

1 SB322  
2 166640-1  
3 By Senator Sanford  
4 RFD: Governmental Affairs  
5 First Read: 02-APR-15

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8 SYNOPSIS: This bill would extend the notification  
9 requirement of local government tax levies and  
10 amendments to the Department of Revenue; allowing  
11 increased time to notify taxpayers and vendors of  
12 rate changes, while also including liability relief  
13 for vendors and business taxpayers who incorrectly  
14 collect local rates due to the lack of proper  
15 notification of rate changes to the Department.  
16 This bill also provides local governments utilizing  
17 the Department of Revenue for collection and  
18 administration services the same filing and payment  
19 services at no cost as those local governments  
20 which only accept returns and payments through the  
21 ONE SPOT system of the department.

22  
23 A BILL  
24 TO BE ENTITLED  
25 AN ACT  
26

1           To amend Sections 11-3-11.3, 11-51-183, 11-51-208,  
2           11-51-210, 40-12-4, and 40-12-7, Code of Alabama 1975, and add  
3           Section 11-51-210.1, Code of Alabama 1975, relating to the  
4           Department of Revenue; to update references relating to the  
5           cost of collection; to decrease the cap for the cost of  
6           administration of county taxes from five percent to two  
7           percent; to provide for the administration of local sales,  
8           use, rental, and lodgings taxes by the department; and to  
9           extend the county and municipal tax levy and rate notification  
10          requirements to the department; and to provide liability  
11          relief for miscollection of local taxes due to the lack of  
12          proper rate change notifications.

13          BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14                 Section 1. Sections 11-3-11.3, 11-51-183, 11-51-208,  
15                 11-51-210, 40-12-4, and 40-12-7 of the Code of Alabama 1975,  
16                 are amended to read as follows:

17                         "§11-3-11.3.

18                         "(a) Counties may, upon request of the county  
19                         commission, engage the Department of Revenue to collect and  
20                         administer any county sales, use, rental, lodgings, tobacco,  
21                         or other local taxes for which there is a corresponding state  
22                         levy. Subject to subsections (d) and (e) below, the department  
23                         shall collect and administer a county sales, use, rental,  
24                         lodgings, tobacco, or other tax for which there is a  
25                         corresponding state levy on behalf of the requesting county.  
26                         Any county sales, use, rental, or lodgings tax levy  
27                         administered and collected by the Department of Revenue

1 pursuant to this section, whether the levy is imposed pursuant  
2 to the authority of Section 40-12-4, or any general, special,  
3 or local act of the Legislature, shall parallel the  
4 corresponding state tax levy, except for the rate of tax, and  
5 shall be subject to all definitions, exceptions, exemptions,  
6 proceedings, requirements, provisions, rules, regulations,  
7 direct pay permits and drive-out certificate procedures,  
8 statutes of limitation, penalties, fines, punishments, and  
9 deductions as applicable to the corresponding state tax,  
10 except where otherwise provided in this section, including  
11 provisions for the enforcement and collection of taxes. The  
12 Department of Revenue shall make available to those counties  
13 for which it collects and administers a sales, use, rental, or  
14 lodgings tax collected and administered pursuant to this  
15 section the same services which are made available to  
16 municipal governments pursuant to Division 4 of Article 2 of  
17 Chapter 51 and Article 3 of Chapter 51.

18 "(b) The Department of Revenue shall prepare and  
19 distribute those reports, forms, and other information as may  
20 be necessary to provide for its collection and administration  
21 of any county tax it collects and administers and, on request,  
22 shall make all reports available for inspection by the  
23 governing body of the county. In collecting and administering  
24 a county sales, use, rental, or lodgings tax, the department  
25 shall have all the authority and duties as it has in  
26 connection with the collection and administration of the

1 corresponding state tax including, without limitation, the  
2 provisions of Chapters 2A, 12, 23, and 26 of Title 40.

3 "(c) (1) The Commissioner of Revenue shall deposit  
4 into the State Treasury all county taxes collected and, on a  
5 biweekly basis, shall certify to the ~~state~~ Comptroller the  
6 amount of taxes collected for the approximate two-week period  
7 immediately preceding the certification and the amount, less  
8 the Department of Revenue's actual cost of collection and  
9 administration, to be distributed to each county and which  
10 shall be paid to the treasurer or other custodian of funds of  
11 the county within three days after certification thereof.

12 "(2) The department shall charge each county the  
13 actual cost to the department for collecting and administering  
14 a tax. Notwithstanding the preceding sentence, however, the  
15 charge shall not exceed two percent of the amount collected  
16 for each county. At least once each month, the ~~state~~  
17 Comptroller shall issue a warrant to the Department of Revenue  
18 for the collection and administration charges due as  
19 determined by the Commissioner of Revenue. Payment shall be  
20 from funds collected under this section and shall be the  
21 actual cost of collection and administration, not to exceed  
22 two percent of the amount collected for each county.

23 "(3) Notwithstanding any other provisions of law,  
24 the Department of Revenue shall not charge a fee to the county  
25 for the cost of filing, payment processing, and remittance  
26 services relating to any tax authorized to be filed under the  
27 ONE SPOT system of the department.

1           "~~(3)~~ (4) Within 60 days after the end of each fiscal  
2 year, the department, in cooperation with the office of the  
3 Examiner of Public Accounts, shall recompute its actual costs  
4 for collection and administration of county taxes for the  
5 preceding fiscal year. Any collection and administration  
6 over-charge shall be redistributed to the counties for which  
7 the department collects and administers local taxes, on a pro  
8 rata basis of each county's receipts. No under-charge shall be  
9 recovered, either directly or indirectly, from any county.

10           "(d) Except where the department is collecting on  
11 July 1, 1998, any county which has a tax levy that will be  
12 collected and administered by the Department of Revenue  
13 pursuant to the provisions of this section shall forward a  
14 certified copy of the enabling ordinance or resolution to the  
15 department at least ~~30~~ 60 days prior to the first day of the  
16 month on which it is to begin collecting and administering the  
17 tax.

18           "(e) A new levy, or a levy changed by an amendment  
19 of a heretofore adopted levy, which will be collected and  
20 administered under this section shall not be subject to  
21 collection and administration by the Department of Revenue  
22 until the first day of the month ~~next~~ following the expiration  
23 of ~~30~~ 60 days after receipt by the department of a certified  
24 copy of the enabling ordinance or resolution with any  
25 amendment thereto.

26           "(f) The Department of Revenue shall from time to  
27 time issue such rules and regulations for making returns and

1 for ascertainment, assessment, collection, and administration  
2 of taxes subject to the provisions of this section as it may  
3 deem necessary to enforce its provisions and shall ~~furnish~~  
4 make available any municipal or county government ~~with~~ a copy  
5 of those rules and regulations ~~within 15 days of final~~  
6 ~~adoption~~. Upon request, the Department of Revenue shall  
7 furnish any taxpayer with a copy of those rules and  
8 regulations.

9 "(g) Any self-administered county governing body, as  
10 defined in ~~Section 40-2A-3(20)~~ Section 40-2A-3(21), may elect,  
11 by the adoption of an ordinance or resolution, to assess  
12 interest on any tax delinquency. Any such assessment of  
13 interest shall be consistent with the provisions of Section  
14 40-23-2.1. Any self-administered county governing body may  
15 also elect, by the adoption of an ordinance or resolution, to  
16 pay interest on any refund of tax erroneously paid. In the  
17 event that the governing body elects to assess interest on any  
18 tax delinquency, the governing body must also elect to pay  
19 interest, at the same rate charged by the county on tax  
20 delinquencies, on any refund of tax erroneously paid. Unless  
21 otherwise specified in the ordinance or resolution in which  
22 the county governing body elects to assess or pay interest  
23 determined in accordance with Section 40-1-44, the applicable  
24 interest rate to be charged by or due from the county shall be  
25 one percent per month. References in this subsection to  
26 "erroneously paid" taxes on which interest shall be due to the  
27 taxpayer shall only mean and refer to taxes paid to the

1 self-administered county or its agent as a result of any  
2 error, omission, or inaccurate advice by or on behalf of the  
3 self-administered county, including in connection with a prior  
4 examination of its books and records by the self-administered  
5 county or its agent.

6 "(h) Notwithstanding subsection (g), the applicable  
7 interest rate to be assessed on any tax delinquency or paid on  
8 any refund of erroneously paid taxes with respect to all  
9 county sales, use, rental, and lodgings tax levies collected  
10 by the Department of Revenue shall be determined in accordance  
11 with Section 40-1-44.

12 "(i) For the purpose of this section, the terms  
13 collection and administration are defined as the act or  
14 process of managing local taxes and local tax assignments;  
15 this process includes but is not limited to any or all  
16 functions required and/or performed to receive, reconcile,  
17 audit, assess, collate, and distribute local taxes.

18 "§11-51-183.

19 "(a) The Commissioner of Revenue shall deposit into  
20 the State Treasury all municipal taxes collected by the  
21 department under this division; and, on a biweekly basis, the  
22 commissioner shall certify to the ~~state~~ Comptroller the amount  
23 of taxes collected under the provisions of this division for  
24 the approximate two-week period immediately preceding the  
25 certification and the amount to be distributed to each  
26 municipality, less collection and administration charges  
27 deducted, which shall be paid to the treasurer or other



1       custodian of funds of the municipality within three days after  
2       certification thereof.

3               "(b) The Department of Revenue shall charge each  
4       municipality its actual cost for collecting and administering  
5       the municipal license taxes. Notwithstanding the previous  
6       sentence, however, the charge shall not exceed two percent of  
7       the amount collected for that municipality.

8               "(c) Within 60 days after the end of each fiscal  
9       year, the Department of Revenue, in cooperation with the  
10      office of the Examiner of Public Accounts, shall recompute its  
11      actual cost for collection and administration of local taxes  
12      for the preceding fiscal year. Any collection and  
13      administration over-charge shall be redistributed to the  
14      municipalities for which the department collects and  
15      administers local taxes, on a pro rata basis of each  
16      municipality's receipts. No under-charge shall be recovered,  
17      either directly or indirectly, from any municipality.

18              "(d) The ~~state~~ Comptroller shall at least once each  
19      month issue a warrant on the funds collected under this  
20      division payable to the Department of Revenue for the amount  
21      of the charges as determined by the Commissioner of Revenue.

22              "(e) The Department of Revenue shall not charge a  
23      fee to the municipality, city, or town for the cost of filing,  
24      payment processing, and remittance services relating to any  
25      tax authorized to be filed under the ONE SPOT system of the  
26      department.

1           "(f) The Department of Revenue shall make available  
2 to those localities for which it administers the taxes imposed  
3 pursuant to this section the same services which are made  
4 available to municipal governments pursuant to this division  
5 and Article 3, commencing with Section 11-51-200, of this  
6 chapter.

7           "(g) For the purpose of this section, the terms  
8 collection and administration shall be defined using the  
9 definition provided for in Section 11-3-11.3(i), Code of  
10 Alabama 1975.

11           "§11-51-208.

12           "(a) Municipalities may, upon request of the  
13 municipal governing body, engage the Department of Revenue to  
14 collect and administer their municipal sales, use, rental, and  
15 lodgings tax. Subject to subsections (c) and (d), the  
16 Department of Revenue shall collect and administer the  
17 municipal sales, use, rental, and lodgings tax on behalf of  
18 the requesting municipality. The Department of Revenue shall  
19 prepare and distribute reports, forms, and other information  
20 as may be necessary to provide for the collection and  
21 administration of any municipal tax it collects and  
22 administers and, on request, shall make all reports available  
23 for inspection by the governing body of the municipality. In  
24 collecting and administering a municipal sales, use, rental,  
25 or lodgings tax, the department shall have all the authority  
26 and duties as it has in connection with the collection and  
27 administration of the corresponding state tax including,

1 without limitation, the provisions of Chapters 2A, 12, 23, and  
2 26 of Title 40.

3 "(b) (1) The Commissioner of Revenue shall deposit  
4 into the State Treasury all municipal taxes collected and, on  
5 a biweekly basis, shall certify to the ~~state~~ Comptroller the  
6 amount of taxes collected for the approximate two-week period  
7 immediately preceding the certification and the amount, less  
8 the Department of Revenue's actual cost of collection and  
9 administration, to be distributed to each municipality, which  
10 shall be paid to the treasurer or other custodian of funds of  
11 the municipality within three days after certification  
12 thereof.

13 "(2) The department shall charge each municipality  
14 the actual cost to the department for collecting and  
15 administering its tax. Notwithstanding the preceding sentence,  
16 however, the charge shall not exceed two percent of the amount  
17 collected for each municipality. At least once each month, the  
18 ~~state~~ Comptroller shall issue a warrant to the Department of  
19 Revenue for the collection and administration charges due as  
20 determined by the Commissioner of Revenue. Payment shall be  
21 from funds collected under this section and shall be the  
22 actual cost of collection and administration, not to exceed  
23 two percent of the amount collected for each municipality.  
24 Notwithstanding any other provision of law, the Department of  
25 Revenue shall not charge a fee to the municipality, city, or  
26 town for the cost of filing, payment processing, and

1 remittance services relating to any tax authorized to be filed  
2 under the ONE SPOT system of the department.

3 "(3) Within 60 days after the end of each fiscal  
4 year, the department, in cooperation with the office of the  
5 Examiner of Public Accounts, shall recompute its actual costs  
6 for collection and administration of municipal taxes for the  
7 preceding fiscal year. Any collection and administration  
8 over-charge shall be redistributed to the municipalities for  
9 which the department collects and administers local taxes, on  
10 a pro rata basis of each municipality's receipts. No  
11 undercharge shall be recovered, either directly or indirectly,  
12 from any municipality.

13 "(c) Except where the department is collecting on  
14 July 1, 1998, any municipality which has a tax levy that will  
15 be collected and administered by the Department of Revenue  
16 pursuant to the provisions of this section shall forward a  
17 certified copy of the enabling act, ordinance, or resolution  
18 to the department at least ~~30~~ 60 days prior to the first day  
19 of the first month on which the department is to begin  
20 collecting and administering the tax.

21 "(d) A new levy, or a levy changed by an amendment  
22 of a heretofore adopted levy, which will be collected and  
23 administered under this section shall not be subject to  
24 collection and administration by the Department of Revenue  
25 until the first day of the month next following the expiration  
26 of ~~30~~ 60 days after receipt by the department of a certified

1 copy of the enabling act, ordinance, or resolution with any  
2 amendments thereto.

3 "(e) Subject to the provisions of this section, the  
4 Department of Revenue shall from time to time issue such rules  
5 and regulations for making returns and for ascertainment,  
6 assessment, collection, and administration of taxes subject to  
7 the provisions of this section as it may deem necessary to  
8 enforce its provisions and shall furnish any county or  
9 municipal governing body with a copy of those rules and  
10 regulations within 15 days of final adoption. Upon request,  
11 the Department of Revenue shall furnish any taxpayer with a  
12 copy of those rules and regulations.

13 "(f) Any self-administered municipal governing body,  
14 as defined in ~~Section 40-2A-3(20)~~ Section 40-2A-3(21), may  
15 elect, by the adoption of an ordinance or resolution, to  
16 assess interest on any tax delinquency. Any such assessment of  
17 interest shall be consistent with the provisions of Section  
18 40-23-2.1. Any self-administered municipal governing body may  
19 also elect, by the adoption of an ordinance or resolution, to  
20 pay interest on any refund of tax erroneously paid. In the  
21 event that the governing body elects to assess interest on any  
22 tax delinquency, the governing body must also elect to pay  
23 interest, at the same rate charged by the municipality on tax  
24 delinquencies, on any refund of tax erroneously paid. Unless  
25 otherwise specified in the ordinance or resolution in which  
26 the municipal governing body elects to assess and pay interest  
27 determined in accordance with Section 40-1-44, the applicable

1 interest rate to be charged by or due from the municipality  
2 shall be one percent per month. References in this subsection  
3 to "erroneously paid" taxes on which interest shall be due to  
4 the taxpayer shall only mean and refer to taxes erroneously  
5 paid to the self-administered municipality or its agent as a  
6 result of any error, omission, or inaccurate advice by or on  
7 behalf of the self-administered municipality, including in  
8 connection with a prior examination of its books and records  
9 by the self-administered municipality or its agent.

10 "(g) Notwithstanding subsection (f), the applicable  
11 interest rate to be assessed on any tax delinquency or paid on  
12 any refund of erroneously paid taxes with respect to all  
13 municipal sales, use, rental, and lodgings tax levies  
14 collected and administered by the Department of Revenue shall  
15 be determined in accordance with Section 40-1-44.

16 "(h) For the purpose of this section, the terms  
17 collection and administration shall be defined using the  
18 definition provided for in Section 11-3-11.3(i), Code of  
19 Alabama 1975.

20 "§11-51-210.

21 "(a) By December 31, 1998, the Department of Revenue  
22 shall develop and promulgate in the form of a proposed agency  
23 rule a standard multi-jurisdictional tax form and a singular  
24 jurisdictional tax form for the reporting and payment of  
25 municipal and county sales, use, rental, and lodgings taxes  
26 for those municipalities and counties for which the department  
27 serves as the collecting agent from time to time.

1           "(b) By December 31, 1998, a committee consisting of  
2 three representatives appointed by the Alabama League of  
3 Municipalities (ALM), who shall be municipal employees,  
4 officials, or attorneys, and three representatives appointed  
5 by the Association of County Commissions of Alabama (ACCA),  
6 who shall be county employees, officials, or attorneys, shall  
7 develop a standard multiple jurisdictional tax form and a  
8 singular jurisdictional tax form for the reporting and payment  
9 of all county and municipal sales, use, rental, and lodgings  
10 taxes for all counties and municipalities, except  
11 municipalities and counties that levy a gross receipts tax in  
12 the nature of a sales tax, as defined in Section 40-2A-3(8),  
13 that elects to be self-administered, as defined in Section  
14 40-2A-3(21), from time to time. The committee shall also  
15 establish procedures for issuance of an amended form to take  
16 into account any new levies or changes in the tax rate or the  
17 law. Once the form and procedures are developed by the  
18 committee, they shall be distributed for comment to all  
19 counties and municipalities, the Business Council of Alabama,  
20 the Alabama Retail Association, the Alabama Chapter of the  
21 National Federation of Independent Business, and the  
22 Department of Revenue. Comments shall be returned to the  
23 committee within 45 days. Following the close of the comment  
24 period, the committee shall adopt a standard form and the  
25 procedures for issuance of an amended form. The form and  
26 procedure shall thereafter be distributed to self-administered  
27 counties and municipalities with instructions that the

1 standard form shall be used by each self-administered county  
2 and municipality.

3 "(c) On and after the first day of the third month  
4 following the adoption of the standard tax forms prescribed by  
5 subsection (a) and subsection (b), all municipalities and  
6 counties administered by the department, and all  
7 self-administered counties and municipalities, respectively,  
8 shall accept the applicable form without material variation.  
9 Subsequent changes to the form prescribed by subsection (b)  
10 shall be effected in compliance with the procedures developed  
11 by the committee. Any change in the tax rate shall take effect  
12 without regard to the form in use.

13 "(d) Other than a self-administered county or  
14 municipality that levies a gross receipts tax in the nature of  
15 a sales tax, as defined in Section 40-2A-3(8), any county or  
16 municipality levying or administering any one or more sales,  
17 use, rental, or lodgings taxes shall accept, for reporting and  
18 payment of taxes due that county or municipality, bulk  
19 submissions of reports and, under regulations to be  
20 promulgated by the self-administered county or municipality  
21 affected, payments owed to such county or municipality made on  
22 behalf of a taxpayer by its properly authorized representative  
23 where such submissions are made using the appropriate form  
24 developed under this section. Any such bulk submissions or  
25 reports and payments shall include the municipality's or  
26 county's assigned identification number for each such taxpayer  
27 and vendee for each tax paid and contain sufficiently detailed



1 information by which each taxpayer and each vendee can be  
2 identified such that a determination can be made as to the  
3 amount and method of assessment of tax against such taxpayer  
4 and vendee for the applicable county or municipality. The  
5 acceptance by a county or municipality of such bulk  
6 submissions shall not relieve the taxpayer on whose behalf  
7 such submissions were made from liability for any sales, use,  
8 rental, or lodgings tax arising from an error or omission made  
9 by the taxpayer's representative. Any self-administered county  
10 or municipality accepting such bulk submission may require  
11 that the submission be signed by the taxpayer or its properly  
12 authorized representative.

13 "(e) By June 30, 1998, every county and municipality  
14 levying or administering a sales, use, rental, lodgings,  
15 tobacco, gasoline, or ad valorem tax as of June 1, 1998, shall  
16 submit to the Department of Revenue a list of the taxes then  
17 levied or administered by that county or municipality and the  
18 current rates thereof. Thereafter, every county and  
19 municipality levying or administering a new sales, use,  
20 rental, lodgings, tobacco, gasoline, or ad valorem tax or  
21 amending an existing sales, use, rental, lodgings, tobacco,  
22 gasoline, or ad valorem tax levy shall submit to the  
23 department written notification of the new tax levy or the  
24 amendment of an existing tax levy, in a manner as prescribed  
25 by the department, at least ~~30~~ 60 days prior to the effective  
26 date of the tax or amendment. The department will send return  
27 confirmation of the notification of the tax levy or amendment

1 of an existing tax levy to the county or municipality no later  
2 than the first day of the second month following receipt of  
3 proper notification by the county or municipality to the  
4 department. The effective date of the tax levy or amendment of  
5 an existing tax levy shall be the first day of the third month  
6 following the department's receipt of proper notification as  
7 required herein. However, failure to notify the department, as  
8 required by this subsection, shall not invalidate the levy of  
9 the tax but shall relieve the taxpayer of liability for having  
10 charged and collected an incorrect rate as provided herein.  
11 The department shall compile this information into a ~~written~~  
12 publication which shall be published ~~and issued~~ on a monthly  
13 basis to each municipal and county governing authority,  
14 private auditing firm, as defined in Section 40-2A-3(17), and  
15 to others who have so requested the publication. This ~~written~~  
16 publication shall provide a then current listing of each  
17 county and municipality levying or administering a sales, use,  
18 rental, lodgings, tobacco, gasoline, or ad valorem tax and the  
19 current rate thereof. Beginning March 1, 2016 any taxpayer  
20 collecting sales, use, rental, or lodgings tax in compliance  
21 with the tax rates published by the department as required by  
22 this subsection shall be relieved from liability to Alabama  
23 and its local jurisdictions for having charged and collected  
24 an incorrect rate based upon the rate published by the  
25 department. Should the rate published by the department and  
26 relied upon by the taxpayer be in conflict with the return  
27 confirmation provided to the county or municipality as

1 required by this subsection, the department shall be  
2 responsible for any refund due to a taxpayer for such taxes  
3 due Alabama and its local jurisdictions. Such liability shall  
4 only be applicable for a period, not to exceed one year, from  
5 the date the incorrect rate was published by the department.  
6 Notwithstanding the preceding requirement regarding refunds to  
7 taxpayers, should a county or municipality fail to properly  
8 notify the department of a new levy or amendment to an  
9 existing levy, the department shall not be held liable or  
10 responsible for any refunds to a taxpayer for the reliance on  
11 rates published by the department. Proper notification of a  
12 new levy or amendment to an existing levy shall be in a manner  
13 as prescribed by the department. A taxpayer shall not be  
14 relieved of liability for the proper amount of taxes owed even  
15 though the published tax rate or levy was in error. However,  
16 no penalties or interest for late payment or underpayment of  
17 taxes shall begin to accrue until the proper tax rate or levy  
18 has been on file at the department for at least ~~30~~ 60 days,  
19 unless the taxpayer had actual knowledge of the correct tax  
20 rate or levy as of an earlier date.

21 "(f) For the purpose of this section, the terms  
22 collection and administration shall be defined using the  
23 definition provided for in Section 11-3-11.3(i), Code of  
24 Alabama 1975.

25 "§40-12-4.

26 "(a) In order to provide funds for public school  
27 purposes, the governing body of each of the several counties

1 in this state is hereby authorized by ordinance to levy and  
2 provide for the assessment and collection of franchise, excise  
3 and privilege license taxes with respect to privileges or  
4 receipts from privileges exercised in such county, which shall  
5 be in addition to any and all other county taxes heretofore or  
6 hereafter authorized by law in such county. Such governing  
7 body may, in its discretion, submit the question of levying  
8 any such tax to a vote of the qualified electors of the  
9 county. If such governing body submits the question to the  
10 voters, then the governing body shall also provide for holding  
11 and canvassing the returns of the election and for giving  
12 notice thereof. All the proceeds from any tax levied pursuant  
13 to this section less the cost of collection and administration  
14 thereof shall be used exclusively for public school purposes,  
15 including specifically and without limitation capital  
16 improvements and the payment of debt service on obligations  
17 issued therefor.

18 "(b) Notwithstanding anything to the contrary  
19 herein, ~~said~~ the governing body shall not levy any tax  
20 hereunder measured by gross receipts, except a sales or use  
21 tax which parallels, except for the rate of tax, that imposed  
22 by the state under this title. Any such sales or use tax on  
23 any automotive vehicle, truck trailer, trailer, semitrailer,  
24 or travel trailer required to be registered or licensed with  
25 the probate judge, where not collected by a licensed Alabama  
26 dealer at time of sale, shall be collected and fees paid in  
27 accordance with the provisions of Sections 40-23-104 and

1 40-23-107, respectively. No such governing body shall levy any  
2 tax upon the privilege of engaging in any business or  
3 profession unless such tax is levied uniformly and at the same  
4 rate against every person engaged in the pursuit of any  
5 business or profession within the county; except, that any tax  
6 levied hereunder upon the privilege of engaging in any  
7 business or profession may be measured by the number of  
8 employees of such business or the number of persons engaged in  
9 the pursuit of such profession. In all counties having more  
10 than one local board of education, revenues collected under  
11 the provisions of this section shall be distributed within  
12 such county on the same basis of the total calculated costs  
13 for the Foundation Program for those local boards of education  
14 within the county.

15 "(c) For the purpose of this section, the terms  
16 collection and administration shall be defined using the  
17 definition provided for in Section 11-3-11.3(i), Code of  
18 Alabama 1975.

19 "§40-12-7.

20 "(a) All such taxes collected and administered by  
21 the Department of Revenue shall be collected and remitted to  
22 the governing bodies of the various counties in the manner as  
23 provided for the collection and administration of taxes for  
24 cities or towns as provided in Sections 11-51-180 through  
25 11-51-185, and the Department of Revenue is authorized to  
26 charge the counties for collecting and administering said  
27 taxes its actual cost, not to exceed ~~five~~ two percent of the

1 amount collected, and to do any and all things pertaining to  
2 the collection and administration of said taxes for the  
3 various counties as ~~said~~ the department is authorized to do in  
4 collecting and administering taxes for cities and towns as  
5 provided in Sections 11-51-180 through 11-51-185.

6 "(b) For the purpose of this section, the terms  
7 collection and administration shall be defined using the  
8 definition provided for in Section 11-3-11.3(i), Code of  
9 Alabama 1975."

10 Section 2. Section 11-51-210.1, Code of Alabama  
11 1975, is enacted to read as follows.

12 "§11-51-210.1.

13 "No later than October 1, 2015, the department shall  
14 send notice to every county or municipality levying a sales,  
15 use, rental, or lodgings tax regarding the rates of such taxes  
16 according to the records held by the department. Each county  
17 and municipality shall notify the department of an existing  
18 erroneous rate published by the department no later than  
19 December 1, 2015. The county or municipality notifying the  
20 department of such rate error shall send written confirmation,  
21 on county or municipal letterhead, to the department listing  
22 the erroneous rate published by the department and the  
23 corrected rate along with supporting ordinances, resolutions,  
24 or documentation. If the county or municipality fails to  
25 respond to the department regarding an erroneously published  
26 rate pursuant to this section, the taxpayer shall be relieved  
27 from liability to the local jurisdiction for having charged

1 and collected the incorrect amount of tax on or after March 1,  
2 2016 based upon the rates published by the department on March  
3 1, 2016. Should the county or municipality properly respond  
4 and notify the department regarding the erroneously published  
5 rate, and the rate published by the department and relied upon  
6 by the taxpayer is in conflict with the response provided by  
7 the county or municipality as required by this section, the  
8 department shall be responsible for any refund due to a  
9 taxpayer for such taxes due Alabama and its local  
10 jurisdictions. Such liability shall only be applicable for a  
11 period, not to exceed one year, from the date the incorrect  
12 rate was published by the department."

13 Section 3. Section 1 of this act shall become  
14 effective on March 1, 2016 following its passage and approval  
15 by the Governor, or its otherwise becoming law. Section 2 of  
16 this act shall become effective immediately following its  
17 passage and approval by the Governor, or its otherwise  
18 becoming law.