

MOUNTAIN BROOK

Statutory Effective Date: April 1, 2026
Received by the Department: October 16, 2025

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

Sales & Use Taxes:	<u>OLD</u> <u>RATES</u>	<u>NEW</u> <u>RATES</u>
General Rate	3.000	4.000
Food/Grocery Rate	3.000	3.000
Admissions to places of amusement and entertainment	3.000	4.000
Retail Selling Price of food for human consumption sold through vending machines	3.000	4.000
Net difference paid for machines, machinery, and equipment used in planting, cultivating and harvesting farm products	3.000	4.000
Machines and parts and attachments for machines used in manufacturing tangible personal property	3.000	4.000
Net difference paid for all automotive vehicles, truck trailers, semi-trailers and house trailers	3.000	3.000
Withdrawal fee for automotive vehicle dealers only	5.00	5.00

Your City of Mountain Brook 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 Mountain Brook taxes, please contact:

City of Mountain Brook
PO Box 130009
Mountain Brook, AL 35213
Phone: 205-802-2400
Fax: 205-870-3590

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



RECEIVED

NOV 24 2025

ORDINANCE NO. 2190

LOCAL TAX

**AN ORDINANCE TO AMEND CHAPTER 26, ARTICLE IV OF THE CITY
CODE OF MOUNTAIN BROOK, ALABAMA.**

WHEREAS, the City Council of the City of Mountain Brook, Alabama (the "City Council") heretofore has adopted ordinances providing for the levy and collection of sales and use taxes ("Sales and Use Tax Ordinance") in the City of Mountain Brook ("City"), including Ordinance No. 2186 adopted on October 13, 2025, which increased the general municipal sales and use tax rate from three percent to four percent, making it consistent with the neighboring communities of Birmingham, Vestavia Hills, Homewood and Irondale; and

WHEREAS, further amendment of the City Code is needed to clarify certain provisions of the Sales and Use Tax Ordinances, as amended by Ordinance No. 2186.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Mountain Brook as follows:

Section 1. Section 26-104 of the City Code, as amended by Ordinance 2186, shall be further amended by replacing such amended subsection (5) with the following:

"(5) *Selling food and food products through coin-operated dispensing machines.* Upon every person, firm or corporation 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 levied a tax equal to four percent of the cost of the food, food products, and beverages sold through the machines, which cost for the purpose of this subsection shall be the gross proceeds of sales of the business."

Section 2. Section 26-104 of the City Code, as amended by Ordinance 2186, shall be further amended by adding the following as subsection (6) of such section:

"(6) *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.* 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 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 four percent of the gross proceeds of the sale thereof; provided, however, the four percent rate prescribed in this subsection 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 in this subsection 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. Section 26-143 of the City Code, as amended by Ordinance 2186, shall be further amended by replacing subsections (a) and (f) with the following:

"(a) An excise tax is hereby imposed on the storage, use or other consumption in the city of tangible personal property, not including, however, materials and supplies bought for use in fulfilling a contract for the painting, repairing or reconditioning of vessels, barges, ships, 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 December 1, 1993, for storage, use or other consumption in the city at the rate of four percent of the sales price of such property, except as provided in subsections (b), (c) and (d) of this section; provided, however that for the storage, use or consumption in the city of food as defined in Ala. Code §40-23-1(a)(20)(1975), the excise tax hereby imposed shall be at the rate of three percent of the sales price of such food.

(f) An excise tax is hereby imposed on the classes of tangible personal property, and at the rates imposed on such classes, specified in subsections (a), (b), (c), and (d) of this section, on the storage, use or other consumption in the performance of a contract in the city of any such tangible personal property, new or used, the tax to be measured by the sales price or the fair and reasonable market value of such tangible personal property

when put into use in the city, whichever is less; provided, however, the tax imposed by this subsection shall not apply where the taxes imposed by subsections (a), (b), (c), or (d) of this section apply.”

Section 4. Ordinance Cumulative.

This ordinance is cumulative in nature and is in addition to any power and authority which the City of Mountain Brook may have under any other ordinance or law.

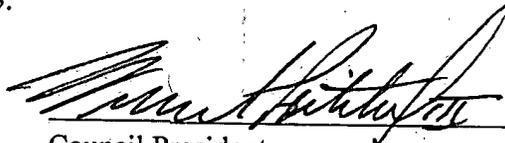
Section 6. Severability.

If any part, section, or subdivision of this Ordinance shall be held unconstitutional or invalid for any reason, such holding shall not be construed to invalidate or impair the remainder of this Ordinance or the Mountain Brook City Code, which shall continue in full force and effect, notwithstanding such holding.

Section 7. Effective Date.

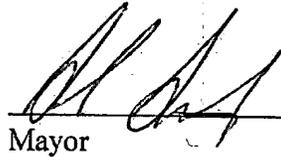
This Ordinance shall become effective on April 1, 2026, following its adoption and publication as required by law.

ADOPTED: This 24th day of November, 2025.



Council President

APPROVED: This 24th day of November, 2025.



Mayor

RECEIVED

OCT 16 2025

ORDINANCE NO. 2186

LOCAL TAX

AN ORDINANCE TO AMEND CHAPTER 26, ARTICLE IV OF THE CITY CODE OF MOUNTAIN BROOK, ALABAMA, TO INCREASE THE SALES AND USE TAX RATE.

WHEREAS, the City Council of the City of Mountain Brook, Alabama (the "City Council") heretofore has adopted ordinances providing for the levy and collection of sales and use taxes ("Sales and Use Tax Ordinance") in the City of Mountain Brook ("City"); and

WHEREAS, the City Council has determined that it is in the City's best interest to increase the general municipal sales and use tax rate from three percent to four percent, which will make the City's sales and use tax rate consistent with the neighboring communities of Birmingham, Vestavia Hills, Homewood and Irondale; and

WHEREAS, the sales and use tax rate on food, as defined in Ala Code §40-23-1(a)(20) (1975) is not being increased by this Ordinance and it shall remain at the rate of three percent, consistent with the requirements of Ala Code § 40-23-40 (1975).

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Mountain Brook as follows:

Section 1. Section 26-104 of the City Code shall be amended by replacing said section with the following:

"Sec. 26-104. - Tax levied on gross receipts.

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) Selling at retail any tangible personal property.

- a. Upon every person, firm or corporation (including all private institutions of higher learning in the city, any association or other agency or instrumentality of the 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 evidence of debts or stocks, nor sales of materials

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 United States Coast Guard and licensed by the state department of conservation and natural resources), an amount equal to four percent of the gross proceeds of sales of the business, except for (i) the sale of food as defined in Ala. Code §40-23-1(a)(20)(1975) for which the rate of levy and collection shall be an amount equal to three percent of the gross proceeds of such sales, and (ii) 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 a retailer, on the gross sales of the business.

- b. 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 sold less the credit for the used part or tire taken in trade, provided, however, this provision shall not be construed to include batteries.

(2) *Places of amusement or entertainment.* Upon every person, firm or corporation engaged or continuing within the city in the business of conducting or operating places of amusement or entertainment, including, without limitation, billiard and pool rooms, amusement devices, musical devices, theaters, moving picture shows, athletic contests, including football and baseball games (including athletic contests conducted by or under the auspices of any private educational institution within the city, or any athletic association thereof or other association), skating rinks, golf courses, or any other place at which any exhibition, display, amusement or entertainment is offered to the public, or any place or places where an admission fee is charged, including public bathing places, public dance halls of every kind and description within the city, an amount equal to four percent of the gross receipts of any such business. 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 Alabama High School Athletic Association. The tax amount, which would have been collected pursuant to this subdivision, shall continue to be collected by the public or nonpublic primary or secondary school, but shall be retained by the school which collected it and shall be used by the school for school purposes.

- (3) *Selling at retail machines used in mining, etc.* Upon every person, firm or corporation engaged or continuing within the city in the business of selling at retail machines used in mining, quarrying, compounding, processing, and manufacturing of tangible personal property an amount equal to four percent of the gross proceeds of the sale of the machines. 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 the machines, attachments, and replacements therefor, which are made or manufactured for use on or in the operation of the machines and which are necessary to the operation of the machines and are customarily so used.
- (4) *Selling at retail any automotive vehicle or truck trailer, semitrailer or house trailer, or mobile home set-up materials and supplies.*

- a. Upon every person, firm or corporation engaged or continuing within the city in the business of selling at retail any automotive vehicle or truck trailer, semitrailer 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, there is levied a tax in an amount equal to three percent of the gross proceeds of the sale of said automotive vehicle or truck trailer, semitrailer or house trailer, or mobile home set-up 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 as set forth in chapter 14, or part thereof, during which the automotive vehicle, truck trailer, semi-trailer or house trailer shall remain the property of the 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 the automotive vehicle, truck trailer, semitrailer or house trailer shall remain the property of the person.
- b. Where any used automotive vehicle or truck trailer or 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 a new or used vehicle sold less the credit for the used vehicle taken in trade. Sales of automobiles, motorcycles, trucks, truck trailers, or semitrailers that will be registered or titled outside the state, that are exported or removed from the state within 72 hours by the purchaser or his agent for first use outside the state are not subject to the sales tax. Sales of other vehicles such as mobile homes, motor bikes, all terrain vehicles, and boats do not qualify for the export exemption provision and are taxable unless

the dealer can provide factual evidence that the vehicle was delivered outside of the state or to a common carrier for transportation outside the state. In order for the sale to be exempt from the sales tax, the information relative to the exempt sale shall be documented on forms approved by the revenue department.

(5) *Selling food and food products through coin-operated dispensing machines.* Upon every person, firm or corporation 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 levied a tax equal to four percent of the cost of the food, food products, and beverages sold through the machines, which cost for the purpose of this subsection shall be the gross proceeds of sales of the business; provided, however that for any such food and food products which meet the definition of food as defined in Ala. Code §40-23-1(a)(20)(1975), there shall be levied a tax equal to three percent of the cost of the food sold through the machines.”

Section 2. Section 26-107 of the City Code shall be amended by replacing said section with the following;

“Sec. 26-107. - Tax to be added to purchase price; refund unlawful; tax a direct tax on retail consumer.

Every person engaged in or continuing within this city in the business for which a license or privilege tax is required by this article shall add to the sales price, and collect from the purchaser, on all sales upon the gross receipts of which there is levied by this article a sales tax, a sales tax at the rate of four percent, \$0.04 tax for each whole dollar of sales price; provided, that on that part of the sales price which is a fractional part of a dollar, in addition to whole dollars, and on sales of less than \$1.00, there shall be collected, in addition to the tax collected on whole dollars, no tax on \$0.01 to and including \$0.16 of sales price, \$0.01 tax on \$0.17 to and including \$0.24 of sales price, \$0.02 tax on \$0.25 to and including \$0.49 of sales price, \$0.03 tax on \$0.50 to and including \$0.74 of sales price and \$0.04 tax on \$0.75 to and including \$0.99 of sales price. Upon sales the gross receipts of which are taxed by this article at a rate less than four percent, there shall be added to the sales price and collected from the purchaser by such person an amount equal to the prescribed percentage of such sales price. It shall be unlawful for any person to fail or refuse to add to the sales price and collect from the purchaser the amount required by this section to be so added to the sales price and collected from the purchaser; and it shall likewise be unlawful to refund or offer to refund all or any part of the sales tax collected, or to absorb or advertise, directly or indirectly, the absorption or refund of the amount required to be added to the sales price and

collected from the purchaser, or any portion of such amount. Any person violating any of the provisions of this section shall be guilty of a misdemeanor, and, upon conviction, shall be fined in an amount of not less than \$100.00 nor more than \$500.00, or may be imprisoned in the city jail for not more than six months, or may be punished by both such fine and imprisonment, and each act in violation of the provisions of this article shall constitute a separate offense. The provisions of this section that there shall be added to the sales price and collected from the purchaser the amounts provided in this article shall in no way relieve any person of the tax levied by this article; nor shall the inability, impracticability, refusal or failure to add to the sales price, and collect from the purchaser, the amounts provided herein relieve such person from the tax levied by this article. All taxes paid pursuant to this article or any other ordinance enacted with respect to the subject matter of this article shall conclusively be presumed to be a direct tax on the retail consumer, pre-collected for the purpose of convenience and facility only. If any sum is collected from a consumer that purports to be collected because of this article, whether or not the amount is actually provided for hereunder, then any such sum, except such as is collected solely because of rounding the correct amount of tax upward to the nearest cent, shall be paid to the city."

Section 3. Section 26-143 of the City Code shall be amended by replacing said section with the following:

"Sec. 26-143. - Property taxed; persons liable.

(a) An excise tax is hereby imposed on the storage, use or other consumption in the city of tangible personal property, not including, however, materials and supplies bought for use in fulfilling a contract for the painting, repairing or reconditioning of vessels, barges, ships, 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 December 1, 1993, for storage, use or other consumption in the city at the rate of four percent of the sales price of such property, except as provided in subsections (b) and (c) of this section; provided, however that for the storage, use or consumption in the city of food as defined in Ala. Code §40-23-1(a)(20)(1975), the excise tax hereby imposed shall be at the rate of three percent of the sales price of such food.

(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 December 1, 1993, at the rate of four percent 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.

(c) An excise tax is hereby imposed on the storage, use or other consumption in the city of any automotive vehicle, truck trailer, semitrailer and house trailer 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 December 1, 1993, for storage, use or other consumption in the city at the rate of three percent of the sales price of such automotive vehicle, truck trailer, semitrailer or house trailer, mobile home set-up materials and supplies including, but not limited to, steps, blocks, anchoring, cable pipes and any other materials pertaining thereto. Where any used automotive vehicle, 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 imposed on the storage, use or other consumption in the city of any machine, machinery or equipment which is used in planting, cultivating or harvesting farm products, or used in connection with the production of agricultural produce or products, livestock, or poultry or 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, purchased at retail on or after December 1, 1993, for storage, use or other consumption in the city, at the rate of four percent of the sales price of such property, regardless of whether the retailer is or is not engaged in business in the city. The tax herein levied and imposed shall be in lieu of the excise tax levied and imposed by any other provision of this section.

(e) Every person storing, using or otherwise consuming in the city tangible personal property purchased at retail shall be liable for the tax imposed by this article, and the liability shall not be extinguished until the tax has been paid to the city; provided, however, that a receipt from a retailer maintaining a place of business in the city or a retailer authorized by the city, under such rules and regulations as the city may prescribe, to collect the tax imposed hereby and who shall for the purpose of this article be regarded as the retailer maintaining a place of business in the city, given to the purchaser in accordance with the provisions of section 26-146, shall be sufficient to relieve the purchaser from further liability for the tax to which such receipt may refer.

(f) An excise tax is hereby imposed on the classes of tangible personal property, and at the rates imposed on such classes, specified in subsections (a), (b), and (c) of this section, on the storage, use or other consumption in the performance of a contract in the city of any such tangible personal property, new or used, the tax to be measured by the sales price or the fair and reasonable market value of such tangible personal property when put into use in the city, whichever is less; provided, however, the tax imposed by this subsection shall not apply where the taxes imposed by subsections (a), (b), or (c) of this section apply.”

Section 4. Section 26-154 of the City Code shall be amended by replacing said section with the following:

“Sec. 26-154. – Disposition of funds derived from tax.

The proceeds from the taxes herein levied shall be divided as follows:

- (1) Three-fourths of said levy of the rate of four percent shall be placed in the general fund of the city, subject to appropriation by the city council of the city for any lawful purpose of the city; and
- (2) One-fourth of said levy of the rate of four percent of said taxes will be deposited in the capital projects account to be utilized for capital expenditures, which may include the repayment of any general obligation warrant funds or other debt issued by the city for capital improvements.”

Section 5. Ordinance Cumulative.

This ordinance is cumulative in nature and is in addition to any power and authority which the City of Mountain Brook may have under any other ordinance or law.

Section 6. Severability.

If any part, section, or subdivision of this Ordinance shall be held unconstitutional or invalid for any reason, such holding shall not be construed to invalidate or impair the remainder of this Ordinance or the Mountain Brook City Code, which shall continue in full force and effect, notwithstanding such holding.

Section 7. Effective Date.

This Ordinance shall become effective on April 1, 2026, following its adoption and publication as required by law.

ADOPTED: This 13th day of October, 2025.



Council President

APPROVED: This 13th day of October, 2025.



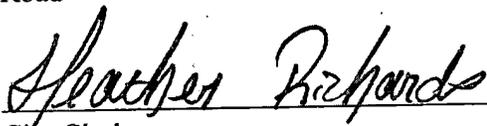
Mayor

CERTIFICATION

I, Heather Richards, City Clerk of the City of Mountain Brook, Alabama, hereby certify the above to be a true and correct copy of an ordinance adopted by the City Council of the City of Mountain Brook, Alabama, as its meeting held on October 13th, 2025, as same appears in the minutes of record of said meeting, and published by posting copies thereof on October 14th, 2025, at the following public places, which copies remained posted for five (5) days as required by law.

City Hall, 56 Church Street
Gilchrist Pharmacy, 2850 Cahaba Road

Overton Park, 3020 Overton Road
Cahaba River Walk, 3503 Overton
Road



City Clerk