

**SB304 INTRODUCED**



1 SB304  
2 MSAIYWH-1  
3 By Senator Albritton  
4 RFD: County and Municipal Government  
5 First Read: 12-Feb-26



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SYNOPSIS:

Existing law authorizes municipalities to levy a business license on certain businesses operating within their jurisdictions.

This bill would provide for the circumstances when a municipality may levy a business license on certain general contractors, subcontractors, engineers, and land surveyors.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to municipalities; to add Section 11-51-133 to the Code of Alabama 1975, to limit municipalities from levying a business license on certain general contractors, subcontractors, engineers, and land surveyors.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 11-51-133 is added to the Code of Alabama 1975, to read as follows:

§11-51-133

(a) As used in this section, the following terms have the following meanings:

(1) ENGINEER. The same meaning as provided in Section



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29 34-11-1.

30 (2) GENERAL CONTRACTOR. The same meaning as provided in  
31 Section 34-8-1, without regard to the monetary thresholds set  
32 forth in that section.

33 (3) LAND SURVEYOR. The same meaning as provided in  
34 Section 34-11-1.

35 (4) PHYSICAL BUSINESS LOCATION. A principal business  
36 office, branch office, or other office, warehouse, or  
37 permanent fixed place of business. The term does not include a  
38 temporary job site, job trailer, equipment, or materials  
39 stored on a temporary basis in connection with a construction  
40 project or job.

41 (5) SUBCONTRACTOR. The same meaning as provided in  
42 Section 34-8-1, without regard to the monetary thresholds set  
43 forth in that section.

44 (b) A municipality may impose a business license on a  
45 general contractor, subcontractor, engineer, or land surveyor  
46 who performs work within the municipality but does not  
47 maintain a physical business location within the municipality.  
48 The amount of the business license shall be calculated on the  
49 basis of a flat fee or the gross receipts derived from the  
50 work performed within the municipality.

51 (c) For purpose of calculating the amount of a business  
52 license, a municipality shall permit a general contractor,  
53 subcontractor, engineer, or land surveyor to exclude any gross  
54 receipts which were used to calculate the amount of a business  
55 license paid in another municipality when the general  
56 contractor, subcontractor, engineer, or land surveyor



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57 maintains a physical place of business in the municipality  
58 where the application for a business license has been filed.

59 (d) Nothing in this section shall be construed to  
60 require a general contractor, subcontractor, engineer, or land  
61 surveyor to obtain a business license in any municipality if  
62 the general contractor, subcontractor, engineer, or land  
63 surveyor meets either of the following requirements:

64 (1) They are otherwise eligible to obtain a delivery  
65 license pursuant to Section 11-51-194 in a municipality.

66 (2) They are otherwise exempt from obtaining a delivery  
67 license or business license pursuant to Section 11-51-194(c)  
68 in a municipality.

69 Section 2. This act shall become effective on October  
70 1, 2026.