# IMPORTANT NOTICE

## 2027 Business License Renewal Changes

Early renewal for 2027 business licenses begins **Monday, November 16, 2026**.

- The minimum annual rate for applicable business license schedules is **$100**.
- Any person, firm, corporation, limited liability company, partnership, sole proprietorship, or other business entity conducting business within the Town of Pike Road using a motor vehicle in the provision of commercial goods or services **shall display on both sides of the vehicle the name of the business and a telephone number or other contact information in lettering not less than two (2) inches in height and readily visible from a distance of fifty (50) feet**.
- Due to legislative changes enacted during the 2026 session (ACT No. 2026-437), the contractor licensing fee structure has changed in accordance with Town of Pike Road's **Ordinance 2026-0627**.

**Please review the contractor licensing fee changes below.**

The Town of Pike Road requires contractors performing work within the Town and its jurisdiction to obtain an annual business license based on the **total contract amount** (gross receipts) for work performed. Contractors that perform work that require a permit, license fee are assessed as follows: **$200 for contracts under $50,000; $300 for contracts between $50,000 and $249,999; $400 for contracts between $250,000 and $499,999; and $500 for contracts of $500,000 or more.**

For specialty trade contractors and contractors performing both permitted and non-permitted work, the license tax may be assessed at **1/2 of 1% (0.005) of the contract amount**, depending on the type of work performed. Projects extending into subsequent license years require payment of a minimum of **$200 annual renewal license fee**, and contract amendments may result in additional fees or refunds, as applicable.

Before a license is issued, contractors must provide proof of **$300,000 minimum liability insurance** or a **$10,000 surety bond** and maintain all required state licensing or certification. Tree surgery businesses must also possess a valid **Alabama Department of Agriculture Professional Service Permit**.

### Town of Pike Road Sales Tax Rate Adjustment

Town of Pike Road sales tax: 3.50%
State of Alabama + County sales tax: 6.5%
**TOTAL Sales Tax to collect in Town of Pike Road: 10%**

Town of Pike Road Police Jurisdiction (PJ) sales tax: 1.75%
State of Alabama + County sales tax: 6.5%
**TOTAL Sales Tax to collect in the Town of Pike Road PJ: 8.25%**

For additional questions, please contact the Business License/ Revenue Department at 334-272-9883 revenue@pikeroad.us