

Birmingham Business License Ordinance Update

A revised ordinance is now being drafted by the City of Birmingham's finance department. Those revisions should be sent to the ABC of Alabama Chapter by Tuesday, September 1. Below are the agreed upon revisions:

- Companies domiciled in the City of Birmingham will not pay a portion of their business license on work done outside the city.
- Companies domiciled outside the City of Birmingham but work within the city will pay their 2016 business license based on gross receipts minus deductions for work done the previous year within the City of Birmingham.
- Both general contractors and subcontractors will be able to deduct their sub or sub to the sub receipts prior to determining their final gross receipts.
- The fee schedule will start at approximately \$250 and will be capped at \$25,000. Again, based on gross receipts with standard deductions.

This is an attempt to update you and give you a broad perimeter of the forthcoming ordinance. This ordinance will be before the city Budget & Finance Committee on September 14 and will go before the council for a vote on September 15. Post that vote, ABC of Alabama will host either a physical workshop or a webinar to educate you on how to submit your 2016 business license fee based on the ordinance. In the meantime, please continue to direct any questions you have to jay@abc-alabama.org.