

MADRID
Posted 3/21/2023

Statutory Effective Date: April 1, 2023
Received by the Department: January 25, 2023

The Town of Madrid has levied sales and use taxes as shown below:

Sales & Use Taxes:	<u>NEW RATES</u>
General Rate	4.000
Admissions to places of amusement and entertainment	4.000
Retail Selling Price of food for human consumption sold through vending machines	4.000
Net difference paid for machines, machinery, and equipment used in planting, cultivating and harvesting farm products	1.000
Machines and parts and attachments for machines used in manufacturing tangible personal property	1.000
Net difference paid for all automotive vehicles, truck trailers, semi-trailers and house trailers	1.000
Withdrawal fee for automotive vehicle dealers only	5.00

If sales of tangible personal property are made or delivered, or 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 Town of Madrid 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 Madrid taxes, please contact:

Avenu Insights & Analytics
P. O. Box 830725
Birmingham, AL 35283-0725
1-800-556-7274

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

JAN 25 2023

Local Tax Section
Alabama Dept. of Revenue

Town of Madrid, Alabama

Ordinance No. 2022

Pursuant to the provisions of Code of Alabama 1975 Sections 11-51-200 through 11-51-207, be it ordained by the Town Council of the Town of Madrid, in the State of Alabama as follows:

Section 1. 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, license or excise tax against persons, firms, or corporations storing, using, otherwise consuming or engaged in the business of selling at retail tangible personal property or conducting places of amusement within Town of Madrid 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, any association or other agency or instrumentality of such institutions) engaged or continuing within Town of Madrid 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 sales of material and supplies to any person for use in fulfilling a contract for the painting, repair, or reconditioning of vessels, barges, ships, other watercraft and commercial fishing vessels of over five tons load displacement as register with the US Coast Guard and licensed by the state of Alabama Department of Conservation and Natural Resources), an amount equal to **4 percent (4%)** of the gross proceeds of sales of each business. 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 a retailer, on the gross sales of the business.

(b) Upon every person, firm, or corporation engaged or continuing within Town of Madrid in the business of conducting or operating places of amusement or entertainment, billiard and pool rooms, bowling alleys, amusement devices, musical devices, theaters, opera house, moving picture shows, vaudevilles, 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 within Town of Madrid, or any athletic association thereof, or other association whether such institution or association be a denominational, a state, or county, or municipal 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 Town of Madrid, an amount equal to **4 percent (4%)** of the gross proceeds of sales of the business. Provided, however, notwithstanding any language to the contrary in the prior portion of this subdivision, the tax provisions so specified shall not apply to any athletic event conducted by a public primary or secondary school. The tax amount which would have been collected pursuant to this subdivision shall continue to be collected by said

public primary or secondary school but shall be retained by the school which collected it and shall be used by said school for school purposes.

(c) Upon every person, firm or corporation engaged or continuing within Town of Madrid in the business of selling at retail machines used in mining, quarrying, compounding, processing and manufacturing of tangible personal property an amount equal to 1 percent (1%) of the sale of such machines; 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.

(d) Upon every person, firm or corporation engaged or continuing within Town of Madrid in the business of selling at retail any automotive vehicle or truck trailer, semi-trailer or house trailer, or mobile home set-up materials and supplies including but not limited to steps, blocks, anchoring, cable pipes and any other materials pertaining thereto an amount equal to 1 percent (1%) of the gross proceeds of sales of said automotive vehicle or truck trailer, semi-trailer or house trailer, or mobile home set-up materials and supplies, provided, however where a person subject to the tax provided for in this subdivision withdraws from his stock in trade any automotive vehicle or truck trailer, semi-trailer 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, 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 12 succeeding months or part thereof during which such automotive vehicle, truck trailer, semitrailer or house trailer shall remain the property of such person.

Where any used automotive vehicle or truck trailer, semi-trailer or house trailer is taken in trade or in a series of trades, as a credit or partial 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 Town of Madrid 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 replacement therefore 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 1 percent (1%) of the gross proceeds of sales thereof. Provided, however, the rates 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 partial 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 Town of Madrid 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 therefore, there is hereby levied an amount equal to 4 percent (4%) on 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.

Section 2. An excise tax is hereby levied on the storage, use or other consumption within Town of Madrid of tangible personal property (not including materials and supplies bought for use in fulfilling a contract for the painting, repair, or reconditioning of vessels, barges, ships, other watercraft and commercial fishing vessels of over five tons load displacement as register with the US Coast Guard and licensed by the state of Alabama Department of Conservation and Natural Resources) purchased at retail on or after the effective date of this resolution for storage, use or other consumption in Town of Madrid, except as provided in subsections (b), (c), and (d) at the rate of 4 percent (4%) of the sales price of such property within Town of Madrid.

(a) An excise tax is hereby levied on the storage, use or other consumption within Town of Madrid 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 resolution at the rate of 1 percent (1%) of the sales price of any such machine; 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.

(b) An excise tax is hereby levied on the storage, use or other consumption within Town of Madrid of any automotive vehicle or truck trailer, semi-trailer, house trailer or mobile home set-up 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 this ordinance for storage, use or other consumption in Town of Madrid at the rate of 1 percent (1%) of the sales price of such automotive vehicle or truck trailer, semi-trailer, house trailer or mobile home set-up materials and supplies within Town of Madrid.

Where any used automotive vehicle or truck trailer, semi-trailer or house trailer is taken in trade or in a series of trades, as a credit or partial 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.

(c) An excise tax is hereby levied and imposed on the storage, use or other consumption within Town of Madrid 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 replacement therefore 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 resolution, for the storage, use or other consumption in Town of Madrid at the rate of 1 percent (1%) of the sales price of such property within Town of Madrid; provided, however, that the rates 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 partial 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.

Section 3. **Levy of the Tax in the Police Jurisdiction.** Upon every person, firm or corporation engaged in the doing of an act, or who shall do an act, or continuing in the business, or who shall engage in the operation of any business, within the police jurisdiction of the Town but beyond the corporate limits of said Town for which or upon which a privilege or license tax is in this Ordinance levied or required within the corporate limits of the Town, there is hereby levied, in addition to all other taxes of every kind now imposed by law or by municipal ordinance, to be collected as herein provided for the privilege or license taxes herein levied within the corporate limits of the Town a privilege or license tax equal to one-half of that provided, levied or required in this ordinance for the doing of such act, or the engaging or continuing therein, or the engaging or continuing in the operation of such business within the corporate limits of the Town. Provided further, that except for the amount of the privilege or license tax herein levied within the police jurisdiction of said Town but without the corporate limits thereof, all the provisions of this ordinance extend and apply to all the area within the police jurisdiction of the Town.

Section 4. The taxes levied by Section 1 and Section 2 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 of Alabama sales and use tax statutes, ALA. CODE § 40-23-1 *et seq.*, including all provisions of the state statutes for the enforcement and collection of taxes, ALA. CODE § 40-29-1 *et seq.*, and any corresponding rules and regulations adopted through the provisions of the Alabama Administrative Procedure Act by the Department of Revenue for the administration, enforcement or collection of the corresponding state tax.

Section 5. This resolution shall not be construed to repeal or replace any of the provisions of other taxes of every kind, but shall be held to be cumulative, and the amounts of taxes herein levied shall be in addition to the amount of all other license, privilege or excise taxes imposed by Town of Madrid.

Section 6. **Severability.** Each and every provision of this resolution 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 provision hereof, and it is hereby declared that the other provisions of this resolution would have been enacted regardless of any provision which might have been held invalid.

Section 7. The tax levied by Sections 1 and 2 hereof may be collected by the Town of Madrid, the State Department of Revenue or a private firm under contract with the Town of

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Madrid. The private firm shall have and exercise the same powers, duties, and obligations with respect to the tax levied hereunder that are imposed on the Commissioner and Department by the state sales and use tax statutes.

Section 8. The net proceeds of the taxes levied herein shall be paid into the general fund of the Town of Madrid.

Section 9. The taxes levied herein shall become effective on the first day of April 2023, and the first payment of taxes hereunder shall be due and payable on the twentieth day of May, 2023.

ADOPTED this 14th day of November 2022.

Elaine Williams Mayor
Elaine Williams, Mayor
Town of Madrid

Pauline Traylor
Pauline Traylor

Matx Martin
Matx Martin

Agnes Daniels
Agnes Daniels

Robbie Wilson
Robbie Wilson

Judy Wilson
Judy Wilson

Robbie Mullen
Robbie Mullen

ATTEST Annette Sizemore
Annette Sizemore, Town Clerk