# ORDINANCE NO. 2025-04

**AN ORDINANCE AMENDING ORDINANCE NUMBER 2007-21 OF THE TOWN OF TRINITY, ALABAMA, BEING THE TOWN'S BUSINESS LICENSE CODE**

**WHEREAS**, Ordinance Number 2007-21 ("License Code" hereafter) provides business licenses rates based on flat rates and gross receipts, as well as, where appropriate in lieu of gross receipts or a flat rate, rates based on square footage, and number of employees; and

**WHEREAS**, State law has been amended since the adoption of the License Code to allow business license rates, in addition to the foregoing, to be based on the value of goods produced (see §11-51-90.02, Ala. Code, 1975); and

**WHEREAS**, it has become appropriate to establish rates based on the value of goods produced.

**NOW, THEREFORE**, be it **ORDAINED** by the Town Council of the Town of Trinity, Alabama, as follows, to-wit:

**SECTION 1.** Ordinance Number 2007-21 of the Town of Trinity, Alabama ("the License Code") is hereby amended by adding thereto a new section, to be designated as Section 2[16], which shall read, in its entirety, as follows:

> "(16) VALUE OF GOODS PRODUCED. The total value of goods manufactured or otherwise prepared, processed, packaged or produced at a taxpayer's facility or facilities located within the municipal limits or the police jurisdiction of the Town during a given license year. Hereafter in this Section the word "produced" shall mean manufactured or otherwise prepared, processed, assembled, packaged or produced.
>
> a. If the goods produced are ultimately to be sold at wholesale by the taxpayer or an owner, other division, or affiliate of the taxpayer, the value of the goods produced shall be the wholesale price at which such goods are ultimately sold, or if not sold during the license year in which produced, then at the price at which such goods are, or are to be, offered for sale.

b. If the goods produced are ultimately to be sold at retail by the taxpayer or an owner, other division, or affiliate of the taxpayer, the value of the goods produced shall be the retail price at which such goods are ultimately sold, or if not sold during the license year in which produced, then at the price at which such goods are, or are to be, offered for sale.

c. The value of goods produced shall be determined as stated above whether or not the goods are actually sold during the license year in which they are produced.

d. The value of goods produced shall not include delivery or shipping costs or fees, nor installation fees, but is limited to the actual value of the goods themselves.

e. Where the goods produced are actually components of other products produced by the taxpayer or the taxpayer's owner, other division or affiliate and are not thus individually sold at wholesale or retail, but as a component of another product, the value shall be determined by the cost to produce the goods as related to the total cost to produce the goods of which they are components, meaning an amount equal to the percentage of the cost to produce the final product that the component produced by the tax payer within the municipal limits of the Town or its police jurisdiction represents. By way of example, if the ultimate product has a value of $100.00 and the cost to produce the goods subject to Trinity's business license rate constitute 50% of the total cost to produce the ultimate goods, the value of goods produced for purposes of the business license calculation is $50.00."

**SECTION 2.** Ordinance Number 2007-21 of the Town of Trinity, Alabama is hereby further amended by deletion of the entire language of Section 2[15] and substitution of the following so that hereafter said Section 2[15] shall read, in its entirety, as follows:

"[15] OTHER TERMS.

a. Other capitalized or specialized terms used in this ordinance, and not defined above, shall have the same meanings ascribed to them in Section 40-2A-3, of the *Code of Alabama,* unless the context therein otherwise specifies.

b. All references in this Ordinance to Section 11-51-90B, *Ala. Code, 1975*, shall be deemed to mean that section prior to the effective date of Section 11-

51-90.2, and to Sec. 11-51-90.2 from and after its effective date and as it may hereafter be amended."

**SECTION 3.** Ordinance Number 2007-21 of the Town of Trinity, Alabama is hereby further amended by adding thereto a new section to be designated as Section 22.1, which shall read, in its entirety, as follows:

"SECTION 22.1 In addition to all other provisions regarding any license tax basis, the Town shall have the authority to designate the value of goods produced as the basis. When value of goods produced is designated as the basis, the Town shall also designate the license fee schedule under Section 23 which shall apply to the taxpayer. If that fee schedule refers to gross receipts as the basis, the same rates which would apply to gross receipts shall apply to the value of goods produced. The rate schedule designated by the Town shall be the one most appropriate for the taxpayer's activity and NAICS Code."

**SECTION 4.** Except as amended hereby, Ordinance Number 2007-21 shall remain in full force and effect as first adopted and previously amended by Ordinance Number 2019-01.

**SECTION 5.** This Ordinance shall be deemed effective upon its adoption and publication according to law.

**ADOPTED** and **APPROVED** this 9th day of June, 2025.

Vaughn Goodwin, Mayor

ATTEST:
(SEAL)

Ashley Patterson, Town Clerk

LWM/zip00625/trinity/ordinance.amendingbusinesslicensecode
T108-25LM

Ashley C. Patterson
Notary Public, Alabama State at Large
My Commission Expires September 20, 2028