

Special Tax Election

Frequently Asked Questions

The City of Birmingham will hold a special election on Tuesday, October 8, 2019 for renewal of three existing taxes. These city taxes are for the Birmingham City Schools.

While these are city taxes paid by property owners, each is collected annually by Jefferson County. Revenue from two of the taxes goes directly to Birmingham City Schools. One, which provides debt service on bonds issued by the city for school construction projects, is maintained in a city fund.

Please review some frequently asked questions about the taxes below.

What type of taxes are these?

There are 3 ad valorem taxes.

- Public school use (expires September 30, 2021): 4.2 mills
- Debt service of school bonds (expires September 30, 2021): 2.8 mills
- Public school operation (expires September 30, 2021): 2.8 mills

The total millage rate of these taxes combined is 9.8 mills.

What is a mill?

Millage rates are used in property tax assessments. Millage is the tax rate expressed in decimal form.

- A mill is one-tenth of one cent. (.001)
- 1 mill = \$0.001
- 10 mills = one penny or \$0.01

When were these taxes first implemented or created?

The constitutional authority for the taxes is Amendment 8 to the Alabama Constitution, which was ratified Jan. 13, 1920. The city has records dating back to 1951 indicating the tax was collected. In addition, the city may have initially levied the taxes anytime between 1920 and 1951.

Have the taxes been increased since implementation?

The taxes were increased in 1979 under limited authority granted to the City Council by Amendment 373 to the Alabama Constitution (ratified Nov. 20, 1978).

City of Birmingham Ordinance No. 79-154, adopted Sept. 25, 1979, raised the rates to their present level. The rates went from 3.0 mills to 4.2 mills and from 2.0 mills to 2.8 mills for the other two.

It would take a three-step process involving the City Council, the Alabama Legislature and an election to increase any of these taxes in the future.

Why is the election taking place now?

The taxes effectively expire next year.

Property taxes are paid a year in arrears. The taxes due on Oct. 1, 2021 are for the year Oct. 1, 2020 - Sept. 30, 2021.

The vote is needed so that the Tax Assessor can be notified of the extension by June 30, 2020 to continue the taxes with the assessment starting on Oct. 1, 2020.

This election would renew the ad valorem taxes for 25 years.

For election information, please contact the City Clerk's Office at 205.254-2290 or go online at www.birminghamal.gov and click on the Special Election Learn More tab at the top of the page.