

DUE DATES, PENALTIES, INTEREST

Mailing Payments.

Tax forms and remittances for established accounts are mailed to the Tax and License Administration (Revenue) Division's lockbox address:

City of Birmingham
TAX & LICENSE ADMINISTRATION (REVENUE)
DIVISION
P. O. Box 830638
Birmingham, AL 35283-0638

BUSINESS LICENSES

BUSINESS LICENSE DUE DATE, IN GENERAL. Except as otherwise provided in Ordinance No. 97-183, "The Business License Code of the City of Birmingham", all licenses shall be due and payable on the *first day of the calendar year* for the whole calendar year, or from the day on which business is commenced for the remainder of the calendar year. The payment for the calendar year license renewal shall be *delinquent on February 16* of that year.

BUSINESS LICENSE DUE DATES--SPECIFIC.

(a) Annual Alcoholic Beverage Licenses. All alcoholic beverage licenses shall be due and payable on the *first day of each calendar year*, or from the day on which business is commenced for the remainder of the calendar year. The payment for the calendar year alcoholic beverage license renewal shall be *delinquent on January 16* of each year.

(b) Monthly Liquor Tax. All monthly liquor taxes imposed by this ordinance shall be due and payable on the *fifteenth (15th) day of the month* next succeeding the month in which the license tax accrues.

(c) Insurance. All business licenses issued pursuant to Schedules 136 and 137 of this license Code shall be due and payable on the *first day of each calendar year*, or from the day on which business is commenced for the remainder of the calendar year. The payment for the license renewal shall be *delinquent on March 4th* of each year.

(d) 598-F and 599-F. All monthly taxes levied pursuant to Schedules 598-F and 99-F shall be due and payable on *the twenty-fifth (25th) day of each month* following the monthly period for which the tax is due.

BUSINESS LICENSE PENALTIES FOR LATE PAYMENT, IN GENERAL. If said licenses are not paid before becoming delinquent, a penalty shall be assessed and collected in addition to the license tax due. Said penalty shall be based on the amount of license tax which is delinquent as follows:

Five Percent (5%) during the period beginning February 16 and ending March 15,
Fifteen Percent (15%) during the period beginning March 16 and ending April 15,
Twenty-five percent (25%) thereafter.

BUSINESS LICENSE PENALTIES FOR LATE PAYMENT--SPECIFIC.

- (a) **Liquor Licenses.** Any annual liquor license return/notice and payment not received by the due date thereof shall be deemed untimely filed and shall be assessed a penalty for late payment in the amount of *fifteen percent (15%)* of the amount due, such penalty to be assessed and collected as part of the license tax.
- (b) **Monthly Liquor Tax.** Any monthly liquor tax return/notice and payment not received by the due date thereof shall be deemed untimely filed and shall be assessed a penalty for late payment in the amount of *fifteen percent (15%)* of the amount due, such penalty to be assessed and collected as part of the license tax.
- (c) **Insurance.** Any insurance license return/notice and payment not received by the due date thereof shall be deemed untimely filed and shall be assessed a penalty for late payment based on the amount of the license tax which is delinquent as follows:

Five Percent (5%) during the period beginning March 4 and ending April 3,
Fifteen Percent (15%) during the period beginning April 4 and ending May 3, and
Twenty-five Percent (25%) thereafter.
- (d) **598-F and 599-F.** Any tax return and payment to be filed and remitted, pursuant to Ordinances 598-F or 599-F, and which is not received by the due date thereof shall be deemed untimely filed and shall be assessed a penalty for late payment in the amount of *twenty percent (20%)* of the amount due, such penalty to be assessed and collected as part of the license tax.

PENALTIES--OTHER. The information above shall apply to penalties except where, in the judgment of the Director of Finance, it is necessary to check the accounts of the licensee in order to properly determine the amount of license tax due, and after having done so, it is found that the licensee has not paid the full amount due, a penalty not exceeding twenty-five percent (25%) of the amount originally due shall, in the judgment of the Director of Finance, be assessed as penalty.

OCCUPATIONAL TAX

OCCUPATIONAL TAX RATE / DUE DATE

Occupational Tax Rate. Occupational Tax is due at the rate of *one percent (1%)* of the compensation due each employee. The payments are due **monthly** on or before the *twentieth (20th)* day of the month next following each monthly period.

If the total Occupational Tax liability averages less than fifty (\$50.00) dollars per month during the preceding calendar year, a **quarterly** return and remittance in lieu of monthly returns may be made, by election of the taxpayer to the department, for the current calendar year. The remittance of such deductions for the quarterly periods shall be due on or before the *twentieth (20th)* day of the month next following the end of each such quarterly period.

Occupational Tax Forms. An Occupational Tax forms booklet, containing twelve (12) monthly forms and one (1) annual reconciliation form, is mailed by the Tax and License Administration Division to each taxpayer having an occupational tax liability. Forms may also be downloaded (See [Tax Forms](#)).

OCCUPATIONAL TAX PENALTIES AND INTEREST.

Failure to Timely File Return. If an occupational tax return is not filed by the due date, a penalty of ten percent (10%) of the amount due, or fifty dollars (\$50.00), whichever is greater, together with interest at the rate of one percent (1%) per month or fraction thereof is assessed, from the date at which the tax became due and payable.

Failure to Timely Pay Tax. If a taxpayer fails, neglects, or refuses to pay the amount of tax shown as due on a return required to be filed there shall be added: (1) In addition to the tax due or the amount of tax required to be remitted; or (2) for any tax for which a monthly or quarterly return is required or, (3) for which no return is required, a penalty of ten percent (10%) of the unpaid amount shown as tax due on the return or the amount stated in the notice and demand, with a minimum penalty of three dollars (\$3.00), together with interest thereon at the rate of one percent (1%) per month or fraction thereof, from the date at which the tax became due and payable.

Underpayment of Tax. Any taxpayer failing to pay the occupational tax or any amount of tax required to be withheld and remitted to the City, within the time required by Ordinance No. 97-184, shall pay, in addition to the tax or the amount of tax to be withheld and remitted, a penalty of ten percent (10%) of the amount due plus interest at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax or the amount of tax levied or required to be withheld and remitted became delinquent, that is, due and payable to the City, with a minimum penalty of three dollars (\$3.00).

Interest. Interest shall be computed at a rate of one percent (1%) per month or fraction thereof, and shall be added to any tax or other amount due the City which is not paid by the due date. Interest on any delinquency or underpayment shall be charged from the due date of the tax.

Penalties Not Exclusive. The penalties described in Sections 5 and 13 of Ordinance No. 97-183 for failure to timely file a return, failure to timely pay tax, underpayment of tax, underpayment due to negligence and fraud, or filing a frivolous appeal, may be asserted against the same taxpayer for the same tax period.

SALES TAX

SALES TAX RATES, DUE DATES

Sales Tax Rates. The following sales tax rates apply to sales made in the City of Birmingham:

General Rate	3% (three percent)
Amusement/Entertainment Rate	3% (three percent)
Machine Rate	1% (one percent)
Automotive Rate	1% (one percent)
Vending Machine Rate	3% (three percent)
Agricultural Machinery & Equip.	1% (one percent)

Sales Tax Due Dates. Sales tax returns and payments are due *monthly* by the *twentieth (20th)* day of the month next following each monthly period, except as provided below.

Sales Tax Forms. A Sales Tax forms booklet, containing twelve (12) monthly forms is mailed by the Tax and License Administration Division to each taxpayer having a sales tax liability. Forms may also be downloaded (See [Tax Forms](#)).

Tax Return Filing Elections.

(1) Election to File Quarterly; Requirements.

- a. If the total amount of *taxable* sales for which any taxpayer is liable does not exceed five thousand dollars (\$5,000) *per month* during the preceding calendar year, or, if the total tax liability due to the State of Alabama for such sales during such period averages less than two hundred dollars (\$200) *per month* during the preceding calendar year, a quarterly return and remittance in lieu of the monthly returns may be made, by election of the taxpayer to the City, on or before the *twentieth (20th)* day of the month next succeeding the end of the quarter for which the tax is due, and under such rules and regulations as may be prescribed in Section 40-23-7, Code of Alabama 1975.

b. In order to file quarterly, the election shall be made in writing no later than **February 20th** of each year and shall be filed with the Tax and License Administration Division. If such election is not timely made and in accordance with the above provisions, returns shall be due monthly.

(2) **Election to File Yearly.** Notwithstanding the above, if the total amount of *taxable* sales for which any taxpayer is liable does not exceed two hundred fifty dollars (\$250) during the preceding calendar year, or, if the total tax liability due to the State of Alabama for such sales during such period is less than ten dollars (\$10) during the preceding calendar year, a yearly return and remittance shall be made to the City, on or before the 20th day of January of each year. In order to file yearly, the election shall be made in writing and shall be filed with the Tax and License Administration Division. If such election is not timely made and in accordance with the above provisions, returns shall be due monthly.

SALES TAX PENALTIES, INTEREST

Failure to Timely File Return. If a taxpayer fails, neglects, or refuses to file any return required to be filed with the City on or before the date prescribed therefor, there shall be assessed, in addition to the tax due or the amount of tax herein required to be collected, a penalty of ten percent (10%) of the amount due or fifty dollars (\$50.00), whichever is greater, together with interest thereon at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax became due and payable.

Failure to Timely Pay Tax. If a taxpayer fails, neglects, or refuses to pay to the City the amount of tax shown as due on a return required to be filed on or before the date prescribed for payment of the tax, there shall be added: (1) In addition to the tax due or the amount of tax herein required to be collected; or, (2) For any tax which a monthly or quarterly return is required; or, (3) For which no return is required, a penalty of ten percent (10%) of the unpaid amount shown as tax due on the return or the amount stated in the notice and demand, together with interest thereon at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax herein levied became due and payable.

Underpayment of Tax. Any taxpayer failing to pay the tax herein levied to the City or any amount of tax herein required to be collected and paid to the City, within the time required by this ordinance, shall pay, in addition to the tax or the amount of tax herein required to be collected, a penalty of ten percent (10%) of the amount of tax due, plus interest at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax or the amount of tax herein levied became due and payable, such penalty and interest to be assessed and collected as part of the tax.

Interest. Interest shall be computed at rate of *one percent (1%)* per month or fraction thereof, and shall be added to any tax or other amount due the City which is not paid by the due date. Interest on any delinquency or underpayment shall be charged from the due date of the tax

Penalties Not Exclusive. The penalties described in Section 13 of Ordinance No. 97-185 for failure to timely file a return, failure to timely pay tax, underpayment of taxes, underpayment due to negligence and fraud, or filing a frivolous appeal may be asserted against the same taxpayer for the same tax period.

USE TAX

USE TAX (SELLERS AND/OR CONSUMERS) RATES, DUE DATES

Use Tax Rates. The following sellers use and consumers use tax rates apply to sales made in the City of Birmingham:

General Rate	3% (three percent)
Machine Rate	1% (one percent)
Automotive Rate	1% (one percent)
Agricultural Machinery & Equip.	1% (one percent)

Use Tax Due Dates. Use tax returns and payments are due *quarterly* by the *twentieth (20th)* day of the month next following each quarterly period, except as provided below.

Use Tax Forms. A Use Tax forms booklet, containing twelve (12) monthly forms is mailed by the Tax and License Administration Division to each taxpayer having a use tax liability. Forms may also be downloaded (See [Tax Forms](#)).

Election to File Yearly. If the total amount of *taxable* sales/purchases of tangible personal property for which any person is liable does not exceed two hundred fifty dollars (\$250) during the preceding calendar year, or, if the total use tax liability due to the State of Alabama for the sale/purchase of such tangible personal property during such period is less than ten dollars (\$10) during the preceding calendar year, a yearly return and remittance shall be made to the City, on or before the 20th day of January of each year. In order to file yearly, the election shall be made in writing and shall be filed with the Tax and License Administration Division. If such election is not timely made and in accordance with the above provisions, returns shall be due quarterly.

USE TAX PENALTIES, INTEREST

Failure to Timely File Return. If a taxpayer fails, neglects, or refuses to file any return required to be filed with the City on or before the date prescribed therefor, there shall be assessed, in addition to the tax due or the amount of tax herein required to be collected and/or remitted, a penalty of ten percent (10%) of the amount due, or fifty dollars (\$50.00), whichever is greater, together with interest thereon at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax became due and payable.

Failure to Timely Pay Tax. If a taxpayer fails, neglects, or refuses to pay to the City the amount of tax shown as due on a return required to be filed on or before the date prescribed for payment of the tax, there shall be added: (1) In addition to the tax due or the amount of tax herein required to be collected and/or remitted; or, (2) For any tax for which a monthly or quarterly return is required, or, (3) For which no return is required, a penalty of ten percent (10%) of the unpaid amount shown as tax due on the return or the amount stated in the notice and demand, together with interest thereon at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax became due and payable.

Underpayment of Tax. Any taxpayer failing to pay the tax levied to the City or any amount of tax herein required to be collected and paid to the City, within the time required, shall pay, in addition to the tax or the amount of tax herein required to be collected and/or remitted, a penalty of ten percent (10%) of the amount of tax due, plus interest at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax or the amount of tax herein levied or required to be collected became delinquent, that is, due and payable to the City.

Interest. Interest shall be computed at the rate of one percent (1%) per month or fraction thereof, and shall be added to any tax or other amount due the City which is not paid by the due date. Interest on any delinquency or underpayment shall be charged from the due date of the tax.

Penalties Not Exclusive. The penalties provided in Section 13 of Ordinance No. 97-186 for failure to timely file a return, failure to timely pay tax, underpayment of tax, underpayment due to negligence and fraud, or filing a frivolous appeal may be asserted against the same taxpayer for the same tax period.

LEASE TAX

LEASE TAX RATES, DUE DATES

Lease Tax Rates. The following lease tax rates apply to sales made in the City of Birmingham:

General Rate	3% (three percent)
Automotive Rate	3/4 of 1% (three-fourths of one percent)

Lease Tax Due Dates. Lease tax returns and payments are due *monthly* by the *twentieth (20th)* day of the month next following each monthly period, except as provided below.

Lease Tax Forms. A Lease Tax forms booklet, containing twelve (12) monthly forms is mailed by the Tax and License Administration Division to each taxpayer having a lease tax liability. Forms may also be downloaded (See [Tax Forms](#)).

Tax Return Filing Elections.

(1) Election to File Quarterly; Requirements.

- a. If the total amount of *taxable* leases/rentals for which any taxpayer is liable does not exceed five thousand dollars (\$5,000) *per month* during the preceding calendar year, or, if the total tax liability due to the State of Alabama for such leases/rentals during such period averages less than two hundred dollars (\$200) *per month* during the preceding calendar year, a quarterly return and remittance in lieu of the monthly returns may be made, by election of the taxpayer to the department, on or before the 20th day of the month next succeeding the end of the quarter for which the tax is due, and under such rules and regulations as may be prescribed in Article 4, Chapter 12, Title 40 Code of Alabama 1975.
- b. In order to file quarterly, the election shall be made in writing no later than *February 20th* of each year and shall be filed with the Tax and License Administration Division. If such election is not timely made and in accordance with the above provisions, returns shall be due monthly.

- (2) **Election to File Yearly.** Notwithstanding the above, if the total amount of *taxable* leases/rentals for which any taxpayer is liable does not exceed two hundred fifty dollars (\$250) during the preceding calendar year, or, if the total tax liability due to the State of Alabama for such leases/rentals during such period is less than ten dollars (\$10) during the preceding calendar year, a yearly return and remittance shall be made to the City, on or before the 20th day of January of each year. In order to file yearly, the election shall be made in writing and shall be filed with the Tax and License Administration Division. If such election is not timely made and in accordance with the above provisions, returns shall be due monthly.

LEASE TAX PENALTIES, INTEREST

Failure to Timely File Return. If a taxpayer fails, neglects, or refuses to file any return required to be filed with the City on or before the date prescribed therefor, there shall be assessed, in addition to the tax due or the amount of tax herein required to be collected and/or remitted, a penalty of ten percent (10%) of the amount due, or fifty dollars (\$50.00), whichever is greater, together with interest thereon at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax became due and payable.

Failure to Timely Pay Tax. If a taxpayer fails, neglects, or refuses to pay to the City the amount of tax shown as due on a return required to be filed on or before the date prescribed for payment of the tax, there shall be added: (1) In addition to the tax due or the amount of tax herein required to be collected and/or remitted; or, (2) For any tax for which a monthly or quarterly return is required, or, (3) For which no return is required, a penalty of ten percent (10%) of the unpaid amount shown as tax due on the return or the amount stated in the notice and demand, together with interest thereon

at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax became due and payable.

Underpayment of Tax. Any taxpayer failing to pay the tax levied to the City or any amount of tax herein required to be collected and paid to the City, within the time required, shall pay, in addition to the tax or the amount of tax herein required to be collected and/or remitted, a penalty of ten percent (10%) of the amount of tax due, plus interest at the rate of one percent (1%) per month, or fraction thereof, from the date at which the tax or the amount of tax herein levied or required to be collected became delinquent, that is, due and payable to the City.

Interest. Interest shall be computed at the rate of one percent (1%) per month or fraction thereof, and shall be added to any tax or other amount due the City which is not paid by the due date. Interest on any delinquency or underpayment shall be charged from the due date of the tax.

Penalties Not Exclusive. The penalties provided in Section 13 of Ordinance No. 97-187 for failure to timely file a return, failure to timely pay tax, underpayment of tax, underpayment due to negligence and fraud, or filing a frivolous appeal may be asserted against the same taxpayer for the same tax period.