



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 3/27/2025

File ID: TMP-5344

Department: Finance

Subject:

Type of Action: Introduction

Introduction of an Ordinance to amend Section 15-44, License required for each location and line of business of the code of Ordinances, City of Huntsville, Alabama.

Ordinance No.

Finance Information:

Account Number: N/A

City Cost Amount: \$ N/A

Total Cost: \$ N/A

Special Circumstances:

Grant Funded: \$ N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address: N/A

District: District 1 District 2 District 3 District 4 District 5

Additional Comments:

ORDINANCE NO: 25- _____

BE IT ORDAINED by the City Council of the City of Huntsville, Alabama as follows:

Section 1. Section 15-44 of the Code of Ordinances of the City of Huntsville, Alabama, is hereby amended to read as follows:

Sec. 15-44. License required for each location and line of business; posting of license required.

(a) *License specific to location.* Every taxpayer required to purchase a business license under this article shall obtain a separate business license for each location at which it does business in the city; provided, however, a regularly licensed business selling at a temporary location in the city for no more than five days and no more than twice in a given license year shall not be required to pay an additional issuance fee in relation to the business license issued for the temporary location.

(b) *More than one line of business.* Any taxpayer engaged in multiple lines of business shall purchase a license for each separate line of business from which the taxpayer derived more than thirty-five percent of its gross receipts during the preceding license year. For each business license, the gross receipts which are taxed with regard to such license shall be only those gross receipts which arise within the line of business which is the subject of the license, except as provided in subsection (c), other provisions of this article, or as otherwise provided by law.

(c) *Gross receipts not meeting thirty-five percent threshold.* Nothing herein shall be construed to exempt the gross receipts derived from one or more additional lines of business of the taxpayer if those gross receipts do not exceed the required thirty-five percent threshold for the purchase of a second or multiple business licenses. Instead, those gross receipts shall be included in the business license for the taxpayer's primary line of business.

(d) *Posting of license.* Each business license is required to be conspicuously posted or displayed at the location where such business is conducted except for that portion of the license that lists the taxpayer's business license tax or other financial information. Any transient or nonresident person doing business within the city who does not have a permanent business location in the city shall carry such license either upon his person or in any vehicle or other conveyance which is used in such business. A nontransient license must show the location of business and is valid only at the indicated location. The taxpayer shall, upon request, immediately show the license to any revenue officer with the finance department or any law enforcement officer of the city.

(e) *Compliance with other city laws.* Notwithstanding anything to the contrary contained in this section, where a taxpayer is not required to purchase a business license for a particular line of business because the thirty-five percent threshold has not been met, the taxpayer shall nevertheless comply with and be subject to applicable city laws that

govern the business including the zoning laws, fire codes, building codes, and other technical codes of the city.

Section 2. The severability provisions of section 1-8 of the Code of Ordinances of the City of Huntsville, Alabama are specifically included herein by reference as if fully set forth.

Section 3. This Ordinance shall become effective upon its adoption and publication.

ADOPTED this the 27th day of March, 2025.

President of the City Council
of the City of Huntsville, Alabama

APPROVED this the 27th day of March, 2025.

Mayor of the City of
Huntsville, Alabama