



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

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 businesses in the building trade located inside the municipality's jurisdiction.

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 businesses.

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) CERTIFIED HEATING AND AIR CONDITIONING CONTRACTOR.
The same meaning as provided in Section 34-31-18.



57 Section 34-8-1, without regard to the monetary thresholds set
58 forth in that section.

59 (b) (1) A municipality may impose a business license on
60 any of the following businesses who perform work within the
61 municipality but do not maintain a physical business location
62 within the municipality:

- 63 a. A certified heating and air conditioning contractor.
- 64 b. A certified refrigeration contractor.
- 65 c. A duct air tightness testing contractor.
- 66 d. An electrical contractor.
- 67 e. A general contractor
- 68 f. A journeyman electrician.
- 69 g. A master gas fitter.
- 70 h. A master plumber.
- 71 i. An onsite wastewater licensee.
- 72 j. A residential home builder.
- 73 k. A subcontractor.

74 (2) The amount of the business license shall be
75 calculated on the basis of a flat fee or the gross receipts
76 derived from the work performed within the municipality.

77 (c) For purpose of calculating the amount of a business
78 license, a municipality shall permit any business listed in
79 subsection (b) to exclude any gross receipts which were used
80 to calculate the amount of a business license paid in another
81 municipality when the business maintains a physical place of
82 business in the municipality where the application for a
83 business license has been filed.

84 (d) A municipality may not require any business listed



85 in subsection (b) to obtain a municipal business license to
86 work on a project on behalf of a county government when that
87 project is located on county property or on a
88 county-maintained road, bridge, right-of-way, or easement.

89 Section 2. This act shall become effective on October
90 1, 2026.