

Business License Newsletter

THIS NEWSLETTER IS DESIGNED TO PROVIDE SOME UPDATES AND REQUIRED INFORMATION CONCERNING STATE/COUNTY BUSINESS PRIVILEGE LICENSES.

DATA EXCHANGE PORTAL (DEP) - NEW PROCESS

The Department of Revenue is proud to offer the local county governments and their vendors the capability of submitting the monthly business license reports to the Alabama Department of Revenue (ALDOR) Data Exchange Portal (DEP) using an SFTP connection along with an SSH Private/Public key pair.

This new method of filing your monthly business license reports will open the way for automation through a custom script or program written by local county governments or their vendors. With this new capability, one may submit their business license reports without having to manually login to the DEP web application or reset your password every 60 days.

The Department will configure the DEP to allow SFTP connections programmatically. The county/vendor would be responsible for generating and maintaining a SSH Private/Public key pair. Once programming is complete, the reporting entity should be able to connect and send files to ALDOR securely.

To use this new mechanism, please contact ALDOR by telephone at 334-353-7827 or by email at license.account@revenue.alabama.gov to obtain a copy of the registration form that must be completed by the county probate office.

For any changes to the private/public key or if the county changes vendors, you must notify the Department by submitting an updated registration form to the email address listed above. Note: The county/vendor will be responsible for updating the expired SSH certificates.

2020-21 LICENSE YEAR PAPER

The color of the privilege license paper for 2020–2021 is **Green #339**. If your county is currently printing its licenses on paper that you purchased rather than the paper supplied by the State Comptroller’s office, please use this color for the new license year. IF YOU DECIDE NOT TO USE THIS PAPER, PLEASE NOTIFY THE COMPTROLLER’S OFFICE AT 334-242-7070.

The following names should be displayed on all business privilege licenses:
KATHLEEN D. BAXTER as State Comptroller and **VERNON BARNETT** as Commissioner of Revenue.

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Special Points of Interest

- **New Automated System for filing monthly business license reports**
- Business & License Tax Division contact information is listed on page 4.
- Privilege License Paper for 2020—2021 is Green #339.



FREQUENT LICENSING REQUIREMENT QUESTIONS

CBD OIL – A Section 315 license is required if the product is being sold at the location.

AIR BNBS – A Section 115 is required if there are five or more bedrooms.

REVERSE VENDING MACHINES – A Section 116 license is required.

VAPE SHOP – A Section 315 license is required. Contact the ABC Board for additional requirements.

INTERNET SALES – A Section 315 license is required. Other sections as required.

CITATIONS

All unpaid business license citations along with the transmittal should be forwarded to the Severance & License Section after thirty days for assessment. The state citation fee is \$1.50 per citation.

Reminders

The county probate office should check their records before issuing a license to prevent the issuance of duplicate licenses.

Please be sure to check monthly reports submitted and remove all duplicates for licenses issued. Verify that the license section and amount collected for each license are correct on the monthly report. The report should not have any license sections referenced for code sections less than Section 40-12-41 or greater than Section 40-12-179, with the exception of the Section 310/315 store license.

BUSINESS LICENSE REPORTS

All business privilege license reports are required to be uploaded by the 20th of the month except for October, November and December reports, which are required to be uploaded by the 30th of the month.

Store/chain store reports must be balanced. The number of licenses sold should correspond with the monies remitted. All pages must be included, or our office will be unable to process your report(s).

Do not include extra zeros or a dash, ‘_’, at the end of the zip code field when submitting your license information. The zeros and dash cause the information to shift into another field when the data is uploaded. Please contact your vendor for assistance in correcting this issue.

Other Licenses Not Sold/Issued by the County

Section 40-12-49 attorney license is collected by the State Bar Association (1-800-354-6154).

Section 40-12-52 automobile salesman license was ruled unconstitutional and is no longer issued.

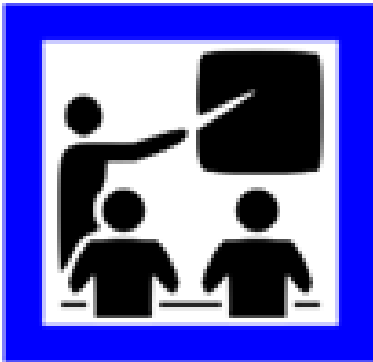
REPEALED LICENSES

Per Act 2015-70, the following code sections were repealed and **should no longer be sold**. However, some counties have continued to issue these licenses, resulting in refunds due to the taxpayers.



- 40-12-76 Coal and coke dealers maintaining yard
- 40-12-77 Coal and coke dealers not maintaining yard
- 40-12-85 Cotton buyers
- 40-12-86 Cotton compresses
- 40-12-95 Devices for testing skill/strength
- 40-12-109 Hat cleaning establishments
- 40-12-119 Legerdemain and sleight of hand
- 40-12-120 Lightning rods
- 40-12-132 Moving picture shows; Transient
- 40-12-142 Pig iron storage operators
- 40-12-164 Supply cars
- 40-12-170 Trading stamps
- 40-12-173 Theatrical and vaudeville shows
- 40-12-175 Turpentine and resin

B.E.S.T. SEMINARS



ALDOR has provided business seminars for the last few years to new and existing business owners called **Business Essentials for State Taxpayers (B.E.S.T.)**. These seminars, hosted by local ALDOR representatives, provided a brief but comprehensive overview of Alabama's business taxes, tax obligations, the forms required, as well as information on electronic filing and other requirements.

Due to COVID-19, the in-person B.E.S.T. seminars that we had scheduled for 2020 have been suspended indefinitely. The Department is in the process of developing virtual seminars. The virtual seminars have not been scheduled yet, however, there are several learning modules online with an abundance of useful information. Check them out at <https://revenue.alabama.gov/taxpayer-advocacy/b-e-s-t-seminars/watch-modules-online/>.

PLEASE SHARE THIS INFORMATION WITH TAXPAYERS.

RESOURCES

Please refer to the privilege license handbook for clarification on licenses prior to contacting the Severance & License Section regarding what type licenses should be sold to a taxpayer (staff members have the same information that is available in the book). For your convenience, the privilege license handbook along with the quick reference guide are available on the Department’s website for your use at <https://revenue.alabama.gov/business-license/business-licensing/>. **If a link to the handbook is shown on your county’s webpage, please update the link to reflect the correct version.**

Atlas Alabama is a resource for entrepreneurs and small business owners in Alabama. For your convenience, the following link is on the Department’s website: <https://atlasalabama.gov/>.

Please make sure the contact number and address shown on the Department’s website at <https://revenue.alabama.gov/business-license/business-licensing/county-probate-office-directory/> are correct for your county. If any changes are required, contact our office at 334-353-7827 or email us at license.account@revenue.alabama.gov.

*Be sure to check out the Department’s [YouTube](#) channel and view the new **B.E.S.T.** video learning modules. They are a great resource, especially during the uncertainty of a pandemic. The link to the website is <https://revenue.alabama.gov/taxpayer-advocacy/b-e-s-t-seminars/watch-modules-online/>.*

FREQUENTLY CALLED NUMBERS

	AGENCY	TELEPHONE #
Alabama Income Tax Refunds	ALDOR/Income Tax Division	855-894-7391
Business Privilege Tax	ALDOR/Income Tax Division	334-353-7923
Car dealers, tent sales	ALDOR/Motor Vehicle Division	334-353-0477
Cosmetology	Cosmetology & Barbering Board	334-242-1918
Contractors	General Contractor’s Board	334-272-5030
Driver’s licenses	Alabama Law Enforcement Agency	334-242-4400
Home builders	Home Builder’s Board	334-242-2230
FEINs/taxpayer identification	Internal Revenue Service	800-829-1040
Pardons / paroles	Pardons & Parole Board	334-242-8700
Registering LLC or Corp	Alabama Secretary of State	334-242-7200

Alabama Department of Revenue

Please make sure that you are using our correct mailing address when sending information to our office:

Business & License Tax Division
 Severance & License Section
 Attn: Kimberly Simmons
 P. O. Box 327550
 Montgomery, AL 36132-7550

334-353-7827
 334-353-1809 (FAX #)