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Commissioner

State of Alabama Department of Revenue

(www.revenue.alabama.gov)
50 North Ripley Street
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BUSINESS LICENSE NEWSLETTER

FALL 2014

Electronic Reports

FEINs, SSNs & electronic filing now required

On April 10, 2014 Governor Robert Bentley signed into law Act 2014-430. This Act becomes effective on October 1, 2014 and requires all applicants for a new or renewal business privilege license to provide to the issuing agent the applicant's federal employer identification number (FEIN) or social security number (SSN) if an individual. This information must be included with the license information reported to the Department by each county each month.

In addition, this Act requires that all business privilege license information be transmitted electronically to the Department by the probate judge or county licensing official. License information must be submitted via the Department's secure server. Enclosed is a form to be completed and returned to our office so your county may be setup to access the server. Failure to submit the information via the secure server, risks the data being received by an unauthorized person. Upon submission of the required form, you will be contacted about additional information regarding the secure log-in. Data specifications can be found on page 3.

Natural Disasters

Certain Businesses exempt licenses

On March 13, 2014 Governor Robert Bentley signed into law Act 2014-157, known as the Facilitating Business Rapid Response to Declared Disaster Act of 2014. This Act became effective immediately. Per this Act, out-of-state businesses performing disaster or emergency

related work on infrastructure owned or operated by a registered business, municipality, county, or public corporation shall not be considered to have established residency and are not subject to any state or local taxes, licensing, registration, or filing requirement including, without limitation, state or local income taxes, payroll taxes, occupational and business licensing fees, etc. (Emphasis added.) Therefore, these companies are exempt from the business privilege licenses related to a disaster or an emergency declared by Alabama's Governor or the President of the United States.

Motor Vehicle Dealer Related Licenses

Update on Section 62 & Section 169

A uniform motor vehicle dealer license was established by Act 2014-158. Per review of this Act, the language contained in Sections 40-12-62 (bicycle & motorcycle) & 40-12-169 (trailers) was not amended. Therefore, counties may continue to sell these licenses the same as before, e.g., bicycle dealers may purchase the Section 62 without having a regulatory license. The new language provides that new and used motor vehicle dealers must present their Section 51, 62 or 169 license along with their regulatory license to obtain dealer tags. In short, the Section 62 and Section 169 dealers will no longer be allowed to purchase dealer tags without having a regulatory license. This should not impact the administration of the Section 62 and Section 169 business licenses. Questions regarding the motor vehicle dealer license and dealer tags should be directed to the Motor Vehicle Division.

BUSINESS LICENSE REPORTS

**DO**

- File your report by the 20th of the month following the month of activity (30th of the month for October – December reports).
- Include the taxpayer's Federal Employer Identification Number (FEIN) or Social Security Number (SSN).
- Include the name of the county and the filing period in the subject line for all emails.
- Attempt to obtain correct information from the taxpayers when issuing a license.
- Include "ESCAPE" and the Escape year in the DBA field when issuing escape year licenses.
- Send separate hard copies of transfer, chain and store reports along with the check each month to our office Attn: Kimberly Simmons.
- Check with your local post office regarding the proper postage for the hard copy reports.
- Include a Read Receipt if you would like proof that your report was received.
- Refer to the license handbook for code sections when issuing the licenses.

- Ask the taxpayers if there have been any changes since the last license year, e.g., address changes.
- Use the format shown on Page 3 when submitting electronic monthly license reports.

DON'T

- Use punctuation when entering the Legal Name, DBA or Physical address that may prevent the US Postal Service from delivering a notice to the taxpayer. For example, **do not include** ":", ";", "#", "*", etc. in these fields.
- Include transfer licenses on the business privilege license report.
- Mail business privilege license reports when filing electronically.
- Include multiple months in the same file. For example, don't include October and November reports in a file labeled FY2014 reports. (If filing late, you may email multiple months at the same time. However, they must be in separate files.)

Electronic Business License Data Specifications

Field Name	Field Length	Field Type	Field Format	Description
County Code	2	Alphanumeric		Value: 01 through 67.
License Year	4	Alphanumeric	CCYY ex: 2006	Actual License Year, i.e. Current Year License, Escape Year(s) License.
License Number	6	Alphanumeric		License Number Assigned by County.
Legal Name	31	Alphanumeric		Legal Name of Business. Left Justify, space fill.
DBA Name	30	Alphanumeric		Name Taxpayer Does-Business-As. Left Justify, space fill.
Physical Address of Business	30	Alphanumeric		Physical Location of Business. Left justify, space fill.
City	13	Alphanumeric		Physical Location of Business. Left Justify:
State	2	Alphanumeric		Standard State Abbreviation (Do not include this information with the city.)
Zip	9	Alphanumeric		Zip Code. If last four digits are unknown, zero fill. Ex.: 361040000. No dashes.
Suffix	1	Alphanumeric		Applicable alpha or numeric character or space.
License Section	3	Alphanumeric		Value: 041 through 179 & 315
License Amount	11	Numeric	99999999999	Right justify, zero fill. No decimals. Example: \$250.00 = 00000025000
NAICS Code	6	Alphanumeric		Right justify, zero fill.
FEIN*	9	Alphanumeric		FEIN of Business. If Sole Proprietor & does not have FEIN, then space fill.
Social Security Number*	9	Alphanumeric		Social Security # of Sole Proprietor. Space fill if partnership or corporation.

License Handbooks, Reference Guides & Interest Charts

Please visit the Department's webpage at <http://revenue.alabama.gov/licenses/> for updated copies of the business license handbook. This information will be updated by October 1, 2014. Also, interest rates are set by the Internal Revenue Service each quarter. Please verify that the rate has not changed each quarter. Of course, we will mail a notice and send email notices as soon as we become aware of any changes.

Do we have your contact information?

Please notify the Severance & License Section of any changes to your mailing, physical or email addresses. Also, if you have personnel changes regarding the person who files your reports,

please let us know. It is very important that we are able to reach you.

2014-15 License Paper/ Decals

The color of the privilege license paper for 2014 – 2015 is **Peach #162**. If your county is currently printing its licenses on paper that you purchased rather than the paper supplied by the State Comptroller's office, please use this color for the new license year. IF YOU DECIDE NOT TO USE THIS PAPER, PLEASE CONTACT THE COMPTROLLER'S OFFICE.

If you need the decals referenced in Section 40-12-176, please contact the Comptroller's office. They may be reached at 334-242-7070.

Questions?

If you have any questions, please feel free to contact our office at the following address or telephone number:

P. O. Box 327550
Montgomery, AL 36132-7550
(334) 353-7827
(334) 353-1809 fax

**BUSINESS & LICENSE TAX DIVISION
SEVERANCE & LICENSE SECTION
COUNTY SECURE SERVER INFORMATION SHEET
FOR BUSINESS PRIVILEGE LICENSES**

Name of County: _____

Person Filing Electronic Report:

Name: _____

Title: _____

Email address: _____

Phone number: () _____

Fax number: () _____

Alternate Contact for Electronic Report:

Name: _____

Title: _____

Email address: _____

Phone number: () _____

Fax number: () _____

If you have a vendor filing the report:

Name: _____

Company name: _____

Email address: _____

Phone number: () _____

Fax number: () _____

Complete and return form to:

P. O. Box 327550
Montgomery, AL 36132-7550
(334) 353-7827
(334) 353-1809 fax

You may use the enclosed envelope.