



State of Alabama

Department of Revenue

(www.revenue.alabama.gov)

50 North Ripley Street
Montgomery, Alabama 36132

December 2, 2016

TO: ALL PERSONS, FIRMS, AND CORPORATIONS making sales at retail and/or purchasing tangible personal property for use, storage, or other consumption in the City of Homewood, Alabama, and its police jurisdiction (located in Jefferson County).

Sections 11-51-200, 11-51-202, & 11-51-208, et seq., **Code of Alabama 1975**, authorize and empower municipalities to levy a true sales and use tax identical to the State Sales and Use Tax Laws except for the rates of tax and require the Alabama Department of Revenue upon request of the municipality to collect the tax.

On October 24, 2016, the governing body of the City of Homewood adopted Ordinance No. 2635 levying a sales and use tax **effective January 1, 2017**, with a due date of February 20, 2017.

Sales & Use Tax Rates:	<u>Old Rates</u>	<u>New Rates</u>
General Rate	3%	4%
Admissions to places of amusement and entertainment	3%	4%
Retail selling price of food for human consumption sold through vending machines	3%	4%
Net difference paid for machines, machinery, and equipment used in planting, cultivating, and harvesting farm products	1.5%	2%
Machines, parts, and attachments for machines used in manufacturing tangible personal property	1.5%	2%
Net difference paid for all automotive vehicles, truck trailers, semi-trailers, and house trailers	1.5%	2%
Withdrawal fee for automotive vehicle dealers only.....	\$15.00	\$20.00

If sales are made and delivered to consumers, or purchases made for use, storage, or other consumption, outside the corporate limits of the City of Homewood but within the police jurisdiction, the rates of sales and use tax are one-half the rates shown above.

The Law requires that the City of Homewood sales and use taxes be collected, reported and remitted in the same manner as the State sales and use taxes. When you file and pay electronically, the City of Homewood sales and use taxes are to be included on the electronic city/county tax return assigned to you (City and County Tax Return, form 9501). Simply enter the gross amounts and deductions, and all calculations will be done automatically for you. You may file these taxes through My Alabama Taxes (MAT) at <https://myalabamataxes.alabama.gov>.

Please direct all questions regarding the City of Homewood sales and use taxes to this office:

Alabama Department of Revenue
Sales and Use Tax Division
Post Office Box 327710
Montgomery, Alabama 36132-7710

ORDINANCE NO. 2635

AN ORDINANCE LEVYING AN ADDITIONAL PRIVILEGE, LICENSE OR EXCISE TAX, AGAINST PERSONS, FIRMS OR CORPORATIONS STORING, USING OR OTHERWISE CONSUMING TANGIBLE PERSONAL PROPERTY OR ENGAGING IN THE BUSINESS OF SELLING AT RETAIL TANGIBLE PERSONAL PROPERTY OR CONDUCTING PLACES OF AMUSEMENT IN THE CITY OF HOMEWOOD, ALABAMA; PROVIDING FOR THE COLLECTION OF SAID ADDITIONAL TAX AND PROVIDING PENALTIES FOR THE VIOLATION THEREOF.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOMEWOOD in the State of Alabama, as follows:

Section 1. That it is hereby levied, **IN ADDITION TO ALL OTHER TAXES OF EVERY KIND NOW IMPOSED BY LAW**, which tax shall be collected as herein provided, an **ADDITIONAL** 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:

(a) Upon every person, firm or corporation (including the State of Alabama, 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 within the City of Homewood 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 evidence of debts or stocks for sale, or sales of material and supplies to any person for use in fulfilling a contract for the painting, repair or re-conditioning of vessels, barges, ships and other watercraft of over fifty tons burden), an amount equal to **one percent** (1%) 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

Gen
190

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 a retailer on the gross sales of the business.

(b) Upon every person, firm or corporation engaged or continuing within the City or Homewood, in the business of conducting or operating places of amusement or entertainment, billiard and pool rooms, bowling alley, amusement devices, musical devices, theaters, opera houses, moving picture shows, vaudeville, amusement parks, athletic contests, including wrestling matches, prize fights, boxing and wrestling exhibitions, football and baseball games (including athletic contests, conducted by or under the auspices of any educational institution with the City of Homewood, or any athletic association thereof, or other association whether such institution or association be a denominational, a state, or county or a municipal institution or association of a state, county or city school, or other institution, association or school), skating rinks, race tracks, golf courses, or any other place at which any exhibition, display, amusement or entertainment is offered to the public or place or places where an admission fee is charged, including public bathing places, public dance halls of every kind and description within the City of Homewood, an amount equal to one percent (1%) of the gross receipts of any such business.

Amusement
1%

(c) Upon every person, firm, or corporation engaged or continuing within the City of Homewood in the business of selling at retail machines used in mining, quarrying, compounding, processing and manufacturing of tangible personal property, an amount equal to one-half (1/2) of one percent (1%) 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

mtg
1/2%

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.

(d) Upon every person, firm or corporation engaged or continuing within the City of Homewood in the business of selling at retail any automotive vehicle, truck trailer, semi-trailer or house trailer, an amount **equal to one-half (1/2)** of one percent (1%) of the gross proceeds of sale of said automotive vehicle, truck trailer, semi-trailer or house trailer, provided, where a person subject to the tax provided for in this subsection withdraws from his stock in trade any automotive vehicle, truck trailer, semi-trailer or house trailer for use by him or by his employer or agent if the operation of such business, there shall be paid, in lieu of the tax levied herein, **a fee of Five Dollars (\$5.00)** per year or part thereof during which such automotive vehicle, truck trailer, semi-trailer 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 twelve succeeding months or part thereof during which such automotive vehicle, truck trailer, semi-trailer or house trailer shall remain the property of such person.

Auto
1/2%
w/d
\$5.00

Where any used automobile vehicle or truck trailer, semi-trailer 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.

(e) Upon every person, firm or corporation engaged or continuing within the City of Homewood in the business of selling at retail 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 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 one-half (1/2) of one percent (1%) of the gross proceeds of the sale thereof. Provided, however, the one-half (1/2) of one percent (1%) 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. *farm 1/2%*

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.

(f) Upon every person, firm or corporation engaged or continuing within the City of Homewood in the business of selling through coin-operated dispensing machines for 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 one percent (1%) 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. *Vending 1%*

Section 2. The taxes levied by Sections 1 of this ordinance shall be subject to all definitions, exceptions, exemptions, proceedings, requirements, rules, regulations, provisions, discounts, penalties, fines, punishments and deductions that are applicable to the taxes levied by the State sales tax statutes, except where inapplicable or where herein otherwise provided, including all provisions of the State sales tax statutes for enforcement and collection of taxes.

Section 3. (a) That an excise tax is hereby imposed on the storage, use or other consumption in the City of Homewood of tangible personal property (not including materials and supplies bought for use in fulfilling a contract for the painting, repairing or re-conditioning of vessels, barges, ships and other watercraft of more than fifty tons burden) purchased at retail on or after the effective date of this ordinance for storage, use or other consumption in the City of Homewood, except as provided in subsections (b), (c) and (d), at the rate of one percent (1%) of the sales price of such property within the corporate limits of said City of Homewood.

(b) An excise tax is hereby imposed on the storage, use or other consumption in the City of Homewood 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 this ordinance at the rate of one half (1/2) of one percent (1%) of the sales price of any such machine, within the corporate limits of the City of Homewood, 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 Homewood of any automotive vehicle or truck trailer, semi-trailer or house trailer on or after the effective date of this ordinance, for storage use or other consumption in the City of Homewood at the rate of one half (1/2) of one percent (1%) of the sales price of such automotive vehicle, truck trailer, semi-trailer or house trailer within the corporate limits of said City of Homewood. Where any used automotive vehicle, truck trailer, semi-trailer or

mfg
1/2%

Auto
1/2%

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 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 Homewood 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 on or after the effective date of this ordinance, for the storage, use or other consumption in the City of Homewood at the rate of **one-half (1/2) of one percent (1%)** of the sales price of such property within the corporate limits of said City of Homewood, regardless of whether the retailer is or is not engaged in the business in this City. Provided, however, the one-half (1/2) of one percent (1%) rate herein prescribed with respect to parts, attachments and replacement 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.

mtg
mach
1/2%

Section 4. That the taxes levied by Section 3 of this Ordinance shall be subject to all definitions, exceptions, proceedings, requirements, rules, regulations, provisions, penalties, fines, punishments, deductions or discounts that are applicable to the taxes levied by the State Use Tax Statutes except where inapplicable, or where herein otherwise provided, including all

provisions of the State Use Tax Statutes for the payments, enforcement and collection of taxes.

Section 5. That all of the proceeds of the additional tax as herein levied under the provisions of Sections 1, 2, 3 and 4 of this Ordinance, or as otherwise heretofore AMENDED, shall be used for, or authorized to be used, by the City of Homewood for ANY municipal or public purposes, including but not limited to the following uses, or purposes, viz.:

- (1) paying the cost of construction, re-constructing, installing, re-installing, repairing, replacing, operating or maintaining any storm water sewer, pipes, drains or ditches or any systems of storm water sewers, pipes, drains or ditches located in, or serving property located in, the City of Homewood;
- (2) paying the cost of construction, re-constructing, installing, re-installing, repairing, replacing, operating or maintaining any sanitary sewer pipes or drains or any systems of sanitary sewers, pipes or drains located in or serving property located in, the City of Homewood;
- (3) paying the cost of constructing, re-constructing, installing, re-installing, repairing, replacing, operating or maintaining any street, curbs or gutters or the resurfacing of any streets, curbs and gutters located in, or serving property located, in the City of Homewood;
- (4) paying the cost of constructing, re-constructing, installing, purchasing, leasing, re-installing, repairing, replacing, contracting for maintenance of, operating or maintaining any traffic light, traffic control device, lens or other necessary tools or equipment used to repair, maintain, replace, install any traffic control device located in, or serving property located, in the City of Homewood;
- (5) paying the cost of construction, purchasing, re-construction, installing, re-installing, repairing, replacing, leasing, contracting for the services for the purchase of capital improvements or equipment for the City of Homewood and the Board of Education, for improvements or equipment to be located in, or serving property located in, the City of Homewood as is reasonably determined as necessary for capital improvement or equipment expenditures by the City Council for the City of

Homewood or The Board of Education pursuant to a capital improvement budget adopted or amended by the City Council or the Board of Education; (6) paying the reasonable cost of insuring, surveying, inspecting and other costs incidental to the foregoing uses and purposes, or any reasonable cost and expenses of issuing, servicing and defraying any Bonds, warrants or other interest-bearing securities or certificates of indebtedness which the City of Homewood hereinafter may undertake to issue to provide funds, or refund, the costs associated, directly or indirectly, with the purposes hereinabove specified, or any part thereof; and (7) used to supplement or contribute to the General Fund of the City of Homewood, Alabama as part of the approval of any budget process or other lawful action taken by the City Council.

Section 6. This Ordinance Cumulative of General License Code or Ordinance. This ordinance shall not be construed to repeal any of the provisions of the general license code or other ordinances of the City of Homewood, but shall be held to be cumulative, and the amount of the taxes herein levied shall be in addition to the amounts of all other licenses or taxes imposed by the City of Homewood by its general license code or other ordinances.

Section 7. Severability. Each and every provision of this ordinance is hereby declared to be an independent provision and the holding of any provision hereof to be void and invalid for any reason shall not affect any other provisions hereof, and it is hereby declared that the other provisions of this ordinance would have been enacted regardless of any provision which might have been held invalid.

Section 8. Effective Time. That this ordinance shall become effective on the 1st day of January, 2017 and the first payment of taxes hereunder shall become due and payable on the 20th day of February, 2017 and the 20th day of each month thereafter for the preceding month's gross proceeds of sales of any business defined hereinabove. This ordinance shall remain in full force and effect and shall apply to each month of the year 2017, beginning with

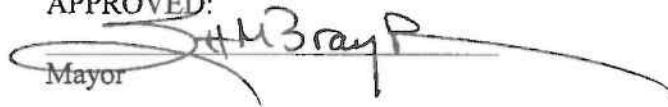
the month of January and to each month of each calendar year thereafter from year to year thereafter.

ADOPTED this the 24 day of October, 2016.



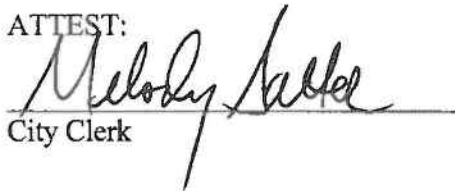
President of City Council

APPROVED:



Mayor

ATTEST:



City Clerk

This notice posted: October 25, 2016

At the following locations: Mayor's Office (City Hall), Homewood Public Library, Homewood Senior Center (Oak Grove Road) and Lee Community Center (Rosedale)

And at www.homewoodal.net

And on Channel No. 10 – Homewood Public Access Channel.

City of Homewood

Sales & Use Tax Rate Confirmation

By signing below, you are confirming the tax rate information, with corrections, is the current tax rate information for the City of Homewood.

	Rate Type		Corrected Rate	Police Jurisdiction
Sales Tax	General	4.000%	_____	_____
	Amusement	4.000%	_____	_____
	Mfg. Machines	2.000%	_____	_____
	Automotive	2.000%	_____	_____
	Demo Fee	\$20.00	_____	_____
	Farm	2.000%	_____	_____
	Vending	4.000%	_____	_____
Sellers Use	General	4.000%	_____	_____
	Mfg. Machines	2.000%	_____	_____
	Automotive	2.000%	_____	_____
	Farm	2.000%	_____	_____
Consumer Use	General	4.000%	_____	_____
	Mfg. Machines	2.000%	_____	_____
	Automotive	2.000%	_____	_____
	Farm	2.000%	_____	_____
	Tax Administrator – ADOR		_____	_____

None of the taxes above or any portion thereof is dedicated or earmarked for education.

I, Melody Sallor, do confirm that the tax rates shown above are correct. If rate is incorrect, the incorrect tax rate has been lined out and the correct tax rate has been indicated in the column titled "Corrected Rate".

Melody Sallor

 Signature of authorized County Official

Finance Director / City Clerk

 Title of signing official

11/16/16

 Date