

ORDINANCE NO. 478

TO AMEND ORDINANCE NO. 366 (AS CODIFIED IN SECTION 82-172 AND SECTION 82-251 SATSUMA CODE OF ORDINANCES) TO INCREASE THE SALES AND USE TAX.

BE ORDAINED BY THE CITY COUNCIL OF THE CITY OF SATSUMA, ALABAMA (the "City"), THAT SECTION 2 OF ORDINANCE NO. 366 (AS CODIFIED IN SECTION 82-172 AND SECTION 82-251 SATSUMA CODE OF ORDINANCES) IS HEREBY AMENDED TO READ AS FOLLOWS:

SECTION 2

Subsection A: Sales Tax

Except as provided in Section 3 of this Ordinance, there is levied, in addition to all other taxes of every kind imposed by law, and shall be collected as provided in this article 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, including the state, the University of Alabama, Auburn University and all other institutions of higher learning in the State, whether such institutions are denominational, state, county or municipal institutions, and any association or other agency or instrumentality of such institutions, engaged or continuing within the 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 or sales of material and supplies to any person for use in fulfilling a contract for the painting, repair or reconditioning of vessels, barges, ships and other watercraft of over 5 tons burden) an amount equal to four and one-half percent (4 ½ %) of the gross proceeds of sales of the business, except where a different amount is expressly provided in this article. However, 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 such business at the rates specified, when its books are kept so as to show separately the gross proceeds of sales of each business, and when its books are not so kept it shall pay the tax as retailer on the gross sales of the business.
- (2) Upon every person engaged or continuing within the City in the business of conducting or operating places of amusements or entertainment, billiard and pool rooms, bowling alleys, amusement devices, musical devices, theaters, opera houses, moving picture shows, vaudevilles, amusement parks, athletic contests, including wrestling matches, prize fights, boxing and wrestling exhibitions, football and baseball games and including athletic contests conducted by or under the auspices of any educational institution within the City or any athletic association thereof or other association whether such institution or association is a denominational, a state or county or municipal institution or schools, skating

rinks, racetracks, golf courses or any other place at which any exhibition, display, amusement or entertainment is offered to the public or places where an admission fee is charged, including public bathing places, public dancehalls of every kind and description within the City, an amount equal to four and one-half percent (4 ½ %) of the gross receipts of any such business.

- (3) Upon every person engaged or continuing within the 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 percent (3 %) of the gross proceeds of the sale of such machines. The term "machines," as used in this subsection, includes machinery which is used for mining, quarrying, compounding, processing or manufacturing tangible personal property and the parts of such machines, attachments and replacements therefore which are made or manufactured for use on or in the operation of such machines and which are necessary to the operation of such machines and are customarily so used.
- (4) Upon every person, firm or corporation that is in the business of and/or a licensed dealer engaged in selling automotive vehicles, truck trailers, semi-trailers, house trailers or mobile homes in an amount equal to two and one-half percent (2 ½ %) of the gross proceeds of sale of such automotive vehicle, truck trailer, semi-trailer, house trailer, or mobile home. Where any used automotive vehicle, truck trailer, or semi-trailer, house trailer or mobile home is taken in trade, or in a series of trades, as a credit or partial payment on the sale of a new or used vehicle, the tax levied in this subsection shall be paid on the net difference, that is, the price of a new or used vehicle sold less the credit for the used vehicle taken in trade.
- (5) Upon every person 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 therefore 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 three percent (3 %) of the gross proceeds of the sale thereof. However, the rate prescribed in this subsection 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 a sale of a new or used machine, machinery or equipment, the tax levied in this subsection 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 engaged or continuing within the City in the business of selling, through coin-operated dispensing machines, food and food products for human consumption, and all beverages, there is levied a tax equal to five percent (5 %) of the cost of such food, food products and beverages sold through such machines, which cost for the purpose of this subsection shall be the gross proceeds of sales of such business.
- (7) Upon every person engaged in the doing of any act, or who shall do any act or continue in the doing of any 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, for which or upon which a privilege or license tax is in this article levied or required within the corporate limits of the City there is levied, in addition to all other taxes of every kind imposed by law or by municipal ordinance, to be collected as provided in this article for the privilege or license taxes levied in this article within the corporate limits of the City, a privilege or license tax equal to one-half of that provided, levied or required in this article for the doing of such act or the engaging or continuing there in or the engaging or continuing in the operation of such business within the corporate limits of the City. Except for the amount of the privilege or license tax levied in this section within the police jurisdiction of the City but without the corporate limits thereof, all the sections of this article extend and apply to all the area within the police jurisdiction of the City.

Subsection B: Use Tax

Except as provided in Section 3 of this Ordinance:

- (1) An excise tax is imposed on all persons, corporations or any other business entities for the storage, use or other consumption in the City of tangible personal property (not including materials and supplies bought for use in fulfilling a contract for the painting, repairing or reconditioning of vessels, barges, ships and other watercraft of more than 5 tons burden) purchased at retail for storage, use or other consumption in the City, except as provided in subsections (2), (3), (4), (5), (6) and (7) of this subsection, at the rate of four and one-half percent (4 ½%) of the sales price of such property within the corporate limits of the City.
- (2) An excise tax is imposed on all persons, corporations or any other business entities for the storage, use or other consumption in the City of any machines used in mining, quarrying, compounding, processing and manufacturing of tangible personal property purchased at retail, except as provided in subsections (6) and (7) of this subsection, at the rate of three percent (3 %) of the sales price of any such machine, within the corporate limits of the City. The term "machines" as used in this subsection shall include machinery which is used for mining, quarrying, compounding, processing or manufacturing tangible personal property and the parts of such machines, attachments and replacements therefor which are

made or manufactured for use on or in the operation of such machines and which are necessary to the operation of such machines and are customarily so used.

- (3) An excise tax is imposed on all persons, corporations or any other business entities for the storage, use or other consumption in the City of any automotive vehicle, truck trailer, semi-trailer, house trailer, or mobile home purchased at retail for storage, use or other consumption in the City, except as provided in subsections (6) and (7) of this subsection, at the rate of two and one-half percent (2 ½ %) of the sales price of such automotive vehicle, truck trailer, semi-trailer, house trailer or mobile home within the corporate limits of the City. Where any used automotive vehicle, truck trailer, semi-trailer, house trailer or mobile homes 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 in this subsection 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.
- (4) An excise tax is levied and imposed on all persons, corporations or any other business entities for the storage, use or other consumption in the City of 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 therefor 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 which is purchased at retail for the storage, use or other consumptions in the City, except as provided in subsections (6) and (7) of this subsection, at the rate of three percent (3 %) of the sales price of such property within the corporate limits of the City, regardless of whether the retailer is or is not engaged in the business in this City. However, the rate prescribed in this subsection 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 a sale of a new or used machine, machinery or equipment, the tax levied in this subsection 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.
- (5) An excise tax is imposed on all persons, corporations or any other business entities for tangible personal property at one-half the rates specified in subsections (1), (2), (3) and (4) of this section on the storage, use or other consumption of such tangible personal property outside the corporate limits of the City, but within the police jurisdiction.

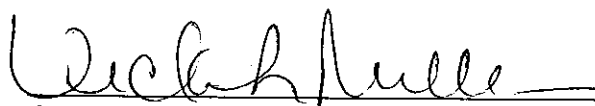
- (6) The storage, use or other consumption in this City of the following tangible personal property is hereby specifically exempted from the tax imposed by this article:
- (a) Property, on which any sales tax is imposed by the provisions of Section Two, Subsection A of this Ordinance is paid by the consumer to a person licensed under the provisions of Section Two, Subsection A of the Ordinance.
 - (b) Tangible personal property, not to be used in the performance of a contract, brought into this City by a nonresident thereof for its own storage use or consumption while temporarily within this City.
- (7) If a sales or use tax is paid to another state municipality under a requirement of law, the property which is the subject of such tax when imported for use, storage or consumption in the City, is not subject to the use tax which is required to be paid by this section. The City shall require such proof of payment of tax to another state municipality as it deems to be necessary and proper.

This Ordinance shall be effective as of the 1st day of July, 2011.

ADOPTED this 3rd day of May, 2011.


MAYOR

Authenticated and Attested:


CITY CLERK