
NOTICE

Friday, January 12, 2024

Local Tobacco Taxes

The Alabama Department of Revenue (ALDOR) recognizes that some of the local tobacco tax rates listed on our website may need to be updated to reflect the current rate(s). ALDOR is required to maintain and publish tax rate information pertaining to certain local and municipal tax levies (§11-51-210(e), Code of Ala. 1975), and local authorities are tasked with providing ALDOR with correct and updated information so that taxpayers have the most accurate information available.

As of May 18, 2004, local authorities were restricted from implementing additional tobacco tax levies by §40-25-2(f), Code of Ala. 1975, which provides:

“The increases levied by this section shall be exclusive and shall be in lieu of any other or additional local taxes and/or license fees, county or municipal, imposed on the sale or use of cigarettes and/or other tobacco products. Notwithstanding the foregoing, an act of the Legislature or an ordinance or resolution by a taxing authority passed or enacted on or before **May 18, 2004**, imposing a local tax and/or license fee shall remain operative, **but no additional local tax and/or license fee may thereafter be levied on the sale of cigarettes and/or other tobacco products.**” (Emphasis added.)

Furthermore, State Attorney General Opinion 2006-024 addressed restrictions on counties and municipalities placing additional taxes on tobacco products. The opinion states in part: “It is clear that the Legislature’s intent was that counties and municipalities were to levy no further local sales or license taxes on tobacco products after the passage of Act 2004-545.”

To better serve the taxpayers, please verify your local tobacco tax rates listed on our website at https://www.revenue.alabama.gov/ultraviewer/viewer/basic_viewer/index.html?form=2022/03/t_report.pdf. If your tobacco tax rates are reported incorrectly and changes are required in accordance with §40-25-2(f), please contact us in writing, by telephone, or email by using the contact information below. Note: A copy of the applicable ordinance or resolution with the updated tobacco tax rate(s) will be required prior to any changes being made.

Contact

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Tobacco Tax Section

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