

PURSUANT TO ARTICLE 3, CHAPTER 51, TITLE 11, CODE OF ALABAMA 1975  
 THIS ORDINANCE LEVIES A PRIVILEGE OR LICENSE TAX AGAINST PERSONS, FIRMS OR CORPORATIONS  
 ENGAGED IN THE BUSINESS OF SELLING, AT RETAIL, TANGIBLE PERSONAL PROPERTY OR CONDUCTING  
 PLACES OF AMUSEMENT IN THE CITY OF HAMILTON, ALABAMA, OR WITHIN ITS POLICE JURISDICTION;  
 PROVIDES FOR THE COLLECTION OF SAID TAXES; PROVIDES PENALTIES FOR THE  
 COLLECTION OF SAID TAXES; PROVIDES PENALTIES FOR THE VIOLATION OF THIS ORDINANCE;  
 AND PROVIDES FOR ALLOCATION OF THE PROCEEDS OF SAID TAXES.

Pursuant to the provisions of Article 3, Chapter 51, Title 11, be it ordained by the City Council of  
 the City of Hamilton (herein called the "City") in the State of Alabama as follows:

SECTION 1. Ordinance No. 374 dated July 11, 1966, and all amendments thereto; Ordinance No. 390 dated  
 March 25, 1973; Ordinance No. 503 dated April 13, 1993; and Ordinance NO. 504 dated April 13, 1993, are  
 hereby repealed and superseded as follows:

SECTION 2. There is levied, in addition to all other taxes of every kind now imposed by law, and  
 shall be collected as herein provided, a privilege or license tax against the person on account of the  
 business activities and in the amount to be determined by the application of rates against gross sales, or  
 gross receipts, as the case may be, as follows:

(1) Upon every person, firm, corporation, (including the State of Alabama and its alcoholic beverage  
 control board in the sale of alcoholic beverages of all kinds, the University of Alabama, Auburn University  
 and all other institutions of higher learning in the state, whether the institutions be denominational, state,  
 county or municipal institutions, any association or other agency or instrumentality of such institutions)  
 engaged, or continuing within this City, in the business of selling at retail any tangible personal property  
 whatsoever, including merchandise and commodities of every kind and character, (not including, however,  
 bonds or other evidences of debts or stocks, nor sales of material and supplies to any person for use  
 in fulfilling a contract for the painting, repair, or reconditioning of vessels, barges, ships, other  
 watercraft, and commercial fishing vessels of over five tons load displacement as registered with the U.S.  
 Coast Guard and licensed by the State of Alabama Department of Conservation and Natural Resources), an  
 amount equal to two percent of the gross proceeds of sales of the business except where a different amount  
 is expressly provided herein. Provided, however, that any person engaging or continuing in business as a  
 retailer and wholesaler or jobber shall pay the tax required on the gross proceeds of retail sales of the  
 business at the rates specified, when his or her books are kept so as to show separately the gross proceeds of  
 sales of each business, and when his or her books are not kept, he or she shall pay the tax as a retailer,  
 on the gross sales of the business.

Where any used part including tires of an automotive vehicle or a truck trailer, semitrailer, or  
 house trailer is taken intrade, or in a series of trades, as a credit or part payment on the sale of a  
 new or rebuilt part or tire, the tax levied herein shall be paid on the net difference, that is, the price  
 of the new or used part or tire sold less the credit for the used part or tire taken in trade, provided,  
 however, this provision shall not be construed to include batteries.

(2) Upon every person, firm, or corporation engaged or continuing within this City in the business  
 of conducting or operating places of amusement or entertainment, billiard and pool rooms, bowling alleys,  
 amusement devices, musical devices, theaters, opera houses, moving picture shows, vaudeville, amusement  
 parks, athletic contests, including wrestling matches, prize fights, boxing and wrestling exhibitions,  
 football and baseball games, (including athletic contests, conducted by or under the auspices of any  
 educational institution within this state, or any athletic association thereof, or other association whether  
 the institution or association be a denominational, a state, or county, or a municipal institution, or  
 association or a state, county, or city school, or other institution, association or school), skating rinks,  
 race tracks, golf courses, or any other place at which any exhibition, display, amusement, or entertainment is  
 offered to the public or place or places where an admission fee is charged, including public bathing places,  
 public dance halls or every kind and description within the City, an amount equal to two percent (2%) of the  
 gross receipts of any such business. Provided, however, notwithstanding any language to the contrary in  
 the prior portion of this subdivision, the tax provisions so specified shall not apply to any athletic  
 event conducted by a public primary or secondary school or any football playoff conducted by or under the

auspices of the Alabama High School Athletic Association. The tax amount which would have been collected pursuant to this subdivision shall continue to be collected by the public primary or secondary school but shall be retained by the school which collected it and shall be used by the school for school purposes.

(3) Upon every person, firm, or corporation engaged or continuing within this City in the business of selling at retail machines used in mining, quarrying, compounding, processing, and manufacturing of tangible personal property an amount equal to three-eighths percent of the gross proceeds of the sale of the machine. The term "machine", as herein used, shall include machinery which is used for mining, quarrying, compounding, processing, or manufacturing tangible personal property, and the parts of the machines, attachments, and replacements therefor, which are made or manufactured for use on or in the operation of the machines and which are necessary to the operation of the machine and are customarily so used.

(4) Upon every person, firm, corporation engaged or continuing within this City in the business of selling at retail any automotive vehicle or truck trailer, semitrailer, or house trailer, or mobile home set-up materials and supplies including but not limited to steps, blocks, anchoring, cable pipes, and any other materials pertaining thereto an amount equal to one-half percent of the gross proceeds of sale of the automotive vehicle or truck trailer, semitrailer, or house trailer, or mobile home set-up materials and supplies provided, however, where a person subject to the tax provided for in this subdivision withdraws from his or her stock in trade any automotive vehicle or truck trailer, semitrailer or house trailer for use by him or her or by his or her employee or agent in the operation of business, there shall be paid, in lieu of the tax levied herein, a fee of one dollar and twenty-five cents (\$1.25) per year or part thereof during which the automotive vehicle, truck trailer, semitrailer, or house trailer shall remain the property of the person. Each year or part thereof shall begin with the day or anniversary date, as the case may be of such withdrawal and shall run for the twelve succeeding months or part thereof during which the automotive vehicle, truck trailer, semitrailer, or house trailer shall remain the property of the person.

Where any used automotive vehicle or truck trailer, semitrailer, or house trailer is taken in trade or in a series of trades, as a credit or part payment on the sale of a new or used vehicle, the tax levied herein shall be paid on the net difference, that is, the price of the new or used vehicle sold less the credit for the used vehicle taken in trade.

Sales of automobiles, motorcycles, trucks, truck trailers, or semitrailers that will be registered or titled outside the City, that are exported or removed from the City within 72 hours by the purchaser or his or her agent for first use outside the City are not subject to the City sales tax. Sales of other vehicles such as mobile homes, motor bikes, all terrain vehicles, and boats do not qualify for the export exemption provision and are taxable unless the dealer can provide factual evidence that the vehicle was delivered outside of the City or to a common carrier for transportation outside the City. In order for the sale to be exempt from Alabama tax, the information relative to the exempt sale shall be documented on forms approved by the revenue department.

(5) Upon every person, firm or corporation engaged or continuing within the City in the business of selling at retail any machine, machinery or equipment which is used in planting, cultivating and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock or poultry on farms, and the parts of such machines, machinery or equipment, attachments and replacements thereof which are made or manufactured for use on or in the operation of such machine, machinery or equipment, and which are necessary to and customarily used in the operation of such machine, machinery or equipment, an amount equal to one-half percent of the gross proceeds of the sale thereof. Provided, however, the one-half percent rate herein prescribed with respect to parts, attachments, and replacements shall not apply to any automotive vehicle or trailer designed primarily for public highway use, except farm trailers used primarily in the production and harvesting of agricultural commodities.

Where any used machine, machinery or equipment which is used in planting, cultivating and harvesting farm products, or used in connection with the production of agricultural produce or products, livestock, and poultry on farms is taken in trade or in a series of trades, as a credit or part payment on the sale of a new or used machine, machinery or equipment, the tax levied herein shall be paid on the net difference, that is, the price of the new or used machine, machinery or equipment sold, less the credit for the used machine, machinery or equipment taken in trade.

(6) Upon every person, firm, or corporation engaged or continuing within this City in the business of selling through coin-operated dispensing machines, food and food products for human consumption, not including beverages other than coffee, milk, milk products, and substitutes therefor, there is levied a tax equal to three-fourths percent of the cost of the food, food products, and beverages sold through such machines, which cost for the purpose of this subdivision, shall be the gross proceeds of sales of such business.

SECTION 3. Levy of the Tax in Police Jurisdiction. Upon every person, firm or corporation engaged in the doing of any act, or who shall do any act, or continuing in the doing of any act, or engaged in the operation of any business, or who shall engage in the operation of any business, within the police jurisdiction of the City but beyond the corporate limits of said City, for which or upon which a privilege or license tax in this ordinance levied or required within the corporate limits of the City, there is hereby levied, in addition to all other taxes of every kind now imposed by law or by municipal ordinance, to be collected as herein provided for the privilege or license tax equal to one-half of that provided, levied or required in this ordinance for the doing of such act, or the engaging or continuing therein, or the engaging or continuing in the operation of such business within the corporate limits of the City. Provided further, that except for the amount of the privilege or license tax herein levied within the police jurisdiction of said City but without the corporate limits thereof, all the provisions of this ordinance extend and apply to all the area within the police jurisdiction of the City.

SECTION 4. PROVISIONS OF STATE SALE TAX STATUTES APPLICABLE TO THIS ORDINANCE AND TAXES HEREIN LEVIED. The taxes levied by Sections 2 and 3 of this ordinance shall be subject to all definitions, exceptions, exemptions, proceedings, requirements, rules, regulations, provisions, discounts, penalties, fines, punishments, and deductions that are applicable to the taxes levied by the State sales tax statutes, except where inapplicable or where herein otherwise provided, including all provisions of the State sales tax statutes for enforcement and collection of taxes.

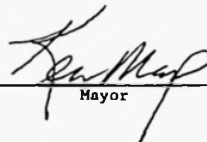
SECTION 5. THIS ORDINANCE CUMULATIVE TO GENERAL LICENSE CODE OR ORDINANCE. This ordinance shall not be construed to repeal any of the provisions of the general license code or ordinance of the City, but shall be held to be cumulative, and the amounts of the taxes herein shall be in addition to the amounts of all other license taxes imposed by the City by its general license code or ordinance.

SECTION 6. SFVERABILITY. Each and every provision of this ordinance is hereby declared to be an independent provision and the holding of any provision hereof to be void and invalid for any reason shall not affect any other provision hereof, and it is hereby declared that the other provisions of this ordinance would have been enacted regardless of any provision which might have been held invalid.

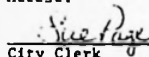
SECTION 7. ALLOCATION OF PROCEEDS. All proceeds of the taxes levied and assessed by this ordinance shall be paid into the general fund of the City and shall be expended for such purposes as the governing body of the City shall deem necessary and advisable.

SECTION \*. EFFECTIVE DATE. This ordinance shall become effective on the first day of April, 1997, and the first payment of taxes hereunder shall be due and payable on the twentieth day of April, 1997. This ordinance shall remain in full force and effect and shall apply to each month of the year 1997, beginning with the month of April and to each month of each calendar year thereafter from year to year until March 31, 2000.

Adopted and approved this 17th day of March, 1997.

  
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Mayor

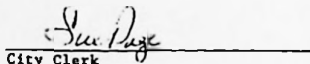
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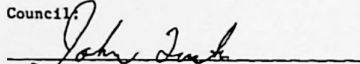
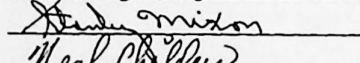
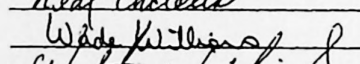
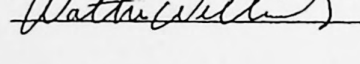
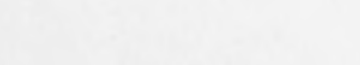
  
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City Clerk

Stanley Mixon motioned that the Sales Tax Ordinance be approved. Motion was seconded by Neal Childers. Voting for: Mayor Mays, Neal Childers, Wade Williams, Stanley Mixon, Watha Williams. Against: John Tuck. Ordinance No. 534 was approved by majority vote.

There being no further business to come before the council, Stanley Mixon made a motion that the meeting be adjourned. Seconded by Wade Williams and passed unanimously. Meeting adjourned.

  
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Mayor

  
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City Clerk

Council:  
  
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