



JULIE P. MAGEE
Commissioner

State of Alabama Department of Revenue

(www.revenue.alabama.gov)
50 North Ripley Street
Montgomery, Alabama 36132

February 16, 2011

CYNTHIA UNDERWOOD
Assistant Commissioner
MICHAEL E. MASON
Deputy Commissioner
LEWIS A. EASTERLY
Secretary

TO: ALL PERSON, FIRMS, AND CORPORATIONS making sales at retail and/or purchasing tangible property for use, storage, or other consumption, in the City of Valley Grande, Alabama, and its police jurisdiction (located in Dallas County)

Sections 11-51-200 & 11-51-202, et seq., **Code of Alabama 1975**, authorize and empower municipalities to levy a true sales and use tax parallel to the State Sales and Use Tax Laws except for the rates of tax and require the Alabama Department of Revenue upon request of the municipality to collect the tax.

On January 24, 2011, the governing body of the City of Valley Grande adopted Ordinance No. 2011-73 enacting a sales and use tax in the police jurisdiction and requesting the Alabama Department of Revenue to begin collecting the city's police jurisdiction sales and use tax effective **February 1, 2011** with a due date of March 21, 2011.

If you are making sales at retail and/or purchasing tangible personal property for use, storage, or other consumption, outside the corporate limits of the City of Valley Grande but within the police jurisdiction, the rates of sales and use tax are one-half the rates shown below.

Sales & Use Tax Rates:

General Rate	3.0%
Admissions to places of amusement and entertainment	3.0%
Retail selling price of food for human consumption sold through vending machines.....	3.0%
Net difference paid for machines, machinery, and equipment used in planting, cultivating, and harvesting farm products	0.375%
Machines, parts, and attachments for machines used in manufacturing tangible personal property.....	0.375%
Net difference paid for all automotive vehicles, truck trailers, semi-trailers, and house trailers.....	0.375%
Withdrawal fee for automotive vehicle dealers	\$5.00

The Law requires that the City of Valley Grande sales and use taxes be collected, reported and remitted in the same manner as the State sales and use taxes. When you file and pay electronically, the City of Valley Grande sales and use taxes are to be included on the electronic city/county tax return assigned to you (City and County Tax Return, form 9501). Enter the gross amounts and deductions and then all of the calculations will be done automatically for you. You may file these taxes online through the Internet at www.revenue.alabama.gov/salestax/efiling.htm, or through the telephone by calling toll free **1-800-828-1727**. Telephone-filers should use Locality Code 9766.

Please direct all questions regarding City of Valley Grande sales and use taxes to this office:

Alabama Department of Revenue
Sales Use & Business Tax Division
Post Office Box 327710
Montgomery, Alabama 36132-7710
334-242-1490 or 866-576-6531