

SHEFFIELD
Posted 2/25/2022

Statutory Effective Date: March 1, 2022
Received by the Department: December 14, 2021

The City of Sheffield has increased their sales and use taxes as shown below:

	<u>OLD RATES</u>	<u>NEW RATES</u>
Sales Taxes:		
General Rate	3.500	4.000
Admissions to places of amusement and entertainment	3.500	4.000
Retail Selling Price of food for human consumption sold through vending machines	3.500	4.000
Net difference paid for machines, machinery, and equipment used in planting, cultivating and harvesting farm products .....	.375	.375
Machines and parts and attachments for machines used in manufacturing tangible personal property .....	.375	.375
Net difference paid for all automotive vehicles, truck trailers, semi-trailers and house trailers .....	.375	.375
Withdrawal fee for automotive vehicle dealers only	5.00	5.00
	<u>OLD RATES</u>	<u>NEW RATES</u>
Use Taxes:		
General Rate	3.500	4.000
Net difference paid for machines, machinery, and equipment used in planting, cultivating and harvesting farm products .....	.375	.375
Machines and parts and attachments for machines used in manufacturing tangible personal property .....	.375	.375
Net difference paid for all automotive vehicles, truck trailers, semi-trailers and house trailers .....	.375	.375

If purchases of tangible personal property are stored, used or consumed, outside the corporate limits of the city but within the police jurisdiction of the city, the rates of tax are one-half of those stated above.

Your City of Sheffield sales and use taxes may be remitted online through the 'Local Tax' account in the Alabama Department of Revenue's online filing system, My Alabama Taxes (MAT), the 'ONE SPOT' to file: <https://myalabamataxes.alabama.gov>. If you have any questions about your Sheffield taxes, please contact:

City of Sheffield
C/O STACS
P.O. Box 3989
Muscle Shoals, AL 35662
(256) 383-5569

If you have any questions regarding this notice, please contact this office:

ALABAMA DEPARTMENT OF REVENUE
Sales & Use Tax Division
P.O. Box 327710
Montgomery, Alabama 36132-7710
(334) 242-1490

City of Sheffield

Sheffield, Alabama 35660

OFFICE OF CITY CLERK & TREASURER
(256) 383-0250

600 N MONTGOMERY AVENUE
PO Box 380

ORDINANCE 2021-1213

An Ordinance Providing for An Increase in the Sales Tax In the City of Sheffield, Alabama

BE IT ORDAINED by the City Council of the City of Sheffield that,

WHEREAS pursuant to Section 50-19 and Section 50-21 of the Municipal Code of the City of Sheffield, Alabama, there has been levied a 3 ½ percent sales tax, and a need is reflected to increase said sales tax to 4 percent;

NOW, THEREFORE, Section 50-19 and Section 50-21 of the Municipal Code of the City of Sheffield, Alabama, be and is hereby changed to reflect an increase to 4 percent, as follows:

Sec. 5-19. - Sales tax levied; collection; amounts.

There is hereby levied, in addition to all other taxes of every kind now imposed by law, and shall be collected as herein provided, a privilege or license tax against the person on account of the business activities and in the amount to be determined by the application of rates against gross sales, or gross receipts, as the case may be, as follows:

- (1) Sale of tangible personal property by institutions of higher learning. Upon every person, including the state, the University of Alabama, Auburn University, and all other institutions of higher learning in the state, whether such institutions be denominational, state, county, or municipal institutions, and any association or other agency or instrumentality of such institutions engaged or continuing within the city in the business of selling at retail any tangible personal property whatsoever, including merchandise and commodities of every kind and character, not including, however, bonds or other evidences of debts or stocks, nor sale or sales of material and supplies to any person for use in fulfilling a contract for the painting, repair, or reconditioning of vessels, barges, ships, and other watercraft and commercial fishing vessels of over five tons load displacement as registered with the U.S. Coast Guard and licensed by the state department of conservation and natural resources, an amount equal to 4 percent of the gross proceeds of sales of the business except where a different amount is expressly provided herein; provided, however, that any person engaging or continuing in business as a retailer and wholesaler or jobber shall pay the tax required on the gross proceeds of retail sales of such business at the rates specified, when his books are kept so as to show separately the gross proceeds of sales of each business, and when his books are not so kept he shall pay the tax as retailer on the gross sales of the business. Where any used part including tires of an automotive vehicle or a truck trailer, semitrailer, or house trailer is taken in trade, or in a series of trades, as a credit or part payment on the sale of a new or rebuilt part or tire, the tax levied herein shall be paid on the net difference, that is, the price of the new or used part or tire.
- (2) Businesses operating places of amusement. Upon every person engaged or continuing within the city, in the business of conducting or operating places of amusement or entertainment; billiard and pool rooms; bowling alleys; amusement devices; musical devices; theaters; opera houses; moving picture shows;

vaudeilles; amusement parks; athletic contests, including wrestling matches, prizefights, boxing and wrestling exhibitions; football and baseball games, including athletic contests, conducted by or under the auspices of any educational institution within the city, or any athletic association thereof, or other association whether such institution or association is a denominational, a state, or county, or a municipal institution or association or a state, county, or city school, or other institution, association or school; skating rinks; racetracks; golf courses; or any other place at which any exhibition, display, amusement or entertainment is offered to the public or place where an admission fee is charged, including public bathing places, public dancehalls of every kind and description within the city, an amount equal to 4 percent of the gross receipts of any such business; provided, however, notwithstanding any language to the contrary in the prior portion of this subsection, the tax provisions so specified shall not apply to any athletic event conducted by a public or nonpublic primary or secondary school or any athletic event conducted by or under the auspices of the state high school athletic association. The tax amount which would have been collected pursuant to this subsection shall continue to be collected by said public or nonpublic primary or secondary school but shall be retained by the school which collected it and shall be used by such school for school purposes.

(3) Retail sale of machines used in mining, quarrying, compounding, etc. Upon every person engaged or continuing within the city in the business of selling at retail machines used in the mining, quarrying, compounding, processing and manufacturing of tangible personal property, an amount equal to three-eighths of one percent of the gross proceeds of the sale of such machines; provided that the term "machines" as herein used shall include machinery which is used for mining, quarrying, compounding, processing or manufacturing tangible personal property, and the parts of such machines, attachments and replacements therefor which are made or manufactured for use on or in the operation of such machines and which are necessary to the operation of such machines and are customarily so used.

(4) Retail sale of automotive vehicles, truck trailers, semitrailers, house trailers, etc.

a. Upon every person engaged or continuing within the city in the business of selling at retail any automotive vehicle or truck trailer, semitrailer, house trailer, or mobile home setup materials and supplies including, but not limited to, steps, blocks, anchoring, cable pipes and any other materials pertaining thereto an amount equal to three-eighths of one percent of the gross proceeds of sale of said automotive vehicle, truck trailer, semitrailer, house trailer, or mobile home setup materials and supplies, provided, however, where a person subject to the tax provided for in this subsection withdraws from his stock in trade any automotive vehicle or truck trailer, semitrailer, or house trailer for use by him or by his employee or agent in the operation of such business, there shall be paid, in lieu of the tax levied herein, a fee of \$5.00 per year or part thereof during which such automotive vehicle, truck trailer, semitrailer or house trailer shall remain the property of such person. Each such year or part thereof shall begin with the day or anniversary date, as the case may be, of such withdrawal and shall run for the 12 succeeding months or part thereof during which such automotive vehicle, truck trailer, semitrailer or house trailer shall remain the property of such person.

b. Where any used automotive vehicle or truck trailer, semitrailer or house trailer is taken in trade or in a series of trades, as a credit or part payment on the sale of a new or used vehicle, the tax levied herein shall be paid on the net difference, that is, the price of the new or used vehicle sold less the credit for the used vehicle taken in trade.

(5) Retail sale of farm machinery.

a. Upon every person engaged or continuing within the city in the business of selling at retail any machine, machinery or equipment which is used in planting, cultivating and harvesting of farm products, or used in connection with the production of agricultural produce or products, livestock or poultry on farms, and the parts of such machines, machinery or equipment, attachments and replacements therefor which are made or manufactured for use on or in the operation of such machine, machinery or equipment, and which are necessary to and customarily used in the operation of such machine, machinery or

equipment, an amount equal to three-eighths of one percent of the gross proceeds of the sale thereof; provided, however, the three-eighths of one percent rate herein prescribed with respect to parts, attachments, and replacements shall not apply to any automotive vehicle or trailer designed primarily for public highway use, except farm trailers used primarily in the production and harvesting of agricultural commodities.

b. Where any used machine, machinery or equipment which is used in planting, cultivating, and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock and poultry on farms is taken in trade or in a series of trades as a credit or part payment on a sale of a new or used machine, machinery or equipment, the tax levied herein shall be paid on the net difference, that is, the price of the new or used machine, machinery or equipment sold, less the credit for the used machine, machinery or equipment taken in trade.

(6) Retail sale of food, etc., through coin-operated dispensing machines. Upon every person engaged or continuing within the city in the business of selling through coin-operated dispensing machines, food and food products for human consumption, not including beverages other than coffee, milk, milk products and substitutes therefor, there is hereby levied a tax equal to 4 percent of the cost of such food, food products and beverages sold through such machines, which cost for the purpose of this subsection shall be the gross proceeds of sales of such business.

(Code 1957, § 24A-9; Ord. of 11-2-1971, § 1; Ord. of 2-22-1972; Ord. of 1-22-1974, § 1; Ord. of 9-28-1982, § 1; Ord. of 10-7-1986, § 1; Ord. of 12-16-1986, § 1; Ord. No. 93315, § 1, 3-15-1993; Ord. No. 99-0928, § 1, 9-28-1999)

Sec. 50-21. - Use tax levied; amounts.

(a) An excise tax is hereby imposed on the storage, use or other consumption in the city of tangible personal property, not including materials and supplies bought for use in fulfilling a contract for the painting, repairing, or reconditioning of vessels, barges, ships and other watercraft and commercial fishing vessels of over five tons load displacement as registered with the U.S. Coast Guard and licensed by the state department of conservation and natural resources, purchased at retail on or after the effective date of the ordinance from which this article is derived for storage, use or other consumption in the city, except as provided in subsections (b), (c), and (d) of this section, at the rate of 4 percent of the sales price of such property within the corporate limits of the city.

(b) An excise tax is hereby imposed on the storage, use or other consumption in the city of any machines used in mining, quarrying, compounding, processing, and manufacturing of tangible personal property purchased at retail on or after the effective date of the ordinance from which this article is derived at the rate of three-eighths of one percent of the sales price of any such machine, within the corporate limits of the city, provided that the term "machine" as herein used shall include machinery which is used for mining, quarrying, compounding, processing, or manufacturing tangible personal property, and the parts of such machines, attachments and replacements therefor, which are made or manufactured for use on or in the operation of such machines and which are necessary to the operation of such machines and are customarily so used.

(c) An excise tax is hereby imposed on the storage, use or other consumption in the city of any automotive vehicle or truck trailer, semitrailer, house trailer or mobile home setup materials and supplies including, but not limited to, steps, blocks, anchoring, cable pipes and any other materials pertaining thereto purchased at retail on or after the effective date of the ordinance from which this article is derived for storage, use or other consumption in the city at the rate of three-eighths of one percent of the sales price of such automotive vehicle, truck trailer, semitrailer, house trailer or mobile home setup materials and supplies within the corporate limits of the city. Where any used automotive vehicle or truck trailer, semitrailer or house trailer is taken in trade, or in a series of trades, as a credit or part payment on the sale

of a new or used vehicle, the tax levied herein shall be paid on the net difference, that is, the price of the new or used vehicle sold less the credit for the used vehicle taken in trade.

(d) An excise tax is hereby levied and imposed on the storage, use or other consumption in the city of any machine, machinery or equipment which is used in planting, cultivating, and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock or poultry on farms, and the parts of such machines, machinery, or equipment, attachments and replacements therefor which are made or manufactured for use on or in the operation of such machine, machinery, or equipment, and which are necessary to and customarily used in the operation of such machine, machinery, or equipment, which is purchased at retail after the effective date of the ordinance from which this article is derived, for the storage, use or other consumption in the city at the rate of three-eighths of one percent of the sales price of such property within the corporate limits of said city regardless of whether the retailer is or is not engaged in the business in this city; provided, however, the three-eighths of one percent rate herein prescribed with respect to parts, attachments, and replacements shall not apply to any automotive vehicle or trailer designed primarily for public highway use, except farm trailers used primarily in the production and harvesting of agricultural commodities. Where any used machine, machinery or equipment which is used in planting, cultivating, and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock, and poultry on farms is taken in trade or in a series of trades as a credit or part payment on a sale of a new or used machine, machinery, or equipment, the tax levied herein shall be paid on the net difference, that is, the price of the new or used machine, machinery, or equipment sold, less the credit for the used machine, machinery, or equipment taken in trade.

(e) An excise tax is hereby imposed on tangible personal property at one-half the rates specified in subsections (a), (b), (c), and (d) of this section on the storage, use or other consumption of such tangible personal property outside the corporate limits of the city, but within the police jurisdiction. (Code 1957, § 24A-11; Ord. of 11-2-1971, § 3; Ord. of 1-22-1974, § 2; Ord. of 10-7-1986, § 2; Ord. of 12-16-1986, § 2; Ord. No. 93315, § 1, 3-15-1993; Ord. No. 99-0928, § II, 9-28-1999)

Councilmember Mason moved that Ordinance 2021-1213 be adopted, which motion was seconded by Councilmember Highfield, and the vote was as follows: Yeas: Mrs. Hovater, Mrs. Rutland, Mr. Mason, Mayor Stanley, Mrs. Cook, and Mr. Highfield. Nays: None.

CERTIFICATION

I, Karen Mathis, the duly qualified, acting and appointed City Clerk of the City of Sheffield, Alabama, hereby certify that the above and foregoing resolution was duly passed and adopted by the City Council of the City of Sheffield in regular session at the City Hall in the Council Chambers on the 13th day of December, 2021.

Witness my hand and seal of said City on this, the 14th day of December, 2021.

RECEIVED

DEC 14 2021

Local Tax Section
Alabama Dept. of Revenue



Karen Mathis
City Clerk