

SB150 ENROLLED



1 SB150
2 F36KD5D-3
3 By Senator Gudger
4 RFD: Finance and Taxation General Fund
5 First Read: 20-Feb-24



SB150 Enrolled

1 Enrolled, An Act,

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4 Relating to transient occupancy tax; to establish the
5 Alabama Tourism Tax Protection Act of 2024; to define an
6 accommodations intermediary, accommodations provider, and room
7 charge; and to provide that an accommodations provider
8 intermediary shall collect the tax imposed.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. Section 40-26-1.1 is added to the Code of
11 Alabama 1975, to read as follows:

12 §40-26-1.1.

13 (a) This act shall be known and cited as the Alabama
14 Tourism Tax Protection Act of 2024.

15 (b) For the purposes of this act, the following terms
16 have the following meanings:

17 (1) ACCOMMODATIONS INTERMEDIARY. Any person, firm, or
18 corporation, other than an accommodations provider, that
19 facilitates renting, furnishing, lodging, or accommodation
20 transactions subject to the tax levied under Section 40-26-1
21 and charges a room fee or an accommodations fee to the
22 customer, which it retains as compensation for such
23 facilitation. Facilitating transactions include brokering,
24 coordinating, or in any other way arranging for the purchase
25 of the right to use accommodations via a transaction directly,
26 including via one or more payment processors, between a
27 customer and an accommodations provider.

28 (2) ACCOMMODATIONS PROVIDER. Any person, firm, or



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29 corporation engaging in the business of transactions subject
30 to the tax levied under Section 40-26-1 that has an active
31 lodgings tax account with the department and collects and
32 remits lodgings tax on such accommodations that are rented
33 directly by the owner of such accommodation.

34 (3) HOTEL. Any public lodging establishment that is
35 owned by a single entity or person; contains 15 or more
36 individual sleeping room accommodations; offers rental units
37 with daily or weekly rates; has a central office on the
38 property with specified hours of operation; has a bathroom for
39 each rental unit; is recognized as a hotel in the community in
40 which it is situated; and possesses a permit from the Alabama
41 Department of Public Health to operate as a hotel.

42 (4) MERCHANT OF RECORD. The legally authorized and
43 responsible entity that processes customer payments for the
44 sale of goods or services within the state of Alabama.

45 (5) PROFESSIONAL PROPERTY MANAGEMENT COMPANY. A
46 licensed real estate brokerage firm with a physical storefront
47 location authorized and licensed under Section 34-27-30 to
48 engage in the business of property management services on
49 behalf of property owners.

50 (6) ROOM CHARGE. The full retail price paid by the
51 guest for an accommodation, including any accommodations fee
52 and any other fees or charges. This includes the charge for
53 use or rental of personal property and services furnished in
54 the room or accommodation.

55 (c) Except as provided for in subsection (d), the
56 accommodations intermediary shall collect and remit the tax



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57 imposed pursuant to this chapter for the facilitation of
58 lodgings transactions subject to the tax levied under Section
59 40-26-1, and parallel local levies, for transactions occurring
60 on or after January 1, 2025. The tax shall be imposed on the
61 room charge as defined in this section.

62 (d) When an accommodations intermediary facilitates the
63 transaction on behalf of an accommodations provider as defined
64 in this section, the taxes collected may be remitted to the
65 accommodations provider when there is an executed written
66 agreement or contract specifying the responsible party for
67 remitting such taxes.

68 (e) An accommodations intermediary collecting and
69 remitting taxes pursuant to subsection (d) shall not be liable
70 for taxes not remitted by the accommodations provider to the
71 Department of Revenue.

72 (f) In any accommodation in which an accommodations
73 intermediary facilitates the sale of the accommodation, the
74 accommodations intermediary shall separately state the amount
75 of the tax on the bill, invoice, or similar documentation and
76 shall add the tax to the room charge; thereafter, such tax
77 shall be a debt from the customer to the accommodations
78 intermediary.

79 (g) Every accommodations intermediary and
80 accommodations provider shall annually submit a report
81 prescribed by the Department of Revenue that includes the
82 physical address of each accommodation that was rented or
83 furnished greater than 14 days during the previous year. The
84 report provided herein is confidential taxpayer information



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85 protected under Section 40-2A-10.

86 (h) The following entities shall be exempt from the
87 provisions of Section 1 of this act:

88 (1) Professional property management companies that
89 either collect and remit the tax levied pursuant Section
90 40-26-1, or manage properties leased for a month or more as
91 the principal residence of the tenant.

92 (2) Hotels that collect and remit the tax levied
93 pursuant to Section 40-26-1.

94 (3) A destination marketing organization whose primary
95 purpose is the promotion of tourism and receives funding from
96 taxes collected and remitted pursuant to Section 40-26-1.

97 (4) Providers of accommodations defined under
98 subsection (d) of 40-26-1, that collect and remit the tax
99 levied pursuant to Section 40-26-1.

100 Section 2. For any accommodations transactions, subject
101 to the tax levied in Section 40-26-1, through an
102 accommodations intermediary where the accommodations provider
103 has hired a professional property management company to
104 oversee, the professional property management company shall be
105 the merchant of record for such transactions.

106 Section 3. The Department of Revenue shall adopt rules
107 for the implementation and administration of this act.

108 Section 4. This act shall become effective October 1,
109 2024.



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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB150
Senate 04-Apr-24
I hereby certify that the within Act originated in and passed
the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Passed: 02-May-24

By: Senator Gudger