

1 HB256
2 208931-1
3 By Representative South (N & P)
4 RFD: Local Legislation
5 First Read: 02-FEB-21

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9 A BILL
10 TO BE ENTITLED
11 AN ACT
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13 Relating to Fayette County, to further provide for
14 the distributions of the proceeds of the privilege license
15 tax; and to make nonsubstantive, technical revisions to update
16 the existing code language to current style.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. Section 45-29-242.20, Code of Alabama
19 1975, is amended to read as follows:

20 "§45-29-242.20.

21 "(a) This section shall only apply to Fayette
22 County.

23 "(b) As used in this section, state sales and use
24 tax means the tax imposed by the state sales and use tax
25 statutes, including, but not limited to, Sections 40-23-1,
26 40-23-2, 40-23-3, 40-23-4, 40-23-60, 40-23-61, 40-23-62, and
27 40-23-63.

1 "(c) (1) The County Commission of Fayette County may
2 levy, in addition to all other taxes, including, but not
3 limited to, municipal gross receipts license taxes, a one cent
4 privilege license tax against gross sales or gross receipts
5 which shall become effective on September 1, 2000.

6 "(2) The gross receipts of any business and the
7 gross proceeds of all sales which are presently exempt under
8 the state sales and use tax statutes are exempt from the tax
9 authorized by this section.

10 "(d) The tax levied by this section shall be
11 collected by the State Department of Revenue at the same time
12 and in the same manner as state sales and use taxes are
13 collected. On or prior to the date the tax is due, each person
14 subject to the tax shall file with the department a report in
15 the form prescribed by the department. The report shall set
16 forth, with respect to all sales and business transactions
17 that are required to be used as a measure of the tax levied, a
18 correct statement of the gross proceeds of all the sales and
19 gross receipts of all business transactions. The report shall
20 also include items of information pertinent to the tax as the
21 department may require. Any person subject to the tax levied
22 by this section may defer reporting credit sales until after
23 their collection, and in the event the person defers reporting
24 them, the person shall thereafter include in each monthly
25 report all credit collections made during the preceding month,
26 and shall pay the tax due at the time of filing the report.
27 All reports filed with the department under this subsection

1 shall be available for inspection by the county commission, or
2 its designee.

3 "(e) Each person engaging or continuing in a
4 business subject to the tax levied by this section, shall add
5 to the sales price or admission fee and collect from the
6 purchaser or the person paying the admission fee the amount
7 due by the taxpayer because of the sale or admission. It shall
8 be unlawful for any person subject to the tax to fail or
9 refuse to add to the sales price or admission fee and to
10 collect from the purchaser or person paying the admission fee
11 the amount required to be added to the sale or admission
12 price. It shall be unlawful for any person subject to the tax
13 levied by this section to refund or offer to refund all or any
14 part of the amount collected or to absorb or advertise
15 directly or indirectly the absorption or refund of any portion
16 of the tax.

17 "(f) The tax levied by this section shall constitute
18 a debt due Fayette County. The tax, together with any interest
19 and penalties, shall constitute and be secured by a lien upon
20 the property of any person from whom the tax is due or who is
21 required to collect the tax. The department shall collect the
22 tax, enforce this section, and have and exercise all rights
23 and remedies that the state or the department has for
24 collection of the state sales and use tax. The department may
25 employ special counsel as is necessary to enforce collection
26 of the tax levied by this section and to enforce this section.
27 The department shall pay the special counsel any fees it deems

1 necessary and proper from the proceeds of the tax collected by
2 it for Fayette County.

3 "(g) All provisions of the state sales and use tax
4 ~~statutes~~ laws with respect to the payment, assessment, and
5 collection of the state sales and use tax, making of reports,
6 keeping and preserving records, penalties for failure to pay
7 the tax, ~~promulgating~~ adopting rules ~~and regulations~~ with
8 respect to the state sales and use tax, and the administration
9 and enforcement of the state sales and use tax ~~statutes~~ laws
10 which are not inconsistent with this section shall apply to
11 the tax levied under this section. The State Commissioner of
12 Revenue and the department shall have and exercise the same
13 powers, duties, and obligations with respect to the tax levied
14 under this section that are imposed on the commissioner and
15 department by the state sales and use tax ~~statutes~~ laws. All
16 provisions of the state sales and use tax ~~statutes~~ laws that
17 are made applicable by this section to the tax levied under
18 this section, and to the administration and enforcement of
19 this section, are incorporated by reference and made a part of
20 this section as if fully set forth herein.

21 "(h) The department shall charge Fayette County for
22 collecting the tax levied under this section in an amount or
23 percentage of total collections as may be agreed upon by the
24 commissioner and the Fayette County Commission. The charge
25 shall not exceed five percent of the total amount of the tax
26 collected in the county. The charge may be deducted each month
27 from the gross revenues from the tax before certification of

1 the amount of the proceeds due Fayette County for that month.
2 The Commissioner of Revenue shall pay into the State Treasury
3 all amounts collected under this section, as the tax is
4 received by the department on or before the first day of each
5 successive month. The commissioner shall certify to the
6 Comptroller the amount collected and paid into the State
7 Treasury for the benefit of Fayette County during the month
8 immediately preceding the certification. The Comptroller shall
9 issue a warrant each month payable to the County Treasurer of
10 Fayette County in an amount equal to the certified amount
11 which shall be paid into the county general fund.

12 "(i) The proceeds of the additional sales and use
13 tax levied by this section shall be distributed annually as
14 follows: ~~In the event that the Park Bond Issue before the~~
15 ~~Legislature passes and the Tom Bevill Reservoir receives funds~~
16 ~~therefrom sufficient to construct same when used in~~
17 ~~conjunction with the following proceeds:~~ 40 percent to the
18 Fayette County Board of Education ; ~~40 percent for debt~~
19 ~~service and retirement of principal bonds issued for~~
20 ~~construction of the Tom Bevill Reservoir;~~ and 20 60 percent to
21 the Fayette County General Fund for debt reduction and not to
22 hire new employees, ~~and upon retirement of the Tom Bevill~~
23 ~~Reservoir bond issue, 40 percent to the Fayette County Board~~
24 ~~of Education and 60 percent to the Fayette County General Fund~~
25 ~~for debt reduction and not to hire new employees."~~

26 Section 2. Any proceeds of the sales and use tax
27 levied by Section 45-29-242.20, Code of Alabama 1975, received

1 by Fayette County or the Fayette County Board of Education
2 prior to the effective date of this act are hereby ratified
3 and confirmed.

4 Section 3. This act shall become effective
5 immediately following its passage and approval by the
6 Governor, or its otherwise becoming law.