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Commissioner

State of Alabama Department of Revenue

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

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October 9, 2012

NOTICE

TO: Municipal License Officers
Alabama League of Municipalities

RE: Five Year Adjustment to Municipal Business License Issuance Fees

Act 2006-586 was passed in the 2006 Regular Session of the Alabama Legislature and signed into law on April 26, 2006. This Act was codified in Title 11, Section 51, Article 2 and reads in part:

The issuance fee shall be increased **every five license years** by the Department of Revenue by an amount equal to the percentage increase, if any, in the U.S. Department of Labor's Producer Price Index during that five-year period, rounded to the nearest dollar, with the base year being 2006. The Department of Revenue shall notify all municipalities and the Alabama League of Municipalities of any such fee increase no later than the November 30 preceding the license year for which the increase shall take effect. (Emphasis added.)

Per Departmental Rule 810-8-5-.15, an analysis of the Producer Price Indexes was performed for calendar years 2006 and 2011. As a result, the initial municipal business license issuance fee is to be adjusted from \$10.00 to \$12.00 beginning January 1, 2013.

Questions regarding this matter may be directed to:

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