a sole proprietorship, partnership, LLC, corporation, or other legal entity. The License shall cover all members, partners, owners, professional employees, and other employees of the Business and all sales at retail or retail sales as defined. Each professional or person who is an independent contractor or contract employee, and not a member, partner, owner, or employee of the Business, shall be required to buy a separate Business License.

For purposes of the payment schedules as applied to any person in the business of manufacturing, the term "gross receipts" shall mean and include "the value of goods produced or manufactured." The "value of goods produced or manufactured" shall be measured by the gross receipt when the goods are ultimately sold, regardless of when or where the sale occurs.

Where the amount of the license is based on gross receipts, in the absence of any other specific provision, the receipts referred to are those of such business for the year next preceding the current license year. If such business did not operate the entire next preceding year, then the license tax shall be estimated and marked to be adjusted as provided in subsection 5-3(c). This will be repeated until the business has operated a full next preceding (twelve-month) calendar year. Unless otherwise provided, all licenses will be based on actual annual gross receipts generated, and shall be calculated in accordance with the payment schedule indicated as follows:

Schedule A - General rate.

Base Fee	Plus, Percentage of Gross Receipts as follows*:			
	\$100,000.00 to \$50,000,000.00	\$50,000,001.00 to \$150,000,000.00	\$150,000,001.00 to \$650,000,000.00	\$650,000,001.00+
\$100.00	0.1 percent	0.02 percent	0.01 percent	0.005 percent

*For the 2026 license year, the maximum gross receipts utilized for the determination of any business license on Schedule A shall not exceed \$15,000,000. For the 2027 license year, the maximum gross receipts utilized for the determination of any business license on Schedule A shall not exceed \$30,000,000. For the 2028 license year, and each license year thereafter, all gross receipts shall be utilized for the determination of any business license on Schedule A.

Schedule B - Flat rate licenses.

\$50.00 each person

Schedule C - Flat rate licenses.

\$100.00 each person

Schedule D – Personal Services

Base Fee	Plus, Percentage of Gross Receipts
\$250.00	0.1 percent of Gross Receipts over \$100,000.00+

Schedule E - Secondary markets and other nondepository credit intermediation

Base Fee	Plus, Percentage of Gross Receipts
\$500.00	0.1 percent of Gross Receipts over \$100,000.00+

Schedule F - Electric, gas, and water/sewer systems

3 percent of gross receipts

Schedule G - Vending machines.

Base Fee	Additional Fee	Notes
\$100.00 first machine	\$25.00 per additional machine	This item is intended to be an addition to the primary business license of the applicant

Schedule H - Amusement devices.

Base Fee	Additional Fee	Notes
\$100.00 first machine	\$25.00 per additional device	This item is intended to be an addition to the primary business license of the applicant

* Billiard rooms, restaurants, and bars that have pool tables are required to be licensed by a county probate judge and carry a Pool Room Operator Bond.

Schedule I - Cable service

Five (5) percent (or maximum allowed) of gross receipts for all service in the city. Paid is due quarterly by the 20th day of the month following the end of each calendar quarter.

Schedule J - Reserved

Schedule K - Warehouse, manufacturing, wholesale, distribution; bulk and direct mail advertising.

Base Fee	Plus, the Greater of:				
	Square Footage	Or Percentage of Gross Receipts as follows*:			
	Sq. ft. of floor space in City	\$100,000.00 to \$50,000,000.00	\$50,000,001.00 to \$150,000,000.00	\$150,000,001.00 to \$650,000,000.00	\$650,000,001.00+
\$250.00	\$0.10 per sq. ft. over 25,000.	0.1 percent	0.02 percent	0.01 percent	0.005 percent

* For the 2026 license year, the maximum gross receipts utilized for the determination of any business license on Schedule K shall not exceed \$15,000,000.00. For the 2027 license year, the maximum gross receipts utilized for the determination of any business license on Schedule K shall not exceed \$30,000,000.00. For the 2028 license year, and each license year thereafter, all gross receipts shall be utilized for the determination of any business license on Schedule K.

Schedule L - Hospitals/nursing homes.

Base Fee	Plus, Percentage of Gross Receipts
\$300.00	0.1 percent of Gross Receipts over \$100,000.00+



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Schedule M - Professional, scientific, and technical services.

Base Fee	Plus, Percentage of Gross Receipts
\$200.00	0.1 percent of Gross Receipts over \$100,000.00+

The gross receipts shall be used in calculating the license fee where the business is a sole proprietorship, partnership, LLC, corporation, or other legal entity. The license shall cover all members, partners, owners, professional employees and other employees of the business.

Each professional or person who is an independent contractor or contract employee, and not a member, partner, owner, or employee of the business, shall be required to buy a separate business license.

Schedule N - Residential property rates.

Base Fee	Additional Fee	Notes
\$100.00 per property	0.25 percent of all gross receipts	Apartments, Condominiums, Multifamily Dwellings, Mobile Homes, Manufactured Homes, Modular Homes, Residential Rental Homes, Short-Term Rentals, et al.

Schedule O - Contractors.

Contractor - \$250.00. Must provide a copy of current certification from appropriate State of Alabama board for the type of business activity (Licensing Board for General Contractors or Home Builders Licensure Board).

In addition to the contractor license, a separate gross receipts license may be required if the contractor operates a retail or wholesale operation, manufactures or fabricates an item, or is a licensed or authorized distributor, agent or supplier for a product or material. If the contractor has a physical location within the city Limits of Pelham, a gross receipts license will be required in addition to the flat fee license.

Schedule P - Subcontractors.

Subcontractor - \$150.00. Must provide a copy of current certification if certification is required by any State of Alabama board or agency.

In addition to the subcontractor license, a separate gross receipts license may be required if the subcontractor operates a retail or wholesale operation, manufactures or fabricates an item, or is a licensed or authorized distributor, agent or supplier for a product or material. If the subcontractor has a physical location within the city Limits of Pelham, a gross receipts license will be required in addition to the flat fee license.

Schedule Q - Taxi cabs and limousines.

Base Fee	Additional Fee	Plus, Percentage of Gross Receipts as follows:
\$100.00	\$50.00 per unit	0.1 percent of Gross Receipts over \$100,000.00+

See Pelham Code of Ordinances, sections 15-40 through 15-45.

Schedule R - Billboard and display.

\$500.00 each face

Schedule S - Carnival and fairs

- \$1,500.00 per week (seven days or less)



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Schedule T - Wholesale gasoline distributor

Base Fee	Plus, Percentage of Gross Receipts
\$250.00	0.1 percent of Gross Receipts over \$100,000.00+

If the business makes sales other than wholesale gasoline in the City of Pelham a separate license must be obtained for that line of business.

In addition to any license fee required under this article, the sale of gasoline shall be subject to the provisions of article X of chapter 5 of the City of Pelham Code. A sworn statement and payment of \$.02 per gallon is to be made by the 20th of the month following the month in which the sales or deliveries are made.

Schedule U - Direct life, health, and medical insurance carriers

Insurance company (other than fire and marine) - \$20.00 plus \$1.00 of each \$100.00 and major fraction thereof of gross premiums, less return premiums, on policies issued during the preceding year to citizens of the city, provided that in case such company shall not have conducted business for the full period of said preceding year, it shall pay \$20.00 plus that amount which bears the same relationship to the gross premiums, less return premiums, on policies issued during the said preceding year as 365 bears to the number of days during which business was conducted in such preceding year. Companies commencing business after the first of the current license year shall pay \$20.00 plus \$1.00 each \$100.00 and major fraction thereof of gross premiums, less return premiums, on policies issued during the said current year to the citizens of the city. Such new companies shall pay a flat minimum license of \$20.00 at the time of commencement of business upon which there shall be an adjustment at the end of the year, upon the basis herein provided for new companies.

Schedule V - Direct insurance (except life, health, and medical) carriers

Insurance company (fire and marine) - \$4.00 on each \$100.00 of gross premiums, less return premiums, on policies issued during the preceding year on property located in the city, provided that in case such company shall not have conducted business in the city for the full period of said preceding year, it shall pay that amount which bears the same relationship to the gross premiums, less return premiums, on policies issued during the said preceding year on property located in the city as 365 bears to the number of days during which business was conducted in such preceding year. Companies commencing business after the first of the current license year shall pay a flat minimum license of \$5.00 upon which there shall be an adjustment at the end of the year, upon the basis herein provided for new companies.

Schedule W - Beer, wine and liquor

ABC Board Description	Amount	Licensing Notes
(010) Lounge Retail Liquor	\$500.00	Requires lounge license plus alcohol license. Monthly tax of 5% of gross purchases from State ABC Board due by 20th day.
(011) Package Store	\$500.00	
(020) Restaurant Retail Liquor	\$500.00	Requires restaurant plus alcohol license. Monthly tax of 5% of gross purchases from State ABC Board due by 20th day.
(040) Retail Beer (On and Off Premises Consumption)	\$75.00	
(050) Retail Beer (Off Premises Only)	\$75.00	
(060) Retail Table Wine (On and Off Premises Consumption)	\$75.00	
(070) Retail Table Wine (Off Premises Only)	\$75.00	
(080) Liquor (Wholesaler / Importer)	\$500.00	
(090) Beer (Wholesaler)	\$275.00	



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ABC Board Description	Amount	Licensing Notes
(100) Wine (Wholesaler)	\$275.00	
(110) Beer and Wine (Wholesaler)	\$375.00	
(120) Alcoholic Beverage (Warehouse)	\$200.00	
(130) Additional Warehouse (Wine, Beer or Both)	\$100.00	
(140) Special Events Retail License (Limit 7 Days)	\$150.00	Requires event license plus alcohol license. Monthly tax of 5% of gross purchases from State ABC Board due by 20th day.
(150) Special Retail License (Valid 30 Days or Less)	\$250.00	Requires event license plus alcohol license. Monthly tax of 5% of gross purchases from State ABC Board due by 20th day.
(160) Special Retail License (Valid 30 Days or More)	\$500.00	Requires event license plus alcohol license. Monthly tax of 5% of gross purchases from State ABC Board due by 20th day.
(200) Manufacturer	\$500.00	
(210) Importer (Wine, Beer, or Both)	\$250.00	
(220) Brewpub	\$500.00	
(990) Tobacco Permit	\$150.00	

In addition, an amount equal to five percent of the total gross purchase amount of all liquors is to be paid monthly. A sworn statement and payment of the five percent liquor tax on all purchases is to be made by the 20th of the month following the month in which the purchases are made.

If a taxpayer fails to file any return required to be filed with the city on or before the date prescribed therefor, there shall be assessed as a penalty the greater of ten percent of the tax due or \$50.00. Such penalty shall be assessed and collected as part of the tax.

If a taxpayer fails to pay the amount of tax due to the city on or before the date prescribed therefor, there shall be added a failure to timely pay penalty of ten (10) percent of the unpaid tax amount. Such penalty shall be assessed and collected as part of the tax.

The licensee must provide a copy of the current Alabama Alcoholic Beverage Control Board License.

Gross receipts from the sale of alcohol must be included in the gross receipts license for the store, restaurant, lounge, etc. and are also subject to the 5% sales tax.

Schedule X - Banks/savings and loans.

	Each Main Office	Each Branch Location	Each ATM Location
Bank	\$125.00	\$10.00	\$10.00
Savings and Loan	\$125.00	\$10.00	\$10.00

Schedule Y - Employees

- Where personnel are from 1 to 2 people..... \$100.00
- Where personnel are from 3 to 5 people..... \$250.00
- Where personnel are from 6 to 10 people..... \$400.00
- Where personnel are from 11 to 20 people..... \$550.00
- Where personnel are from 21 to 50 people..... \$700.00
- Where personnel are from 51 to 75 people..... \$850.00
- Where personnel are from 76 to 100 people..... \$1,000.00
- Personnel over 100 to be \$1,000.00 + \$50.00 per person over 100.



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Schedule Z - Reserved

Sec. 5-19. - Additional regulations for particular license classifications.

In addition to all other laws, ordinances, rules, and regulations, the following provisions shall apply to the specific classifications of section 5-18 as indicated:

Schedule AA - Solicitor/peddler/itinerant

\$500.00. Each person engaging in or carrying on business of any nature, offering tickets for entertainment or merchandise for sale, soliciting orders or making deliveries of any merchandise, rendering or selling service of any kind, taking orders for merchandise to be subsequently delivered by any agency or means, or accepting payment on orders for merchandise to be delivered subsequently by an agency or means, any or all of which transactions are done in or from the city but not maintaining a place of business in the city, shall pay an annual license fee in the amount of \$500.00.

This subsection shall not apply to a person paying a city license for engaging in a business of like character as that of any of those provided for in the other subsections.

(1) A solicitor, within the meaning of subsections (1) through (4) of this category, is defined as any person who, by using the telephone or going from house to house and from place to place in the city, sells or takes orders for, or offers to sell or take orders for tickets, goods, wares, merchandise, newspapers or services to be performed in the future, or for making, manufacturing or repairing of any article or thing whatsoever for future delivery.

(2) It shall be unlawful for any person to act as a solicitor without first paying for and taking out a license as prescribed herein, where such a license is applicable. It shall be unlawful for any person to engage in house-to-house solicitation as described herein between the hours of 6:00 p.m. and 8:00 a.m.

(3) Any person desiring a license to engage as a solicitor within the city shall:

(a) Be identified by the police department and shall divulge at the police department such information as may be required in an application furnished for such purpose, and where there is no record of the applicant's identity, shall submit to photographing and fingerprinting for identification.

(b) On such applicant's furnishing to the city revenue official evidence that such person has complied with (a) above, the revenue official shall issue a license authorizing the solicitation within the city upon payment of the solicitor's license as prescribed above.

(4) All orders taken by licensed solicitors shall be in writing, in duplicate, stating the terms thereof and the amount paid in advance, and one copy shall be given to the purchaser.

Schedule BB - Administrative office/support services

Each person, firm or corporation who maintains an office within the City of Pelham primarily for the support of business operations, which office received no gross receipts in the normal course of business at that location, shall pay an annual license fee of \$200.00.

This license shall not include any business for which a license is specifically required by any other Schedule of this Code. This license shall include only businesses that maintain at least one branch location other than this administrative office. It shall not include a business using the City of Pelham location to warehouse or store inventory. It shall not include building contractors maintaining offices in the City of Pelham.

No person, firm or corporation shall be licensed under this schedule to avoid paying a license on gross receipts from sales or services required by any other schedule of this ordinance.

Schedule CC - Substance and/or drug abuse treatment facility, psychiatric facility.

Base Fee	Plus, Percentage of Gross Receipts
\$300.00	0.1 percent of Gross Receipts over \$100,000.00+



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This license shall not be required of the office of a licensed practicing physician, psychiatrist, or psychologist who provides counseling, treatment, or evaluation for any substance, drug, or alcohol abuse or chemical dependency or any psychiatric, psychological, emotional, or behavioral problem or disorder as part of the general professional practice of such physician, psychiatrist, or psychologist, provided the practice does not provide overnight housing in conjunction with such services.

See the zoning ordinance for detailed use restrictions that may apply to these types of facilities.

Schedule DD – Special event, short-term and seasonal businesses

(1) Definitions.

Short-Term and Seasonal Businesses. Any temporary business not intending to establish a permanent location, wherein retail sales of food, beverages, crafts, services, and/or goods occur for three consecutive days or less. A temporary business must provide written permission for the event, including the dates, and signed by the property owner.

Special Event. An occasion, held upon the issuance of a permit by the city, intended to attract an audience, whether held on public or private property, and including events with admission fees or free public entry. Examples include festivals, animal shows, contests, races, entertainment, art, antiques, craft, coin, or trade shows, or other similar events, that occur for three consecutive days or less.

Special Event Sponsor. Promoter or other person, group of persons, association, partnership, firm, corporation or otherwise responsible party organizing a convention, show, or sale which convention, show or sale includes five (5) or more transient and local vendors or exhibitors, who offers to any vendor, directly or indirectly, sales areas within a multiple-vendor area location for the purpose of using such area during the term of the special event license for the purpose of selling, bartering, exchanging, trading, or displaying goods or services. Sponsors shall be subject to a license tax as stipulated in this chapter.

Special Event Vendor. An entity offering food, beverages, crafts, services, or goods for sale at a Special Event. Each vendor is responsible for remitting applicable sales taxes and is subject to the license tax set forth in this chapter.

(2) Standards and requirements for operation.

a. This temporary license applies to special events conducted in venues designed for lease or rental and capable of accommodating the number of attendees, vendors, parking, traffic, utilities, and public safety requirements associated with such events, or short-term and seasonal businesses.

b. No special event, short-term, or seasonal business may operate without the appropriate business license and payment of all applicable taxes. Any person found guilty of violating any of the provisions of this section 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, in the discretion of the court trying the case, and violations on separate days shall each constitute a separate offense.

c. Refer to the City of Pelham Code of Ordinances for applicable zoning regulations and permit requirements. All mobile food units must pass the City of Pelham’s annual inspection and comply with additional requirements under Schedule FF.

d. The following is hereby declared to be the schedule of temporary license fees:

Base Fee	Additional Fee	Notes
Per Event - Sponsor	\$150.00	Amounts Due Under Schedule H
Per Event - Vendor/Business	\$25.00	Amounts Due Under Schedule H

*The issuance fee does not apply to a temporary license.

Each special event must have a designated sponsor who shall complete a Special Event Sponsor application and obtain a sponsor license. Sponsors are responsible for ensuring event compliance with all municipal requirements. In addition to the license application, the sponsor must submit a list of participating vendors, including each



vendor's name, address, business phone number, email and a general description of goods/services offered to the City of Pelham finance department. The application and vendor listing must be submitted at least 14 days prior to the first day of the event. It is the responsibility of the Sponsor to notify each vendor of its obligations under the city's Business License and Sales Tax Ordinances.

Where the designated sponsor is the city, City-affiliated entity (City of Pelham Parks and Recreation, Ballantrae Golf Club, Pelham Racquet Club, Pelham Civic Complex and Ice Arena), or Pelham City Schools, no special event permit or sponsor license shall be required. However, sponsors shall still submit a list of participating vendors with the above requirements to the finance department. Vendors are still subject to vendor/business licensing requirements.

Any event that is held on the grounds of city property but sponsored by an outside entity shall still be subject to the full licensing provisions of this section.

Each vendor/business must submit a license application and obtain a temporary license. Any business participating in more than four (4) temporary events in a calendar year must obtain an annual direct sales or other appropriate business license. Temporary licenses paid in the same calendar year will be credited to the cost of the annual license. Vendors with a valid City of Pelham business license for the current year are exempt from the temporary license fee. All vendors must remit sales tax returns. Vendors without a permanent city location must report and remit sales tax to the city within seven (7) days following the event. Vendors with a permanent location in the city may report event sales in their regular monthly returns. All vendor applications must be received and paid 72 hours prior to the first day of the event.

e. Exceptions. The mayor shall, at his discretion, be authorized to issue a business license exemption to any vendor for an organized civic event, festival, celebration, nonprofit event or any other event where it is deemed as being in the public interest in order to exempt the vendors from business license fees so long as the designated sponsor is the city, city-affiliated entity or Pelham City Schools; however, such an exemption of the license requirement does not constitute a waiver of the responsibility for all vendors to collect and timely remit any and all sales taxes associated with the sale of goods, as well as inspection of food preparation facilities by the City of Pelham fire marshal and the Shelby County Health Department.

Schedule EE - Reserved

Schedule FF – Mobile food units

Base Fee	Additional Fee	Plus, Percentage of Gross Receipts as follows:
\$100.00	\$50.00 per unit	0.1 percent of Gross Receipts over \$100,000.00+

The following standards and a definition for the operation of mobile food units within the City of Pelham are established as follows:

(1) Definitions.

Food. Any type of edible substance meant to be eaten by any living creature, including, but not limited to, natural persons, dogs, cats, etc.

Mobile Food Unit. A self-contained vehicle, trailer or pushcart that serves prepared food or prepares and serves food in various locations of the city.

(2) Standards and requirements for operation.

a. All mobile food unit operators shall obtain an annual business license issued by the City of Pelham finance department prior to commencing any food sales in the city. Said license shall be assigned to the NAICS code 7223 and shall be subject to Schedule FF. If the commissary is located in the City of Pelham, a license shall be provided for both the mobile food unit as well as the commissary from which the food is obtained.

b. Business licenses shall be issued for the period beginning January 1 and ending December 31 of each year. This license shall be posted in a visible location on the mobile food unit at all times while in operation. In order to



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obtain said license, operators shall submit copies of all required and current health department approvals for both commissary and each mobile food unit. Applicants shall be responsible for having each unit inspected and approved by the city fire marshal prior to issuance of a business license.

c. All mobile food units must be located off public rights-of-way.

d. Mobile food units shall only be located and operated in areas and/or districts zoned nonresidential unless they are temporarily operated for specific events held at a church that is located on a parcel zoned for residential use. Licensed food trucks are allowed in R-1, R-2, R-G, PR-1 and PR-2 Residential zones with approval of the homeowners' association. Non-HOA neighborhoods shall obtain approval from local churches or the City of Pelham Parks and Recreation Department for permission to host a food truck in church parking lots or City mini parks. Food trucks must be located in common areas and off of public right-of-way. All other regulations in this section do apply.

e. Mobile food unit operators shall have the approval of the business owner(s) for each location at which the mobile food unit operates. This approval shall be in writing, signed by the business owner(s) and must be made available for inspection upon the request of any City official at any time during the operation of the mobile food unit.

f. No mobile food unit shall be allowed to operate in excess of three consecutive days in any one location, unless they have the mayor's written approval to operate at one location for an extended period of time related to special events lasting more than three days. If an exception request is denied by the mayor, the applicant has the right to appeal to the city council. During the time of non-operation, the mobile food unit and all associated vehicles, including any tables, chairs, umbrellas, etc., must be removed from the premises.

g. Hours of operation for all mobile food units shall be limited to 6:00 a.m. until the business at the location is closed, but no later than 11:00 p.m. local time, unless they have the mayor's written approval to operate for extended hours related to special events. If an exception request is denied by the mayor, the applicant has the right to appeal to the city council.

h. No mobile food unit shall operate on more than two individual sites within the city per day.

i. No more than one mobile food unit shall operate on the same site per day unless the mayor provides written approval for an exception to this related to specially approved festivals, celebrations, etc. If an exception request is denied by the mayor, the applicant has the right to appeal to the city council.

j. Mobile food units shall not be located within 200 feet of the main entrance of the nearest restaurant during the restaurant's posted hours of operation.

k. Mobile food units shall be located a minimum of 25 feet away from any fire hydrant, sidewalk, utility boxes, accessible ramps and/or building entrances.

l. Mobile food unit operators are responsible for the proper disposal of waste and trash associated with the operation. Operators shall remove all waste and trash every 24 hours to maintain the health and safety of the public and to prevent any adverse odors. City trash receptacles shall not be used for this purpose.

m. All associated equipment, including trash receptacles, must be located within three feet of the mobile food unit.

n. No fire lanes, vehicular access ways or pedestrian walkways may be obstructed or encroached upon by the mobile food unit.

o. No amplified microphones or bull horns, no flashing lights or any other distraction shall be permitted as a part of the mobile food unit operation. Any variance to this requirement must have written approval from the mayor. If an exception request is denied by the mayor, the applicant has the right to appeal to the city council.

p. Mobile food units shall not occupy parking spaces required to fulfill the minimum requirements of a principal use, unless they have the written approval of the zoning official or the hours of operation of the principal use do not coincide with those of the mobile food unit.


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- q. Signage is limited to signage located on the mobile food unit. No portable signage is allowed.
- r. While in operation, a food truck may have only one table accompanied by a reasonable number of chairs to accommodate that single table. Additional seating arrangements are not permitted.
- s. A food truck must be parked on a solid, stable surface such as concrete or asphalt at all times. Parking on grass, gravel, or other non-solid surfaces is only permitted if a special event permit has been obtained.
- (3) Penalties. Any person violating any provision of this schedule FF may be issued a citation by the Pelham police department or issued a summons and shall be required to appear in the Pelham municipal court. Upon conviction, any person shall be subject to any fines and other applicable court costs which may be assessed by the Pelham municipal court.
- (4) Exceptions. The mayor shall, at his discretion, be authorized to issue a business license exemption to any mobile food unit that is operating in an organized civic event, festival, celebration, nonprofit event or any other event where it is deemed as being in the public interest in order to exempt the operator of the mobile food unit from business license fees; however, all operators are still responsible for the collection and timely remittance of sales taxes associated with the sale of said inventory, as well as inspection of food preparation facilities by the City of Pelham fire marshal and the Shelby County Health Department.
- No person, firm or corporation shall be licensed under this schedule to avoid paying a license on gross receipts from sales or services required by any other schedule of this ordinance.