

ORDINANCE NO. 2025-004

ORDINANCE IMPLEMENTING AND LEVYING A LOCAL CONSUMABLE VAPOR  
PRODUCT TAX

WHEREAS, the Alabama Legislature enacted Act 2025-377, which levies an excise tax beginning October 1, 2026, upon all consumable vapor products sold at wholesale in the state or imported into the state for use, consumption, or sale at retail on consumable vapor products, as said term is defined in Act 2025-377, with provisions for distributing a portion of such revenues to eligible municipalities; and

WHEREAS, municipalities have the authority to issue a business license pursuant to Article 2 of Chapter 51 of Title 11 on the privilege of doing business as a consumable vapor products wholesaler, importer, or retailer; and

WHEREAS, municipalities have the authority to enact an ordinance providing for the levy of a local tax or license fee on or before October 1, 2025; and

WHEREAS, municipalities that have not levied a local tax on consumable vapor products by October 1, 2025, will receive a portion of the state vapor products tax based upon population ratio as determined in the most recent federal census; and

WHEREAS, the City of Creola desires to establish a business license tax for a sum and amount equal to ten cents (\$0.10) per milliliter of consumable vapor products sold or delivered within the corporate limits of the city.

Now, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Creola Alabama, as follows;

Section 1:

The following terms, as used in this article, shall have the respective meaning as follows:

- (a) The term "The City" shall mean the municipality of Creola, Alabama.
- (b) The term "distributor or seller" shall include every person who shall engage in selling or delivering consumable vapor products within the corporate limits of the city.
- (c) The term "person" shall include every person, individual, partnership, corporation, limited liability company, association, limited liability partnership, or other

organization that engages in any for-profit or not-for profit activities.

- (d) Milliliter (ml) shall mean one thousandth of a liter, which is typically the unit of measure used for a volume of consumable vapor products sold or distributed.
- (e) The term "consumable vapor product" shall mean any nicotine liquid solution or combination of substances containing nicotine that is depleted when used in a vapor device.
- (f) Vapor device - shall mean a device used to heat a consumable vapor product into an aerosol that can be ingested or inhaled, including, but not limited to, e-cigarettes, electronic cigarettes, vape pens and similar devices.

#### Sec. 2: - License Tax Imposed.

In addition to any applicable Business license fee otherwise imposed by separate Ordinance upon any Vapor Product Merchant Wholesaler or Retailer, every distributor or seller of consumable Vapor Products or devices shall pay a license tax to the city, and a license tax is hereby fixed and created, which license tax shall be a sum and amount equal to ten cents (\$0.10) per milliliter of consumable vapor product or devices sold or delivered within the corporate limits of the city.

#### Sec. 3: Exemptions on Purchases from other Distributors or Sellers.

Any person engaged as such seller or distributors in selling or distributing consumable vapor products purchased from other sellers or distributors who have paid the license thereon to the City of Creola as herein fixed shall be required to pay no license tax based on the sale of or delivery of such consumable vapor product so purchased into the City of Creola. In order to obtain the exemption provided in this section such seller or distributor must on or before the 20th day of each month file with the City of Creola or their designee a sworn written statement showing each and every purchase by such person of consumable vapor product during the calendar month next preceding as well as the name of the person from whom and the date on which purchased.

#### Sec. 4: Written Statement of Sales Must be Filed.

Each and every distributor, Wholesaler, or Retail Merchant, except such as are exempt from license tax under the provisions of Section 3 of this Ordinance, shall on or before the 20th day of each month file with the City of Creola or its designee, a sworn written statement which shall be a full, true, accurate and correct statement of the following:

- (a) The amount of all consumable vapor products or devices sold or delivered by such distributor or seller within the corporate limits of the city, set out in milliliters of consumable vapor product.
  
- (b) The amount and quantity of all consumable vapor products sold or delivered to any other distributor within the corporate limits of the city, set out in milliliters of consumable vapor products.

#### Sec. 5: Permit and License Tax for Distributor with No Place of Business in City or Police Jurisdiction.

It shall be unlawful for any distributor having no place of business within the corporate limits of the city to make any sales or deliveries of consumable vapor product therein, without first obtaining a business license from the City of Creola or its designee, and any such seller, wholesaler, or distributor shall be liable for and shall pay the same license tax as that fixed and levied in Section 2 of this Ordinance. Any such seller, wholesaler, retailer, or distributor who shall violate the provisions of this section shall be punished as hereinafter provided.

#### Sec. 6: Failure to File or Making False Statement.

If any seller or distributor fails or omits to make or file any statement herein required within the time specified or who shall make any false statement therein, shall be guilty of a continuing offense against the city and each day during which said business or occupation is engaged in during such default shall constitute a separate offense.

#### Sec. 7. Payments Dates; Penalties for Failure to Make Payment

The license tax herein fixed shall be due by each person against whom the same is herein levied on the 20th day of each calendar month. The license tax herein fixed must be paid by each person against whom the same is herein levied and fixed on or before the 20th day of each month, being the time fixed for filing the statement based on sales and deliveries made during the preceding month. Any person failing or omitting to file and or pay said license tax within the said time period shall be guilty of an offense against the city, and such offense shall be a continuing offense, and each day during which said business or occupation is engaged during such default shall constitute a separate offense. Such license tax shall be increased by the addition thereto of penalties and interest.

#### Sec. 8: Duty to Furnish Information.

Upon demand of the City of Creola, or their designee, all such information as may be required for determination of the correct amount of license tax to which any person is subject shall be furnished to the city, and to that end it shall be the duty of such person, upon demand, to submit to the City of Creola, or their designee, auditor or representative, for inspection and examination all books of account, invoices, papers, pump meters, reports and memoranda containing entries showing the amount of purchases, sales, receipts, inventory and other information from which the correct amount of license tax to which he is subject may be determined including exhibition of bank deposit books and bank statements. Upon demand, it shall be unlawful for any person to fail or refuse to submit such records for such examination and inspection.

#### Sec. 9: Penalties for Violation.

Whoever shall violate any provision of this article shall, for each offense and for each and every day that such offense be subject to a fine of not more than \$500.00 and revocation of their business license and such further penalties as are provided by law.

#### Sec. 10: General License Ordinance Not Affected.

This article shall not be construed to repeal any of the provisions of the City's Business License Ordinance now in force or that may hereafter be adopted, and the amount of license taxes herein provided shall be additional to any amounts required to be paid under the said Business License Ordinance.

#### Sec. 11: Effect of this Ordinance on Past Actions and Obligations.

This ordinance shall become effect September 25, 2025, and shall thereafter be published in accordance with law. Nothing herein shall eliminate any other past obligations owed to the City by any person included in this Ordinance.

#### Sec. 12: Severability.

The sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared by a court of competent jurisdiction unconstitutional, then such ruling shall not affect any other paragraphs and sections, since the same would have been enacted by the municipality without the incorporation of any such unconstitutional phrase, clause, sentence, paragraph.

#### Sec. 13: Repealer.

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed. The adoption of this ordinance shall not abridge the right of the City Council to change, alter, increase or decrease any of the fees at any time.

PASSED, ADOPTED, AND APPROVED ON SEPTEMBER 25, 2025.

Attest:

\_\_\_\_\_  
Donald Nelson  
Mayor

\_\_\_\_\_  
Macy Brown  
City Clerk

I hereby certify that the above Ordinance was published in THE CALL NEWS, a newspaper of general circulation in the County of Mobile, Alabama, on \_\_\_\_\_, 2025.

\_\_\_\_\_  
City Clerk