375 South Ripley Street
Montgomery, AL 36104

revenue.alabama.gov

Alabama Department of Revenue

TO: ALL PERSONS, FIRMS, AND CORPORATIONS engaged in the renting or furnishing of rooms, lodgings or accommodations to transients in the **Gadsden**, Alabama (located in Etowah County).

On July 14, 2026, the governing body of the Gadsden adopted Ordinance No. O-22-26 increasing the rate of the Gadsden lodgings tax **effective October 1, 2026**. The increased lodgings tax rate is shown below:

	Old Rate	New Rate
Lodgings Tax Rate..	5.000%	10.000%

The Law requires that the Gadsden lodgings tax be collected, reported and remitted in the same manner as the State lodgings tax. When you file and pay electronically, the Gadsden lodgings tax is 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 Gadsden lodgings tax to this office:

Alabama Department of Revenue
Sales and Use Tax Division
Post Office Box 327710
Montgomery, Alabama 36132-7710
334-242-1490 or 866-576-6531

2026/0627

ORDINANCE NO. O-22-26

Amending Chapter 74, Article X, Section 74-291(c) of the Code of Ordinances of the City of Gadsden, Alabama

WHEREAS, on June 30, 2026 (O-20-26) the City of Gadsden last amended the lodging tax rate; and

WHEREAS, the surcharge exemption in paragraph (c) for rooms, lodgings, or accommodations provided for 30 continuous days must be revised to 90 continuous days to align with the state's levy of lodging tax; and

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GADSDEN, ALABAMA, as follows:

Section 1. Chapter 74, Article X, Section 74-291 of the Code of Ordinances of the City of Gadsden is amended to read as follows:

Sec. 74-291-Levy of tax.

(a) For the privilege of engaging or continuing within the city in the business activities referred to in this section, there is hereby levied, in addition to all other taxes of every kind imposed by law, and shall be collected as provided in this article, a privilege or license tax against the person on account of the business activities and in the amounts to be determined by the application of rates against gross receipts as provided in subsection (b) of this section.

(b) There is hereby levied and imposed, in addition to all other taxes of every kind imposed by law, a privilege or license tax upon every person engaging in the business of renting or furnishing any rooms, lodgings or accommodations to transients for a consideration, in an amount to be determined by the application of the rate of ten (10) percent of the charge for such rooms, lodgings, or accommodations, including the charge for use or rental of personal property and services furnished in such room. The tax shall not apply to rooms, lodgings or accommodations supplied for a period of 180 continuous days or more in any place.

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LOCAL TAX

(c) There is hereby levied and imposed, in addition to all other taxes of every kind now imposed by law, a privilege or license surcharge upon every person engaging or continuing in this city in the business of renting or furnishing any tourist camp, tourist cabin, place or space for tent camping, place or space provided for a motor home, travel trailer, self-propelled camper or house car, truck camper, or similar recreational vehicle commonly known as a R.V. regularly furnished to transients for a consideration, in an amount of $5.00 per night per accommodations. There is exempted from the surcharge levied under this section any rentals or services taxed under division 1, commencing with Code of Ala. § 40-23-1, of article 1, chapter 23, title 4. The surcharge shall not apply to rooms, lodgings, or accommodations supplied for a period of 90 continuous days or more in any place.

Section 2. The section, subsections, paragraphs, sentences, clauses and phrases of this ordinance are severable. If any section, subsection, paragraph, sentence, clause and phrase of this ordinance is declared unconstitutional or invalid by a valid judgment of a court of competent jurisdiction, such judgment shall not affect the validity of any other section, subsection, paragraph, sentence, clause and phrase of this ordinance. The city council declares that it is its intent that it would have enacted this ordinance without such invalid or unconstitutional provisions.

Section 3. The provisions of this ordinance repeal any prior ordinance or provision of the Gadsden City Code to the extent of any conflict.

Section 4. This ordinance shall become effective upon publication.

I certify that this ordinance was duly adopted by the City Council of the City of Gadsden, Alabama, at an open public meeting held on July 14, 2026.

Jennifer Smith

Jennifer Smith, City Clerk

APPROVED on 7/17/2026

Craig Ford, Mayor