

1 SB397
2 147616-7
3 By Senator Blackwell
4 RFD: Governmental Affairs
5 First Read: 04-APR-13

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8 SYNOPSIS: Currently there is not a statewide online
9 system available through which businesses may apply
10 for, purchase, and renew all required state and
11 county business licenses.

12 This bill, entitled the Alabama Business
13 License Reform Act of 2013, would require the
14 Alabama Department of Revenue, or a vendor under
15 contract with the department, to create such a
16 system that would be maintained by the department.
17 Beginning October 1, 2015, all counties would be
18 required to participate in the online filing system
19 and all municipalities would be required to
20 participate by January 1, 2017. An annual state
21 license fee of \$150 as well as a \$15 online user
22 fee would apply, and counties would be authorized
23 to collect an additional general fee of \$50 per
24 location for county business licenses. Existing
25 county business license fees imposed by local acts,
26 other than the Jefferson County local act, would be
27 repealed by this act. An online filing system

1 advisory committee and a municipal business license
2 interim task force would be created to make
3 recommendations for the implementation and
4 administration of this act and for eventual
5 participation of all municipalities in the online
6 filing system. Numerous sections of the Code of
7 Alabama 1975, would be amended, created, or
8 repealed to conform to the provisions and
9 requirements of the act.

10
11 A BILL
12 TO BE ENTITLED
13 AN ACT
14

15 To provide for the Alabama Business License Reform
16 Act of 2013, which requires the Alabama Department of Revenue,
17 or a vendor of the department, to implement and administer an
18 online site for businesses to apply for, purchase, or renew
19 their annual state and county business licenses; to repeal
20 local acts authorizing county business license fees levied by
21 local act other than the Jefferson County local act, but not
22 any county occupational license tax, sales tax, use tax,
23 rental tax, gross receipts tax in the nature of a sales tax,
24 lodgings tax, motor fuel tax, or severance tax that may be in
25 the nature of a license tax; to provide for state and county
26 annual business license fees with certain exceptions; to
27 create an advisory committee and an advisory task force for

1 suggestions and methods of implementing the online filing
2 system; to require counties and, eventually, municipalities to
3 participate in the online filing system; and to amend Sections
4 11-3-11.1, 34-1-11, 34-3-3, 34-9-3, 34-24-50, 34-24-334,
5 34-33A-12, 40-2A-15, 40-12-2, 40-12-10, 40-12-30, 40-12-391,
6 40-12-392, 40-12-395, 40-12-398, 40-12-413, and 40-16-6, Code
7 of Alabama 1975; to add Sections 11-3-11.2, 11-3-11.3,
8 11-3-11.4, 11-3-11.5, 11-3-11.6, 11-80-10.1, and 11-80-11.1 to
9 the Code of Alabama 1975; and to repeal Sections 40-12-3
10 through 40-12-8, inclusive, with a provision that current debt
11 or other obligations of counties or their boards of education
12 are not affected, and to repeal Sections 40-12-40 to
13 40-12-180, inclusive, Sections 40-12-310 to 40-12-319,
14 inclusive, and Section 40-12-393, Code of Alabama 1975.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. This act shall be known and may be cited
17 as the Alabama Business License Reform Act of 2013.

18 Section 2. For the purposes of this act, the
19 following terms shall have the following meanings:

20 (1) BUSINESS PRIVILEGE TAX. That tax levied pursuant
21 to Chapter 14A of Title 40, Code of Alabama 1975.

22 (2) COMMISSIONER or REVENUE COMMISSIONER. The
23 Commissioner of the Department of Revenue.

24 (3) CODE. The internal Revenue Code of 1986, as
25 amended from time to time.

26 (4) CORPORATION. An entity, including a limited
27 liability company, limited partnership, and certain trusts

1 electing to be taxed as a corporation for federal income tax
2 purposes, organized under the laws of this or any other
3 jurisdiction through which business can be conducted while
4 offering limited liability to the owners of the entity with
5 respect to some or all of the obligations of the entity, other
6 than a limited liability entity or a disregarded entity. The
7 term "corporation" shall include, but not be limited to, the
8 following: C corporations, Alabama S corporations,
9 professional corporations, joint stock companies,
10 unincorporated professional associations, real estate
11 investment or statutory business trusts, limited liability
12 companies electing to be taxed as corporations for federal
13 income tax purposes, and all associations classified as
14 corporations for federal income tax purposes. The term
15 "corporation" shall not include any county, municipal
16 corporation, political subdivision of the state, governmental
17 corporation, instrumentality, or agency thereof.

18 (5) DEPARTMENT. The Alabama Department of Revenue.

19 (6) DISREGARDED ENTITY. A limited liability company
20 that is disregarded for purposes of federal income tax, or a
21 qualified subchapter S subsidiary as defined in 26 U.S.C.
22 §1361.

23 (7) FISCAL YEAR. The fiscal year of the state
24 beginning October 1 of each calendar year and ending on the
25 next succeeding September 30.

26 (8) LICENSABLE ENTITY. A corporation, limited
27 liability entity, disregarded entity, general partnership,

1 trust, estate, or sole proprietorship subject to a business
2 license fee imposed by this act.

3 (9) LIMITED LIABILITY ENTITY. Any entity, other than
4 a corporation, organized under the laws of this or any other
5 jurisdiction through which business may be conducted while
6 offering limited liability to the owners of the entity with
7 respect to some or all of the obligations of the entity and
8 which is taxable under Subchapter K of the Code, including,
9 without limitation, limited liability companies, registered
10 limited liability partnerships, and limited partnerships.

11 (10) LOCATION. A building, structure, office, house,
12 shed, tent, tract of land, lot or other physical place where
13 business activity is conducted by a licensable entity in the
14 state or, as appropriate, a county, including vehicles,
15 trailers, and temporary stands from which food or other
16 products are regularly sold or out of or through which
17 services are provided, such as taxi cabs, lawn services
18 vehicles, or delivery or repair services vehicles, provided
19 that the place of delivery of services or goods shall not
20 constitute an additional location.

21 (11) MUNICIPAL BUSINESS LICENSE INTERIM TASK FORCE
22 or TASK FORCE. The interim task force created by this act to
23 study and make recommendations to the Legislature for
24 streamlining municipal business licenses and preparing the
25 recommendations for the online filing system.

26 (12) NET WORTH IN ALABAMA. Shall have the same
27 meaning as in Section 40-14A-24, Code of Alabama 1975.

1 (13) ONLINE FILING SYSTEM ADVISORY COMMITTEE or
2 ADVISORY COMMITTEE. The advisory committee created by this act
3 to advise the Revenue Commissioner on the system design,
4 operation, and functioning of the online filing system.

5 (14) ONLINE FILING SYSTEM or SYSTEM. The online
6 system that allows licensable entities to apply for, purchase,
7 or renew all applicable state, county, and municipal business
8 licenses pursuant to this act.

9 Section 3. (a) The department, or a third-party
10 vendor under contract with the department, shall create, and
11 the department shall maintain, the online filing system at
12 which licensable entities may apply for, purchase, or renew
13 all applicable state and county business licenses beginning
14 with the October 1, 2015, fiscal year, and annually
15 thereafter; provided that any online filing system operated by
16 or on behalf of the department as of October 1, 2014, through
17 which certain businesses may apply for, purchase, or renew
18 their state business licenses, may continue to be utilized,
19 but shall be integrated by the department with the online
20 filing system within one year after the latter system becomes
21 operational.

22 (b) An access fee of fifteen dollars (\$15) shall be
23 charged each time a licensable entity uses the online filing
24 system to apply for, purchase, or renew a state, county, or
25 municipal business license; provided, that a licensable entity
26 will only be charged one access fee even if it applies for,
27 purchases, or renews multiple business licenses in a single

1 session on the online filing system. Seventy percent (70%) of
2 the proceeds of the fee shall be retained by the department
3 and used to defray its administrative and long-term costs to
4 maintain the online filing system. The remainder shall be
5 distributed to the appropriate county or counties in the same
6 manner as the state business license fee as provided in
7 Section 40-12-2(e), Code of Alabama 1975.

8 (c) All counties shall participate in the online
9 filing system not later than October 1, 2015, and all
10 municipalities shall participate in the online filing system
11 not later than January 1, 2017.

12 (d) The online filing system shall be the exclusive
13 means by which licensable entities may apply for, purchase, or
14 renew state and county, and eventually municipal, business
15 licenses via the Internet. No county or municipality or an
16 agent thereof or private contractor may operate an online
17 system through which licensable entities may apply for,
18 purchase, or renew business licenses other than the online
19 filing system; provided, however, that licensable entities may
20 continue to apply for, purchase, or renew state, county, or
21 municipal business licenses from the judge of probate or other
22 licensing official of the county or municipality in which the
23 licensable entity has a location.

24 (e) The department shall provide business
25 information, including compliance information, necessary for
26 counties and municipalities to participate in the online
27 filing system.

1 (f) (1) The Online Filing System Advisory Committee
2 is created to provide input to the commissioner on the design
3 of the system and its operation and functions. The advisory
4 committee shall consist of the following members:

5 a. Two members appointed by the Alabama Retail
6 Association.

7 b. Two members appointed by the Business Council of
8 Alabama.

9 c. Two members appointed by the National Federation
10 of Independent Business-Alabama Chapter.

11 d. Six members appointed by the Association of
12 County Commissioners of Alabama.

13 e. Two nonvoting members appointed by the
14 commissioner who are department employees.

15 (2) The advisory committee members shall receive no
16 compensation or reimbursement of expenses from the state for
17 serving on the advisory committee.

18 (3) The advisory committee shall meet with the
19 commissioner and with other employees of the department as the
20 commissioner deems appropriate. The initial meeting of the
21 advisory committee shall be at a time and place to be
22 determined by the commissioner and shall be held no later than
23 September 30, 2013. At the initial meeting, the advisory
24 committee shall organize itself and shall determine the timing
25 and frequency of subsequent meetings.

26 (4) The role of the advisory committee shall be
27 limited to providing input and recommendations on the

1 development and functionality of the online filing system with
2 relation to the filing of business license returns and
3 remittance of business license fees and related payments
4 utilizing the online filing system. The advisory committee
5 shall make no review of the department's administration of
6 state taxes, of state-administered county or municipal taxes,
7 nor of any other department matter beyond the online filing
8 system.

9 (5) If the commissioner fails to act on a
10 recommendation made by the advisory committee regarding the
11 online filing system, the advisory committee, by majority
12 vote, may appeal to the Legislative Council for a
13 determination on whether the advisory committee's
14 recommendations shall be implemented. The determination of the
15 Legislative Council shall be final.

16 (6) Nothing in this act shall be construed to
17 authorize the department to impose fees on counties,
18 municipalities, or their designees for the maintenance or
19 operation of the online filing system.

20 Section 4. (a) With respect to the fiscal year
21 beginning October 1, 2015, and for each fiscal year
22 thereafter, each licensable entity described in subsection (b)
23 shall apply for, purchase, or renew a state business license,
24 except as otherwise provided in this act.

25 (b) A business license fee of one hundred fifty
26 dollars (\$150) is hereby imposed upon every licensable entity,
27 other than sole proprietorships, with one or more locations in

1 Alabama. In addition, a state business license fee of fifty
2 dollars (\$50) is hereby imposed on all licensable entities,
3 other than sole proprietorships, with multiple locations in
4 the state for each location in the state beyond the first one.

5 (c) A state business license fee of twenty dollars
6 (\$20) is hereby imposed upon each sole proprietorship, the
7 income, expense, gain, and loss from which is reported on a
8 Schedule C, "Profit or Loss From Business (Sole
9 Proprietorship)" of the sole proprietor's annual federal
10 income tax return, with one or more locations in Alabama.

11 (d) Liability for the business license fees imposed
12 by this section shall accrue as of October 1 of every year,
13 beginning October 1, 2015, and shall become delinquent if not
14 paid on or before October 31 of the same year, or in the case
15 of a licensable entity that establishes a location in Alabama
16 for the first time during the fiscal year, liability shall
17 accrue as of the date the licensable entity establishes such a
18 location, as the case may be, and shall become delinquent 30
19 days thereafter; provided, that nothing herein shall eliminate
20 the obligation of a corporation, limited liability entity, or
21 other entity subject to the business privilege tax to file its
22 initial business privilege tax return in accordance with
23 Section 40-14A-29, Code of Alabama 1975.

24 (e) In the event a licensable entity establishes a
25 location in Alabama for the first time during the fiscal year,
26 such that it is doing business in Alabama for less than the
27 full fiscal year, its state business license fee for that year

1 shall be prorated based on the number of days remaining in the
2 fiscal year from the date on which its business license
3 obligation first accrued. In the event a licensable entity
4 dissolves, withdraws its registration with the Alabama
5 Secretary of State, or otherwise ceases to engage in business
6 activities or to operate at a location in the state during a
7 fiscal year, it shall not be entitled to a refund of any
8 portion of the state business license fee it has paid or owes
9 for the short year.

10 Section 5. (a) In addition to the state business
11 license fee imposed by Section 4, each county, by ordinance or
12 resolution of the county commission, may impose an annual
13 county business license fee on every licensable entity
14 described in Section 4(b), other than a sole proprietorship,
15 in the amount of fifty dollars (\$50) for every location the
16 entity has within the county as of the fiscal year beginning
17 October 1. Provided, however, that notwithstanding anything in
18 this act to the contrary, Jefferson County shall not be
19 entitled to impose a county business license fee under this
20 act as long as Act 2009-811 (Acts 2009, p. 2526), as amended
21 from time to time, or another act levying a business license
22 fee or tax in Jefferson County, remains in effect.

23 (b) In the event a licensable entity other than a
24 sole proprietorship establishes a location in a county for the
25 first time during the fiscal year, such that it is only doing
26 business in the county for less than a full fiscal year, its
27 county business license fee for that county shall be prorated

1 in accordance with Section 4(e). In the event that a
2 licensable entity dissolves, withdraws its registration with
3 the Alabama Secretary of State, reduces the number of
4 locations in the county, or otherwise ceases to engage in
5 business activities in the county during a fiscal year, it
6 shall not be entitled to a refund of any portion of the county
7 business license fee it has paid or owes for the short year.

8 (c) Every county that elects to impose a county
9 business license fee pursuant to subsection (a) shall notify
10 the department in writing of the election no less than 30 days
11 prior to the beginning of the fiscal year for which the county
12 business license fee shall first become due. Failure to notify
13 the department within the time prescribed shall prevent the
14 county from imposing the business license fee for the fiscal
15 year. As of each September 30 beginning in 2015, the
16 department shall identify and provide a listing on its website
17 and to any person who so requests of all counties that have
18 notified it of their election to impose a county business
19 license fee under this section.

20 (d) All county business or privilege license fees
21 assessed and collected pursuant to a local law, other than Act
22 2009-811, relating to Jefferson County, as it may be amended
23 from time to time, are hereby repealed by this act; provided,
24 however, that nothing herein shall be construed as affecting
25 any county occupational license, sales, use, rental, gross
26 receipts, lodgings, motor fuel, or severance tax in the nature
27 of a license or privilege tax.

1 Section 6. (a) Licensable entities whose liability
2 for business privilege tax equals or exceeds one hundred fifty
3 dollars (\$150) for any given calendar year shall pay the
4 business privilege tax when due and shall also apply for,
5 purchase, or renew a state business license pursuant to this
6 act; provided, however, that the associated one hundred fifty
7 dollar (\$150) license fee shall not be due hereunder for the
8 fiscal year following the calendar year to which the business
9 privilege tax applies.

10 (b) Licensable entities having multiple locations in
11 the state and whose business privilege tax liability equals or
12 exceeds one hundred fifty dollars (\$150) for any given
13 calendar year shall nonetheless be liable for the state
14 business license fee of fifty dollars (\$50) for each location
15 beyond the first location and for the county business license
16 fee(s) provided in Section 5, where applicable, for each
17 location within any county that has elected to impose a county
18 business license fee pursuant to Section 5.

19 (c) Licensable entities that are exempt from the
20 business privilege tax pursuant to Article 4 of Chapter 14A of
21 Title 40 of the Code of Alabama 1975, or Section 7, shall not
22 be required to apply for, purchase, or renew any state or
23 county business license provided for in this act.

24 Section 7. (a) Corporations, limited liability
25 entities, and disregarded entities that have not owned
26 property, produced income, or carried on any business activity
27 for two consecutive calendar years, but have not been

1 dissolved or withdrawn their registration with the Secretary
2 of State are exempt from the business privilege tax.

3 (b) Licensable entities otherwise subject to the
4 business privilege tax, whose net worth in Alabama as of the
5 first day of their respective taxable year is one hundred
6 fifty thousand dollars (\$150,000) or less, or whose business
7 privilege tax liability for a given calendar year is less than
8 one hundred fifty dollars (\$150), are exempt from the business
9 privilege tax for that calendar year, unless they are not
10 required to apply for, purchase, or renew a state business
11 license, in which case they shall remain subject to the
12 business privilege tax.

13 Section 8. (a) Because the municipal business
14 license system is separate and distinct from the state/county
15 business license system, a Municipal Business License Interim
16 Task Force is created to study and develop recommendations for
17 streamlining the application for and payment of municipal
18 business licenses and preparing them to be included in the
19 online filing system in the future. Some topics of study shall
20 include, but are not limited to, the following:

21 (1) Delivery license reform.

22 (2) The role of third-party auditors hired by
23 municipalities to collect business license fees or taxes.

24 (3) How to achieve more uniformity between the
25 types, classifications, and calculation of business licenses
26 as between municipalities.

27 (4) Other issues as determined by the task force.

1 (b) The task force shall be comprised of six voting
2 members appointed by the Alabama League of Municipalities, two
3 voting members appointed by the Alabama Retail Association,
4 two voting members appointed by the Business Council of
5 Alabama, and two voting members appointed by the National
6 Federation of Independent Business-Alabama Chapter. The
7 commissioner shall appoint a department employee to serve as
8 an advisory, nonvoting member of the task force.

9 (c) All appointments to the task force shall be made
10 within 60 days of the effective date of this act, and each
11 member of the task force shall serve at the pleasure of his or
12 her appointing authority. Task force members shall receive no
13 additional compensation for service on the task force, but
14 shall be reimbursed by the State of Alabama for expenses in
15 accordance with state law and travel policy regarding
16 reimbursement for state employees' travel related to their
17 official work duties. The department shall provide
18 administrative support necessary for the task force to carry
19 out its duties.

20 (d) The task force, in all respects, shall be
21 subject to the Alabama Open Meetings Act, Title 36, Chapter
22 25A, Code of Alabama 1975. The organizational meeting of the
23 task force shall take place no later than 90 days following
24 the effective date of this act. The commissioner or his or her
25 designee shall call the organizational meeting and serve as
26 chair until the election of a chair as provided in this act.
27 At the organizational meeting, the task force shall elect a

1 chair and vice chair, who shall serve at the pleasure of the
2 task force. The vice chair shall serve as acting chair
3 whenever the chair is unable to preside at a meeting of the
4 task force. A quorum for all meetings of the task force shall
5 consist of seven members. If a quorum is not present at the
6 beginning of any meeting, the members present shall have the
7 authority to establish an alternate meeting date. A minimum of
8 seven affirmative votes of the members of the task force shall
9 be required for approval of any matter considered by the task
10 force.

11 (e) The membership of the task force shall be
12 inclusive and reflect the racial, gender, geographic,
13 urban/rural, and economic diversity of the state.

14 (f) The task force shall provide its recommendations
15 to the Legislature no later than the second legislative day of
16 the 2015 Regular Session, whereupon the task force shall stand
17 dissolved and discharged of any further duties and
18 liabilities.

19 Section 9. Section 40-12-4, Code of Alabama 1975, is
20 hereby repealed; provided, however, the repeal of this section
21 shall not affect or impair any obligation of any county or its
22 board of education relating to contracts, including
23 specifically, any debt obligations issued by or on behalf of
24 the county or its board of education pursuant to that section
25 and which were outstanding on the effective date of this act.

26 Section 10. Sections 40-12-4.1 through 40-12-8, Code
27 of Alabama 1975, are hereby renumbered Sections 11-3-11.2,

1 11-3-11.3, 11-3-11.4, 11-3-11.5, and 11-3-11.6, Code of
2 Alabama 1975, respectively.

3 Section 11. Sections 40-12-3, 40-12-40 to 40-12-180,
4 inclusive, and Sections 40-12-310 to 40-12-319, inclusive, and
5 Section 40-12-393, Code of Alabama 1975, are repealed.

6 Section 12. Sections 11-3-11.1, 34-1-11, 34-3-3,
7 34-9-3, 34-24-50, 34-24-334, 34-33A-12, 40-2A-15, 40-12-2,
8 40-12-10, 40-12-30, 40-12-391, 40-12-392, 40-12-395,
9 40-12-398, 40-12-413, and 40-16-6, Code of Alabama 1975, are
10 amended to read as follows:

11 "§11-3-11.1.

12 "(a) The action of the governing body of any county
13 in levying, authorizing, adopting, assessing, collecting, and
14 enforcing any excise, privilege, or license tax levied,
15 assessed, collected, and enforced on the effective date hereof
16 is hereby ratified, approved, validated, and confirmed,
17 regardless of any defect which might exist in the
18 authorization, adoption, levy, assessment, collection, or
19 enforcement of any such tax, including, without limitation,
20 defects in the adoption of any underlying act of the
21 Legislature authorizing such authorization, adoption, levy,
22 assessment, collection, or enforcement, any failure to publish
23 any notice which might otherwise be required with respect to
24 any of the foregoing, or any failure by any such governing
25 body to comply with any statutory requirement with respect to
26 any of the foregoing matters; provided that this section shall
27 not apply to any such tax, the validity of which is on the

1 effective date hereof being challenged in any proceeding
2 pending in any court in this state.

3 "(b) In order to provide funds for public school
4 purposes, the governing body of each of the several counties
5 in this state is hereby authorized by ordinance to levy and
6 provide for the assessment and collection of sales and use
7 taxes which shall be in addition to any and all other county
8 taxes heretofore or hereafter authorized by law in such
9 county. Such governing body, in its discretion, may submit the
10 question of levying any such tax to a vote of the qualified
11 electors of the county. If such governing body submits the
12 question to the voters, then the governing body shall also
13 provide for holding and canvassing the returns of the election
14 and for giving notice thereof. All the proceeds from any tax
15 levied pursuant to this section less the cost of collection
16 thereof shall be used exclusively for public school purposes,
17 including specifically and without limitation, capital
18 improvements and the payment of debt service on obligations
19 issued therefor.

20 "(c) Notwithstanding anything to the contrary
21 herein, a county governing body shall not levy any tax
22 hereunder measured by gross receipts, except a sales or use
23 tax which parallels, except for the rate of tax, that imposed
24 by the state under Title 40. Any such sales or use tax on any
25 automotive vehicle, truck trailer, trailer, semitrailer, or
26 travel trailer required to be registered or licensed with the
27 probate judge, where not collected by a licensed Alabama

1 dealer at time of sale, shall be collected and fees paid in
2 accordance with the provisions of Sections 40-23-104 and
3 40-23-107, respectively. In all counties having more than one
4 local board of education, revenues collected under the
5 provisions of this section shall be distributed within such
6 county on the same basis of the total calculated costs for the
7 Foundation Program for those local boards of education within
8 the county.

9 "§34-1-11.

10 "(a) (1) Permits to engage in the practice of public
11 accounting in this state shall be issued by the board to a
12 holder of a certificate of certified public accountant issued
13 under Section 34-1-4 and to a person registered under Section
14 34-1-8 who furnishes evidence satisfactory to the board of
15 compliance with the requirements of subsection (c) and who:
16 (1) is a citizen of the United States or, if not a citizen of
17 the United States, a person who is legally present in the
18 United States with appropriate documentation from the federal
19 government, or has declared his or her intent to become a
20 citizen; and (2) has attained the age of 19 years; and (3) is
21 of good moral character; and (4) meets the experience
22 requirements set forth in subsection (e). Permits to engage in
23 the practice of public accounting in this state also shall be
24 issued by the board to persons or firms under Sections 34-1-5,
25 34-1-6, and 34-1-9, if all offices of those certificate
26 holders or registrants are maintained and registered as
27 required under Section 34-1-10. There shall be an annual

1 permit fee for each certificate holder under Section 34-1-4,
2 each registrant under Section 34-1-8, and each firm in an
3 amount to be determined by the board. All permits shall expire
4 on September 30 of each year and may be renewed annually for a
5 period of one year. The application for renewal and annual
6 renewal fee shall be filed with this board no later than
7 December 31 following the expiration date. The board may also
8 charge a late renewal penalty on or after January 1 following
9 the expiration date in an amount set by the board which is
10 graduated depending on the length of time the renewal is
11 delinquent.

12 "(2) The board shall by rule require as a condition
13 for renewal of a permit under this section, by any permit
14 holder who performs compilation services for the public other
15 than through a CPA or PA firm, that such individual undergo,
16 no more frequently than once every three years, a peer review
17 conducted in such manner as the board shall by rule specify.

18 "(b) (1) Notwithstanding subsection (a), a certified
19 public accountant or public accountant registered under this
20 chapter who is not engaged in the practice of public
21 accounting may request the board, in writing, to place his or
22 her name on the board's inactive roll, thereby granting him or
23 her inactive status and protecting his or her right to obtain
24 a permit to practice pursuant to subsection (a) at a later
25 time as he or she wishes to become actively engaged in the
26 practice of public accounting.

1 "(2) If, upon receipt of the notification, the board
2 determines that the certified public accountant or public
3 accountant is not engaged in public accounting, the certified
4 public accountant or public accountant shall be permitted to
5 retain his or her initial registration or certificate by
6 paying an annual registration fee in an amount as the board
7 shall, from time to time, determine. Effective October 1,
8 2007, certified public accountants or public accountants
9 granted inactive status by the board shall place the word
10 "inactive" adjacent to their CPA title or PA title on any
11 business card, letterhead, or any other document or device,
12 with the exception of their CPA certificate or PA
13 registration, on which their CPA or PA title appears. If a
14 certified public accountant or public accountant who has
15 elected inactive status wishes to reenter the active practice
16 of public accountancy, he or she shall make application to the
17 board for an annual permit to practice. The board, in its
18 rules and regulations, shall specify the number of hours of
19 continuing education the applicant shall obtain before he or
20 she regains active status to ensure his or her competency to
21 practice public accounting.

22 "(c) Every application for renewal of an annual
23 permit to practice by any person who holds a certificate as a
24 certified public accountant or who is a registrant under
25 Section 34-1-8 shall be accompanied or supported by any
26 evidence the board prescribes of satisfaction of its
27 continuing education requirements during the preceding year.

1 Failure by an applicant for renewal of an annual permit to
2 furnish the evidence shall constitute grounds for revocation,
3 suspension, or refusal to renew the permit in a proceeding
4 under Section 34-1-12, unless the board determines the failure
5 to have been due to reasonable cause. The board may renew an
6 annual permit to practice despite failure to furnish evidence
7 of satisfaction of requirements of continuing education upon
8 the condition that the applicant follows a particular program
9 or schedule of continuing education. In issuing rules,
10 regulations, and individual orders in respect of requirements
11 of continuing education, the board may, among other things,
12 use and rely upon guidelines and pronouncements of recognized
13 educational and professional associations; may prescribe for
14 content, duration, and organization of courses; shall take
15 into account the accessibility by applicants to the continuing
16 education required and any impediments to interstate practice
17 of public accountancy which result from the difference in the
18 requirements in other states; and may provide for relaxation
19 or suspension of those requirements in regard to applicants
20 who certify that they do not intend to engage in the practice
21 of public accountancy, and for instances of individual
22 hardships.

23 "(d) In the event a certified public accountant or
24 public accountant fails to apply for an annual permit to
25 practice or to be placed on the board's inactive roll within:
26 (1) One year from the expiration date of the permit to
27 practice last obtained or renewed pursuant to subsection (a);

1 (2) one year from the expiration date of the last annual
2 renewal of his or her certificate pursuant to subsection (b);
3 or (3) one year from the date upon which the certificate
4 holder or registrant was granted his or her certificate or
5 registration, if no permit was ever issued to him or her under
6 subsection (a) or his or her name was never placed on the
7 board's inactive roll under subsection (b), it shall deprive
8 him or her of the right to apply for a permit or inactive
9 status, and shall constitute grounds for revocation or
10 suspension of the holder's certificate, unless the board
11 determines the failure to have been due to reasonable cause.
12 In that case, the board may impose a reinstatement fee not to
13 exceed one hundred dollars (\$100), plus the total annual
14 registration fees and late renewal penalties which the
15 certified public accountant or public accountant would have
16 paid under this chapter during the period when neither a
17 permit nor inactive status was maintained. The board may also
18 charge an inactive status penalty in an amount set by the
19 board which is graduated for the time of the inactivity.

20 "(e) The experience requirement shall be one year of
21 experience in the practice of public accounting as defined by
22 the board's rules and regulations.

23 "(f) (1) In addition to any other business license
24 fees levied under the revenue laws of the State of Alabama,
25 each person who holds a certificate as a certified public
26 accountant and who is a resident of the State of Alabama and
27 who is engaged in the practice of public accounting in the

1 State of Alabama shall pay an annual regulatory license fee of
2 twenty-five dollars (\$25), but no license fee shall be paid to
3 the county. Such license shall be obtained from, and the
4 license fee collected by, the Alabama State Board of Public
5 Accountancy.

6 "(2) Funds collected from the payment of license
7 fees shall be used by the Alabama State Board of Public
8 Accountancy to defray the expenses for administering and
9 enforcing the laws of the State of Alabama pertaining to the
10 practice of public accounting and the other necessary purposes
11 and expenses of the board not otherwise available and provided
12 pursuant to Section 34-1-30.

13 "(3) No license fee as herein provided shall be due
14 or payable by any certified public accountant employed by any
15 state or federal government agency, educational institution,
16 or industry, who does not perform public accounting service
17 for compensation.

18 "§34-3-3.

19 "(a) Applicants for admission to the bar not
20 required by law to take an examination shall pay a fee to be
21 set by the Board of Commissioners, but not to exceed one
22 thousand five hundred dollars (\$1,500); applicants for
23 admission who are bona fide residents of the State of Alabama
24 who are required to be examined by the Board of Bar Examiners
25 shall pay a fee to be determined by the Board of Commissioners
26 not to exceed one thousand dollars (\$1,000), and applicants
27 for admission who are not bona fide residents of the State of

1 Alabama who are required to be examined by the Board of Bar
2 Examiners shall pay the same fee set for residence examinees,
3 plus an additional sum to be determined by the Board of
4 Commissioners not to exceed one thousand dollars (\$1,000). The
5 Board of Commissioners shall not have the authority to
6 increase the fee provided for in this paragraph for applicants
7 who are bona fide residents of the State of Alabama or the
8 additional fee for applicants who are not bona fide residents
9 of the State of Alabama by more than one hundred dollars
10 (\$100) in any one calendar year. Such fees shall be paid to
11 the Secretary of the Board of Bar Commissioners. Twenty-five
12 dollars (\$25) of each fee generated pursuant to this section
13 shall be distributed by the secretary to the Alabama Lawyer
14 Assistance Foundation.

15 "(b) (1) In addition to any other business license
16 fees levied under the revenue laws of the State of Alabama,
17 each attorney engaged in the practice of law shall pay a
18 regulatory license fee to the state, but none to the county.
19 On October 1, 2006, and each year thereafter, the annual
20 license fee shall be three hundred dollars (\$300). On and
21 after May 15, 2012, the Board of Bar Commissioners shall by
22 rule determine the amount of the annual license fee. If
23 business is conducted as a firm or as a corporation in which
24 more than one attorney is engaged, each attorney shall pay
25 such license fee, but no attorney shall be required to pay a
26 license fee until the first day of October following admission
27 to the bar. The license fee shall be paid to the Secretary of

1 the Board of Bar Commissioners of the Alabama State Bar. The
2 funds collected for the issuance of the license fee levied
3 shall constitute a separate fund to be disbursed on the order
4 of the Board of Commissioners of the Alabama State Bar. As
5 soon after the first day of each November as practicable, the
6 Secretary of the Alabama State Bar shall certify to the
7 presiding judge of the circuit court having jurisdiction in
8 the county the names of attorneys who have paid the license
9 fee.

10 "(2) The license fees shall be due and payable on
11 October 1 of each year and shall be delinquent on the
12 following November 1. If a license is delinquent, the
13 Secretary of the Board of Bar Commissioners of the Alabama
14 State Bar shall assess and collect a penalty of 15 percent of
15 the amount of the license. The penalty shall be paid when the
16 license is issued.

17 "(3) Section 40-12-10, relating to the collection
18 and distribution of business license fees shall not be
19 applicable to license fees provided in subdivision (1).

20 "§34-9-3.

21 "(a) It shall be unlawful for any person to practice
22 dentistry in the State of Alabama except the following:

23 "(1) Those who are now duly licensed or permitted
24 dentists, pursuant to law.

25 "(2) Those who may be hereafter duly licensed or
26 permitted and who are currently registered as dentists,
27 pursuant to this chapter.

1 "(3) Those nonresident dentists who have been issued
2 a special purpose license to practice dentistry across state
3 lines in accordance with Section 34-9-10. This subdivision
4 shall not apply to those dentists who hold a full,
5 unrestricted, and current license or permit issued pursuant to
6 Section 34-9-8 or Section 34-9-10.

7 "(b) Each person practicing the profession of
8 dentistry in cities or towns of over 25,000 inhabitants shall
9 pay an annual license fee of \$25; in cities or towns of more
10 than 5,000 and not exceeding 25,000 inhabitants, \$15; in
11 cities or towns of more than 1,000 and not exceeding 5,000
12 inhabitants, \$10; in all other places whether incorporated or
13 not, \$5; but no license shall be paid the county. If such
14 business is conducted as a firm or as a corporation in which
15 more than one dentist is engaged, each dentist so engaged
16 shall pay the license fee as above stated; provided, that the
17 license fee imposed by the section shall not apply until the
18 dentist shall have practiced the profession as long as two
19 years. All fees shall be collected by the Alabama State Board
20 of Dental Examiners, and the funds shall be used by the Board
21 of Dental Examiners to defray the expenses of enforcing the
22 laws of the State of Alabama relating to the practice of
23 dentistry, for other necessary purposes and expenses of such
24 board and in the promotion of the arts and science of
25 dentistry in the State of Alabama.

26 "§34-24-50.

27 "(a) The "practice of medicine or osteopathy" means:

1 "(1) To diagnose, treat, correct, advise, or
2 prescribe for any human disease, ailment, injury, infirmity,
3 deformity, pain, or other condition, physical or mental, real
4 or imaginary, by any means or instrumentality;

5 "(2) To maintain an office or place of business for
6 the purpose of doing acts described in subdivision (1),
7 whether for compensation or not;

8 "(3) To use, in the conduct of any occupation or
9 profession pertaining to the diagnosis or treatment of human
10 disease or conditions, the designation "doctor," "doctor of
11 medicine," "doctor of osteopathy," "physician," "surgeon,"
12 "physician and surgeon," "Dr.," "M.D.," or any combination
13 thereof unless such a designation additionally contains the
14 description of another branch of the healing arts for which a
15 person has a license.

16 "(b) Each osteopath or chiropractor practicing his
17 or her profession in this state shall pay an annual regulatory
18 license fee of \$20 to the state, but no license shall be paid
19 to the county. If such business is conducted as a firm or
20 corporation in which more than one person is engaged, each
21 osteopath or chiropractor so engaged shall pay a license fee
22 of \$20. No osteopath or chiropractor shall be required to pay
23 a license fee until after he or she has practiced his or her
24 profession for two years. The license fee shall be collected
25 by the State Board of Chiropractic Examiners to defray the
26 expenses of enforcing the laws of this state relating to the

1 practice of chiropractic and for other necessary purposes and
2 expenses of the board.

3 "§34-24-334.

4 "(a) Upon the filing of a certificate of
5 qualification along with an application in proper form, if the
6 commission is satisfied that all requirements of the law have
7 been met, and that such application should be approved in the
8 interest of public welfare, it shall forthwith issue to the
9 applicant a license of a size and artistic design to be
10 determined by the commission.

11 "(b) Every such license issued by the commission
12 shall be dated and be numbered in the order of issuance and
13 shall be signed by the Chairman of the Medical Licensure
14 Commission or his or her designate and by the Chairman of the
15 State Board of Medical Examiners or his or her designate. The
16 fee for such license shall be set by the commission but shall
17 not exceed three hundred dollars (\$300).

18 "(c) Each person engaged in this state in the
19 practice of medicine, chemistry, bacteriology, roentgenology,
20 or other similar profession, except chemists, bacteriologists,
21 and roentgenologists employed full time by physicians,
22 nonprofit scientific institutions, and hospitals, and except
23 doctors employed exclusively by a medical college, shall pay
24 the following annual regulatory license fee: In cities or
25 towns of over 5,000 inhabitants, \$25; 1,000 to 5,000
26 inhabitants, \$10; all other places, whether incorporated or
27 not, \$5, but no license fee shall be paid to the county. If

1 such business is conducted as a firm or as a corporation in
2 which more than one person is engaged, each person so engaged
3 shall pay the license fee as above stated. The license fee
4 imposed by this section shall not apply until such person
5 shall have practiced his or her profession as long as two
6 years. The fee shall be collected by the Board of Medical
7 Examiners. Three-fifths of the license fee shall be used by
8 the board to defray the expenses of enforcing the laws of this
9 state relating to the practice of the above mentioned fields
10 and for other necessary purposes and expenses of the board.
11 Two-fifths of the license fee shall be set aside in a separate
12 fund and disbursed to the medical society of each county where
13 the person practices if there is such organization in the
14 county.

15 "§34-33A-12.

16 "(a) All funds collected pursuant to this chapter
17 shall be deposited in the State Treasury to the credit of the
18 State Fire Marshal's Fund authorized in Section 24-5-10. The
19 State Fire Marshal may expend moneys from the State Fire
20 Marshal's Fund for the administration and enforcement of this
21 chapter. The State Fire Marshal may receive grants and
22 donations from associations, firms, or individuals who are
23 interested in the upgrading and quality of fire alarm systems
24 in compliance with Alabama state ethics laws.

25 "(b) Each person selling lightning rods in this
26 state shall register with the state fire marshal and furnish
27 his or her name and address and any other information

1 requested by the fire marshal. Failure to notify the fire
2 marshal of a change of address within 10 days from such change
3 shall constitute a misdemeanor.

4 "§40-2A-15.

5 "(a) There is hereby created the Alabama Local Tax
6 Institute of Standards and Training. All costs of operating
7 the institute shall be paid from public funds appropriated,
8 contributions received, or fees and license revenues collected
9 for this purpose.

10 "(b) The institute shall operate under the direction
11 and supervision of a board of directors. The board shall
12 organize, administer, control, oversee, and advise the
13 institute so that the institute may carry out the purposes of
14 this section. The board shall promulgate reasonable rules and
15 regulations to effectuate this intent.

16 "(c) The board shall consist of six members as
17 follows:

18 "(1) Three representatives appointed by the Alabama
19 League of Municipalities, who shall either be municipal
20 officers, employees, or attorneys, at least one of whom shall
21 be a municipal revenue officer or finance officer.

22 "(2) Three representatives appointed by the
23 Association of County Commissions of Alabama, who shall either
24 be county officers, employees, or attorneys, at least one of
25 whom shall be a county revenue officer or finance officer.

26 "(d) The board may accept appropriations, grants,
27 gifts, donations, or contributions from: The federal

1 government; the state government; a county, municipal, or
2 local government; a board, bureau, commission, agency, or
3 establishment of any such government; any other organization,
4 firm, or corporation, public or private; and an individual or
5 groups of individuals in furtherance of the services,
6 purposes, duties, responsibilities, or functions vested in the
7 board and institute.

8 "(e) The board shall, as its first order of
9 business, develop a proposed examiner certification program
10 for the examiners of private examining or collecting firms.
11 The program shall require minimum qualifications for
12 certification, which shall include at least two years of
13 governmental examining experience or a bachelor's degree in
14 accounting from an accredited university or college and
15 satisfactory completion of the certification program adopted
16 by the board. The program shall also impose continuing
17 education rules which shall be substantially similar to the
18 continuing professional education requirements imposed by the
19 State Board of Public Accountancy with respect to public
20 accountants. Once the board has developed a proposed program,
21 copies thereof shall be distributed for comment to all
22 counties and municipalities, the Business Council of Alabama,
23 the Alabama Retail Association, the Alabama Chapter of the
24 National Federation of Independent Business, and the
25 department. Copies may be sold to other interested parties at
26 cost. Written comments may be submitted to the board within 45
27 days of initial distribution of the proposed program.

1 Following expiration of the comment period, the board shall
2 adopt a final examiner certification program to be
3 administered by the institute. Notwithstanding any provision
4 of this subsection to the contrary, any certified public
5 accountant or public accountant who is licensed by the State
6 Board of Public Accountancy shall be exempt from any
7 certification requirement or any separate continuing
8 professional education requirement. When any certified public
9 accounting or public accounting firm is employed for the first
10 time by a self-administered county or municipality for local
11 tax examinations, the firm shall notify the board in writing
12 of such employment.

13 "(f) The institute may, however, contract out the
14 examiner certification program to any one of the following:

15 "(1) The Alabama League of Municipalities or the
16 Association of County Commissions of Alabama, or any successor
17 or assignee to, or designee of, either of those organizations.

18 "(2) Any two-year or four-year college or university
19 in the state.

20 "(3) Any organization which the board believes can
21 and will conduct the program in a manner which is consistent
22 with this section.

23 "Any examiner certification program contracted out
24 pursuant to this subsection shall be conducted pursuant to the
25 rules and regulations promulgated by the board pursuant to
26 subsection (b). The institute or the organization with which
27 it contracts shall be authorized to charge a registration fee

1 to all participants in the certification and continuing
2 education programs.

3 "(g) The board shall also develop for the benefit of
4 all municipal, county, or private examiners conducting
5 examinations of taxpayers' books and records on behalf of
6 self-administered counties and municipalities, a minimum
7 standard examination program, not in conflict with the Alabama
8 Taxpayers' Bill of Rights and Uniform Revenue Procedures Act,
9 to be followed by municipal, county, or private examiners when
10 examining a taxpayer's books and records for compliance with
11 applicable sales, use, rental, or lodgings tax laws of
12 self-administered counties and municipalities. Once the board
13 has developed a proposed program, copies thereof shall be
14 distributed for comment to all counties and municipalities,
15 the Business Council of Alabama, the Alabama Retail
16 Association, the Alabama Chapter of the National Federation of
17 Independent Business, and the department. Copies may be sold
18 to other interested parties at cost. Written comments may be
19 submitted to the board within 45 days of initial distribution
20 of the proposed program. Following expiration of the comment
21 period, the board shall adopt a minimum standard examination
22 program.

23 "(h) In addition to any state business license fee
24 imposed by Chapter 12, every private examining or collecting
25 firm shall pay a separate annual state regulatory license fee
26 of twenty-five dollars (\$25), no later than October 31 of each
27 year or within 30 days of entering into a contract with a

1 county or municipality, with proceeds to be collected by the
2 Alabama Local Tax Institute of Standards and Training
3 established under this section, for the administration of the
4 institute's examiner certification program. If the private
5 examining or collecting firm has engaged more than one
6 examiner, each such person so engaged shall pay the separate
7 license fee of twenty-five dollars (\$25) to the Alabama Local
8 Tax Institute of Standards and Training within 30 days of
9 being engaged by the private examining or collecting firm. No
10 private examining or collecting firm shall be issued a license
11 unless it is in compliance with Chapter 2A and this section.
12 Failure by the private examining or collecting firm or any of
13 its examiners to timely pay the license fee imposed by this
14 subsection shall result in the same consequence as set forth
15 in Section 40-2A-14(b).

16 "§40-12-2.

17 "(a) Before any ~~person, firm, or corporation~~
18 licensable entity shall engage in or carry on any business ~~or~~
19 ~~do any act~~ activities for which a state business license or
20 county business license ~~by law~~ is required, and if the
21 licensable entity does not purchase or renew all applicable
22 business licenses under online filing system, ~~he, she, they,~~
23 ~~or it, except as otherwise provided,~~ shall pay to the judge of
24 probate of the county in which it is proposed to engage in or
25 carry on such business or do such act, or to the commissioner
26 of licenses, or the state Department of Revenue department, as
27 specified, the amount required for such license or licenses

1 and shall comply with all the other requirements of this
2 title.

3 " (b) Upon the payment of the amount required for
4 ~~said a license or licenses~~ and ~~a fee of \$1 herein provided for~~
5 ~~the issuance of such license~~ and the fifteen dollar (\$15)
6 access fee to defray the department's administrative and
7 long-term costs for maintaining the online filing system, as
8 well as all costs and fees and penalties which shall have
9 accrued, or for which such ~~person, firm, or corporation~~
10 licensable entity shall have become liable in any proceedings
11 commenced for the collection of such license, or to enforce
12 payment thereof, such probate judge, commissioner of licenses,
13 or ~~Department of Revenue~~ the department shall issue the
14 license or licenses properly countersigned, in the form and on
15 the blank to be furnished by the ~~Comptroller~~ department, which
16 shall set forth and specify the name of the ~~person, firm, or~~
17 ~~corporation~~ licensable entity applying therefor, whether the
18 business, profession, or occupation for which the license is
19 procured is owned by an individual, partnership, corporation,
20 or other association, stating the name of the individual, the
21 name of each of the partners if a partnership, the name of
22 each of the members if a limited liability company, the exact
23 name of the corporation or association, if a corporation or
24 association, and the name of each of the principal officers
25 thereof, the business or act which it is proposed to carry on
26 or do thereunder, the name of the street or location where it
27 is proposed to carry on the same, if such location shall be in

1 a city or town and have a street number and, if not, then the
2 location and amount paid for such license, and the time for
3 which it is issued; ~~and if the license is for a peddler it~~
4 ~~shall state whether he proposes to travel on foot or on~~
5 ~~horseback or on wagon or motor vehicle;~~ provided, that the
6 ~~governing body of any county~~ department may furnish
7 application blanks in such form that the applicant for a
8 license may supply the above information in writing; and such
9 license shall not be transferable except as otherwise provided
10 herein, nor shall it entitle the holder thereof to carry on
11 any other business or do any other act than that named
12 therein.

13 "(c) ~~Whenever a license is levied in this title,~~
14 ~~there shall be collected both a state and county license for~~
15 ~~each place of business, except as specifically otherwise~~
16 ~~provided.~~ The licensable entity that purchases one or more
17 business licenses pursuant to this section shall be liable for
18 the same state and county business licenses and license fees
19 that would be due if the licensable entity had instead
20 purchased or renewed such licenses through the online filing
21 system.

22 "(d) In case ~~it should become necessary to remove~~
23 any ~~business~~ licensable entity for which a license is required
24 by this section or Sections 4 or 5 of the act adding this
25 amendatory language shall move from one location to another
26 location in the same county, ~~and such business is continued as~~
27 ~~the same kind and character and by the same person or firm as~~

1 ~~that carried on at the former location,~~ another license shall
2 not be required for such business for the same license year.
3 Nor shall a change in ownership of a licensable entity, other
4 than a sole proprietorship, or a change of name, during the
5 fiscal year require it to purchase another license for the
6 same license year.

7 "(e) ~~There is hereby levied for the use and benefit~~
8 ~~of and to be paid to the county in which the license is~~
9 ~~issued, in addition to all license taxes levied under the~~
10 ~~provisions of Article 2 of this chapter, for state purposes~~
11 ~~and which are payable to the judge of probate or commissioner~~
12 ~~of licenses, a sum equal to 50 percent of the amount levied~~
13 ~~for state purposes, except as otherwise specifically provided.~~

14 (1) All proceeds from the issuance of each state business
15 license required by the act adding this amendatory language
16 shall be distributed equally between the state and the
17 appropriate county, with one-half paid to the department and
18 the other half paid to the county's general fund. All proceeds
19 from the issuance of the county business licenses required by
20 the act adding this amendatory language shall be distributed
21 to the appropriate county as herein provided. To the extent
22 that a licensable entity has locations in more than one county
23 in Alabama as of the first day of the fiscal year, the portion
24 of the state license fee to be distributed to each county
25 shall be determined based on the number of locations the
26 licensable entity has within the county in relation to the
27 total number of locations the licensable entity has within the

1 state. Distribution of all proceeds owed to the counties under
2 this subdivision shall be made within sixty (60) days from the
3 date on which the department receives the proceeds.

4 "(2) If a licensable entity does not use the online
5 filing system in applying for, purchasing, or renewing any
6 business license due under this title, the judge of probate or
7 other official charged with the duty of collecting such
8 license fee or fees shall collect the same and remit them to
9 the department within twenty (20) days after receipt, but the
10 allocation and distribution of the proceeds thereof shall be
11 as prescribed in subdivision (1).

12 "(f) The department shall mail or otherwise transmit
13 a business license renewal reminder notice to each licensable
14 entity that registered through the online filing system during
15 the preceding fiscal year, or renewed or purchased one or more
16 business licenses at the county courthouse and whose business
17 information was transmitted to the department, addressed to
18 the licensable entity's last known mailing address, or
19 electronic mail address, as appropriate. The renewal reminder
20 notice shall be mailed or otherwise transmitted no later than
21 September 1 of each year beginning in 2016 and thereafter. The
22 failure of a licensable entity to receive such a renewal
23 reminder notice within the time prescribed shall not, however,
24 relieve it of the obligation to purchase all applicable
25 business licenses by the due date, but no late payment or late
26 filing penalty shall be assessed.

1 "~~(f)~~(g) Any action to recover the amount due for any
2 license, whether levied solely for state purposes or for state
3 and county purposes business license fee levied under the act
4 adding this amendatory language, shall be instituted by the
5 Department of Revenue on behalf of the State of Alabama and
6 the appropriate county or counties pursuant to Chapter 2A and
7 may include all penalties and fees due by any person, in
8 addition to the amount due for such license and interest
9 thereon. The amount recovered in any such actions shall be
10 paid to the ~~state~~ Department of Revenue, and ~~if any portion of~~
11 ~~said license was levied for county purposes, such portion~~
12 ~~shall be remitted to the county in which such license was~~
13 ~~payable, and the department may from the amount of any~~
14 ~~penalties or fee thus recovered remit the amount, if any, due~~
15 ~~to the judge of probate, commissioner of licenses, or license~~
16 ~~inspector~~ the department shall distribute any proceeds from
17 such action in accordance with subsection (e). The department
18 shall promptly notify the county or counties on whose behalf
19 the action was instituted of all material developments related
20 to such action.

21 "§40-12-10.

22 "(a) The county commission of each county is hereby
23 authorized and empowered to appoint a license inspector.

24 "(b) It shall be the duty of the license inspector
25 to scrutinize the records and stubs kept in the office of the
26 probate judge and also to examine the license records of each
27 city or town located in the county or counties of which he has

1 been appointed license inspector; and, if it shall be reported
2 to any license inspector or come to his knowledge that any
3 person, persons, firms, or corporations have failed or refused
4 to take out a license for a business or occupation for which a
5 license is required by the state or have failed or refused to
6 take out a license for operating any motor vehicle or trailer
7 for which a license is required by law, the license inspector
8 shall thereupon cite such delinquent to appear before the
9 license inspector at the courthouse of the county in which
10 such citation is issued and to show cause why the license or
11 privilege tax required by law has not been paid and, at the
12 same time, shall file with the probate judge of the county a
13 copy of such citation showing service on the delinquent.

14 "(c) If the license inspector shall discover any
15 motor vehicle being operated without a proper or legal
16 license, he shall cite the operator of the motor vehicle; and,
17 in filing copy of such citation with the probate judge, he
18 shall show on such citation the particular motor vehicle
19 operated without legal license, as well as the operator
20 thereof.

21 "(d) The probate judge must in all cases, in
22 addition to the other penalties required to be collected by
23 him, collect the citation fee, if any, before issuing any
24 license; and, in case of a motor vehicle where a license is
25 taken out in the name of person not cited, the citation fee
26 shall be collected if the citation filed shows the motor
27 number of such vehicle. When any license is due the license

1 inspector shall cause the delinquent to appear before the
2 probate judge of the county and take out the same, but such
3 probate judge shall not have the authority to determine the
4 liability of such delinquent for such license and shall in
5 each case issue a license to the applicant upon the payment by
6 him of the amount or amounts prescribed by this title. If such
7 delinquent shall fail or refuse to take out a license, the
8 license inspector shall institute or cause to be instituted
9 criminal proceedings against such delinquent before any court
10 having jurisdiction of such offense. In case of emergency the
11 license inspector must commence the criminal proceedings in
12 the first place.

13 "(e) All license taxes levied by this title, except
14 as otherwise provided, shall be due and payable as of October
15 1 of each year and shall be delinquent November 1 thereafter.
16 ~~Where~~ Except as otherwise provided in Section 40-12-2(f),
17 where any license issuable by the probate judge or
18 commissioner of licenses shall be delinquent, the same shall
19 be subject to a penalty of 15 percent of the amount of the
20 license, which penalty must be collected by the probate judge
21 or commissioner of licenses when the license is taken out
22 together with interest at six percent from the date of
23 delinquency; provided, that the penalty for delinquency in
24 payment of motor vehicle licenses shall in no case be less
25 than \$1.50.

1 "(f) It shall be unlawful for any probate judge or
2 other officer to fail to collect such penalties when issuing
3 such license.

4 "(g) The probate judge, in remitting such penalties,
5 shall file report with the county commission, Comptroller, and
6 with the Department of Revenue showing the amount of such
7 penalties collected, from whom, and for what collected, and he
8 shall remit to the county general fund all penalties
9 collected. The probate judge shall remit to the county general
10 fund all citation fees collected where the citation was served
11 by the license inspector or his deputy.

12 "(h) If a criminal prosecution shall be commenced
13 either by affidavit and warrant, or information or indictment,
14 44 percent of the fine or penalty thereafter imposed in the
15 case shall be paid to the county general fund. The remainder
16 shall be paid to the Treasury of the state.

17 "(i) The county commission may appoint deputy
18 license inspectors, and the acts of such deputies shall be
19 recognized as the acts of the license inspector.

20 "(j) All citations to delinquents shall be served by
21 any lawful officer or by the license inspector or his deputy
22 for which a fee of \$1.50 for each citation served shall be
23 taxed against the delinquent.

24 "(k) License inspectors shall have the same power to
25 arrest persons violating the revenue laws of the state as is
26 now vested in the sheriffs of the state and shall receive the
27 same fees for such service.

1 "(l) The Department of Revenue shall keep a record
2 by counties in which, each month, shall be entered the number
3 of licenses issued by the probate judge for each and every
4 business or occupation for which a state license tax is
5 required, and such record may be compared each month with the
6 number of licenses issued by cities and towns for the same
7 business or occupation.

8 "(m) The license inspector shall be required to
9 report to the Department of Revenue the reason for the failure
10 to collect any licenses due the state which may be evidenced
11 by the comparison of the report of the probate judge and the
12 report made of licenses issued by cities or towns.

13 "(n) It shall be the duty of the county commissions
14 of the several counties to supply the license inspector with
15 necessary citation blanks and other necessary forms to be paid
16 for by the county.

17 "(o) The county commission shall fix and pay the
18 salary of the license inspector and his deputies and the
19 expenses of his office.

20 "(p) The provisions of this section shall not
21 repeal, modify, or prohibit any presently existing or future
22 local act or general act of local application affecting the
23 office of license inspector or which establishes any office or
24 position which encompasses the duties of license inspector in
25 any county.

26 "§40-12-30.

1 "(a) The Department of Revenue is hereby authorized
2 to promulgate reasonable rules and regulations relating to the
3 administration and enforcement of the provisions of this act
4 and those other provisions of this chapter relating to the
5 licensing of automobile and other motor vehicle dealers not in
6 conflict with the specific provisions hereof.

7 "(b) Within 90 days of the effective date of the act
8 adding this amendatory language, the department shall develop
9 and issue to the judge of probate or other licensing official
10 of each county a uniform business license application form
11 which complies with the act adding this amendatory language,
12 to be utilized in each county licensing office for the
13 application, purchase, or renewal of the state and any county
14 business licenses by any licensable entity having a location
15 within that county and which does not use the online filing
16 system for such licenses.

17 "§40-12-391.

18 "(a) No person shall be licensed as an automobile
19 dealer under the provisions of ~~Section 40-12-51~~ this chapter,
20 nor shall any person engage in business as, serve in the
21 capacity of, or act as a new motor vehicle dealer, used motor
22 vehicle dealer, motor vehicle reconditioner, motor vehicle
23 rebuilder, or motor vehicle wholesaler in this state, without
24 first obtaining a license as provided in this article and, if
25 a new motor vehicle dealer, or a used motor vehicle dealer, a
26 state sales tax number.

1 "(b) No person, firm, or corporation shall engage in
2 the business of buying, selling, exchanging, advertising, or
3 negotiating the sale of new motor vehicles unless he or she
4 holds a valid license as a new motor vehicle dealer in this
5 state for the make or makes of new motor vehicles being
6 bought, sold, exchanged, advertised, or negotiated or unless a
7 bona fide employee or agent of the licensee.

8 "(c) Notwithstanding any law of this state providing
9 otherwise, neither a new motor vehicle dealer nor a used motor
10 vehicle dealer nor any person engaged in the business of motor
11 vehicle rental and leasing:

12 "(1) With respect to a credit sale transaction, is
13 required to be licensed under Chapter 19 of Title 5 in order
14 to pay any amount necessary to satisfy a lease on, security
15 interest in, or lien on any motor vehicle either returned to
16 that dealer or to the lessor or traded in by the purchaser in
17 connection with the credit sale transaction, and to include
18 that amount as part of the amount to be paid by the purchaser
19 under the credit sale transaction; or

20 "(2) With respect to a lease transaction, is subject
21 to Chapter 19 of Title 5 or otherwise deemed to have made a
22 loan or credit sale by virtue of paying any amount necessary
23 to satisfy a lease on, security interest in, or lien on any
24 motor vehicle either returned to that dealer or to the
25 original lessor or traded in by the lessee in connection with
26 the lease transaction, and including that amount as part of

1 the amount to be paid by the lessee under the lease
2 transaction.

3 "§40-12-392.

4 "(a) The application for a license shall be in such
5 form and shall be subject to such rules and regulations as may
6 be prescribed by the commissioner. An application shall be
7 verified by the oath or affirmation of the applicant. If the
8 applicant is a sole proprietorship, the application shall
9 contain the name and residence of the applicant. If the
10 applicant is a partnership, the application shall contain the
11 names and residences of each partner. If the applicant is a
12 corporation, the application shall contain the names and
13 residences of the officers and directors. If the applicant is
14 a new motor vehicle dealer, or used motor vehicle dealer in
15 this state, the application shall contain the state sales tax
16 number assigned to the applicant. The application shall
17 enumerate the number of new and used vehicles sold during the
18 previous calendar year; describe the exact location of the
19 place of business, and shall state: That the location is a
20 permanent one; that the location affords sufficient space upon
21 and within which to adequately display one or more motor
22 vehicles offered for sale and that an appropriate sign
23 designates the location as being the place of business of a
24 motor vehicle dealer; that it is a suitable place from which
25 the applicant can in good faith carry on such business and
26 keep and maintain books and records necessary to conduct
27 business, which shall be available at all reasonable hours for

1 inspection by the commissioner. The application shall state
2 that the applicant is either (i) franchised by a manufacturer
3 of motor vehicles, and, if so, the name of the manufacturer
4 and line make that the applicant is authorized to represent,
5 or (ii) a used motor vehicle dealer, reconditioner, rebuilder,
6 or wholesaler. Upon making application, ~~the person applying~~
7 ~~shall pay an application fee of ten dollars (\$10) to the~~
8 ~~commissioner in addition to other fees required by law~~ a
9 business license fee as required by law shall be paid. The
10 commissioner may cause an investigation to be made and upon
11 being satisfied that the facts set forth in the application
12 are true, shall issue a license certificate to the applicant,
13 which shall entitle the licensee to operate as a motor vehicle
14 dealer, reconditioner, rebuilder, ~~or wholesaler,~~ or
15 combination thereof for one year from the first day of October
16 of each year; provided that only one business license fee is
17 required for each licensee. If the commissioner, upon
18 investigation, determines that a license should not be issued,
19 the commissioner may deny the license and the applicant may
20 appeal the denial to the Administrative Law Division of the
21 department as allowed in Chapter 2A of this title.

22 "(b) A motor vehicle reconditioner, motor vehicle
23 rebuilder, or a motor vehicle wholesaler shall not be required
24 to maintain a sign designating the location, and may maintain
25 books, records, and files of his or her business at his or her
26 home; provided, that books, records, and files shall be
27 accessible and available for inspection by the commissioner,

1 inspectors, or employees during normal business hours on usual
2 business days. The location may be adjacent to his or her
3 residence.

4 "(c) If a motor vehicle reconditioner, a motor
5 vehicle rebuilder, or a motor vehicle wholesaler shall also be
6 a motor vehicle dealer within the meaning of this article, he
7 or she shall qualify with the commissioner both as a motor
8 vehicle dealer and motor vehicle reconditioner, or motor
9 vehicle rebuilder or motor vehicle wholesaler, and shall file
10 his or her application and pay the fee for each business, and
11 shall comply with the requirements of subsections (a) and (b)
12 of this section as to the business location for each business
13 licensed by the commissioner.

14 "(d) A motor vehicle reconditioner, motor vehicle
15 rebuilder, or motor vehicle wholesaler may not sell any motor
16 vehicles or component parts to anyone other than a licensed
17 motor vehicle dealer, motor vehicle wholesaler, or other motor
18 vehicle reconditioner or motor vehicle rebuilder, or as
19 salvage.

20 "(e) Motor vehicle dealers, motor vehicle
21 reconditioners, motor vehicle rebuilders, and motor vehicle
22 wholesalers shall be required to maintain blanket motor
23 vehicle liability insurance coverage on vehicles operated on
24 the public streets and highways of this state, including
25 vehicles in dealership inventory. Evidence of liability
26 insurance for business and inventory vehicles shall be filed
27 with the application for license, and the application for

1 license shall be denied if proof of liability insurance
2 satisfactory to the commissioner is not provided.

3 "§40-12-395.

4 "~~(a) A person licensed under this article shall~~
5 ~~obtain a supplemental license for each additional place of~~
6 ~~business, on a form to be furnished by the commissioner and~~
7 ~~upon payment of an additional application fee of \$5 for each~~
8 ~~such additional location.~~ The signage and other requirements
9 of Section 40-12-392 shall apply to each additional place of
10 business. Only one licensed dealer shall operate at the same
11 place of business; provided, that a licensed motor vehicle
12 reconditioner or motor vehicle rebuilder may operate on the
13 premises for which he is licensed to operate as a motor
14 vehicle dealer.

15 "(b) Notwithstanding the requirement that sales of
16 new and used motor vehicles shall be made only from the
17 permanent location of the new or used motor vehicle dealer,
18 such dealers may conduct sales of new and used motor vehicles
19 from locations off-site of their permanent locations on the
20 following conditions:

21 "(1) The off-site sales events shall not exceed
22 three per dealer per license year with each sale not to exceed
23 10 consecutive calendar days in duration. Off-site sales of
24 new motor vehicles by new motor vehicle dealers shall be
25 conducted only at a location within the new motor vehicle
26 dealer's area of responsibility as defined in the contract or
27 franchise agreement between the new motor vehicle dealer and

1 its manufacturer or distributor. Off-site sales of used motor
2 vehicles shall be conducted only at a location in the county
3 or city where the new or used motor vehicle dealer maintains a
4 permanent location.

5 "(2) The off-site sale need not be conducted in a
6 building or permanent structure, but the motor vehicle dealer
7 shall display a temporary sign at the location where the
8 off-site sale is conducted identifying the name of the motor
9 vehicle dealer who is conducting the sale as stated on the
10 license required by this section. All advertisements and other
11 notices of the sale must be conducted in the name of the
12 licensee.

13 "(3) Not later than ~~14 days~~ one day before
14 conducting each off-site sale, the motor vehicle dealer shall
15 obtain from the commissioner on a form designed by the
16 commissioner an off-site sale license by making license
17 application to the commissioner and paying an application fee
18 of twenty-five dollars (\$25) for each off-site sale to be
19 conducted. If more than one motor vehicle dealer participates
20 in the same off-site sale, each motor vehicle dealer
21 participating in the sale shall obtain an off-site sale
22 license from the commissioner.

23 "~~(c) In addition to the foregoing, the motor vehicle~~
24 ~~dealer shall obtain from the judge of probate or other county~~
25 ~~taxing official a county license for the off-site location by~~
26 ~~paying the county license tax imposed pursuant to Section~~
27 ~~40-12-51. If more than one motor vehicle dealer participates~~

1 in the same off-site sale, each motor vehicle dealer
2 participating in the sale shall obtain from the judge of
3 probate or other county taxing official a county license for
4 the off-site location by paying the county license tax imposed
5 pursuant to Section 40-12-51.

6 "~~(d)~~ (c) For purposes of this section, a new motor
7 vehicle dealer temporarily displaying new vehicles at a
8 shopping mall, auto show, or other location solely for
9 advertising or display purposes and from which location sales
10 are not conducted, shall not be deemed to be conducting an
11 off-site sale and no off-site sales license shall be required.

12 "~~(e)~~ (d) For purposes of this section, an off-site
13 sales license shall not be required for wholesale sales
14 between licensed motor vehicle dealers or for retail sales by
15 new or used motor vehicle dealers conducted at the permanent
16 location of an auction company which is licensed as a used
17 motor vehicle dealer.

18 "§40-12-398.

19 "~~Annually, before~~ Before any license shall be issued
20 to a new motor vehicle dealer, used motor vehicle dealer,
21 motor vehicle reconditioner, motor vehicle rebuilder, or motor
22 vehicle wholesaler, the applicant shall either deliver to the
23 commissioner a good and sufficient surety bond, executed by
24 the applicant as principal and by a corporate surety company
25 qualified to do business in the state as surety, in the sum of
26 \$25,000 for a new motor vehicle dealer and \$10,000 for all
27 other dealers. Such bond shall be in a form to be approved by

1 the commissioner, and shall be conditioned that the motor
2 vehicle dealer, motor vehicle reconditioner, motor vehicle
3 rebuilder, or motor vehicle wholesaler shall comply with the
4 conditions of any contract made by such dealer in connection
5 with the sale or exchange of any motor vehicle and shall not
6 violate any of the provisions of law relating to the conduct
7 of the business for which he is licensed. Such bond shall be
8 payable to the commissioner and to his successors in office,
9 and shall be in favor of any person who shall recover any
10 judgment for any loss as a result of any violation of the
11 conditions hereinabove contained. ~~Such bond shall be for the~~
12 ~~license period, and a new bond or proper continuation~~
13 ~~certificate shall be delivered to the commissioner at the~~
14 ~~beginning of each license period; provided, that the aggregate~~
15 ~~liability of the surety in any one license year shall, in no~~
16 ~~event, exceed the sum of such bond.~~ The provisions of this
17 section shall not apply to motor vehicle dealers, or
18 wholesalers, motor vehicle rebuilders, or reconditioners who
19 ~~hold a valid motor vehicle dealer license under Section~~
20 ~~40-12-51 or to motor vehicle rebuilders or reconditioners, as~~
21 ~~defined in this article~~ who hold a valid business license to
22 engage in such business as of April 1, 1978.

23 "§40-12-413.

24 "Every In lieu of the business license fee imposed
25 under Section 4 of the act adding this amendatory language,
26 every application for a license as an automotive dismantler
27 and parts recycler shall be accompanied by a state privilege

1 license fee of \$225 ~~and any fee for issuing licenses as may be~~
2 ~~otherwise prescribed by law.~~

3 "§40-16-6.

4 "(a) The remittance of the excise tax required shall
5 be made to the Department of Revenue at Montgomery, Alabama,
6 with checks payable to the State Treasurer of Alabama.

7 "(b) The proceeds of the excise tax herein imposed
8 by this chapter shall be, without delay, deposited into the
9 State Treasury to the credit of the Financial Institution
10 Excise Tax Fund. The amount of money appropriated for each
11 fiscal year by the Legislature to the Department of Revenue
12 with which to pay the salaries, the cost of operation, and the
13 management of the department shall be deducted, as a first
14 charge, from the taxes collected pursuant to Section 40-16-4;
15 provided, that the expenditure of money so appropriated shall
16 be budgeted and allotted pursuant to Article 4 of Chapter 4 of
17 Title 41 and limited only to the amount appropriated with
18 which to defray the expenses of operating the department for
19 each fiscal year.

20 "(c) The excess of the tax levied by this chapter
21 computed using a rate of six and one-half percent and the tax
22 computed using a rate of six percent shall be deposited in the
23 General Fund. The balance of the tax collected, after the
24 payment of refunds, pursuant to Section 40-16-4, shall, on
25 September 1 in each year, be distributed as follows: On
26 certificate of the Department of Revenue, the Comptroller
27 shall draw a warrant on the State Treasurer payable to the

1 county treasurer of each of the counties in which the
2 financial institutions are located for an amount equal to one
3 fourth of the tax received from the institutions located in
4 that county, after deducting the proportionate part of the
5 expenses incurred in the administration of this chapter. On
6 similar certificate the Comptroller shall draw a warrant on
7 the State Treasurer in favor of the treasurer of each of the
8 municipalities in which the financial institutions are located
9 for an amount equal to one half of the tax received from the
10 institutions located in those municipalities, after deducting
11 the proportionate part of the expenses incurred in the
12 administration of this chapter. The amount remaining in the
13 Financial Institution Excise Tax Fund, after the payment of
14 the expenses as heretofore in this chapter provided, and after
15 the distribution to the counties and municipalities of their
16 proportionate part of the tax, shall be deposited into the
17 General Fund of the State of Alabama.

18 "(d) Any financial institution which conducts its
19 business in more than one municipality or in more than one
20 county in this state shall, in making the return required by
21 this chapter, report in detail the percentage of its total
22 business in the state conducted in each municipality and in
23 such county, and the portions of tax paid by each such
24 financial institution due to be distributed to the
25 municipality and county shall be distributed pro rata
26 according to the percentage reported to the municipalities and
27 counties where a business is conducted instead of solely to

1 the one where the principal place of business of a financial
2 institution is located in this state.

3 "(e) A financial institution that does not maintain
4 an office in Alabama, but is subject to the tax imposed by
5 Section 40-16-4, is deemed not to be located in any particular
6 county or municipality of the state. Any taxes collected from
7 that institution, after payment of refunds, and after
8 deduction for a proportionate part of the expense incurred in
9 the administration of this chapter, shall be deposited into
10 the State General Fund on or before September 1 of each year.

11 "(f) No municipality or county within the state may
12 levy or assess any excise tax for the privilege of engaging in
13 a business in addition to that levied and distributed to it as
14 herein provided, except license taxes. However, license taxes
15 on banks shall not be levied, except in accordance with the
16 act adding this amendatory language or, in the case of
17 municipalities, in excess of those which may be legally levied
18 pursuant to Section 11-51-130, provided however, that the
19 license authorized by subdivisions (1) to (12), inclusive, of
20 subsection (a) of Section 11-51-130 may be levied only by the
21 municipality where the bank has its principal place of
22 business."

23 Section 13. New Sections 11-80-10.1 and 11-80-11.1
24 are added to the Code of Alabama 1975, to read as follows:

25 §11-80-10.1.

26 Each junk dealer, his clerk, agent or employee shall
27 keep a book open to inspection in which he shall make entries

1 of all articles of railroad iron or brass, pieces of machinery
2 and plumbing material, automobiles, automobile tires, parts,
3 and accessories, or other articles purchased by him, together
4 with the name of the party from whom purchased; and, upon
5 failure to keep such book or record and produce it on demand,
6 the dealer shall forfeit his business license pursuant to
7 Chapter 40. Each junk dealer, his clerk, agent or employee to
8 whom any new and unused articles or railroad brass and iron,
9 pieces of machinery, automobiles, automobile tires, parts and
10 accessories, or other articles shall be presented for sale
11 shall notify the police authorities that such articles are
12 offered for sale within a reasonable time thereafter,
13 otherwise, his business license shall be forfeited.

14 Anyone operating car crushing equipment without a
15 business license shall be guilty of a Class C felony and such
16 equipment shall be subject to forfeiture to law enforcement.
17 Upon proper process and hearing as required by the State of
18 Alabama in forfeiture proceedings, including notifying any
19 lienholders, the car crushing equipment may be seized and held
20 for forfeiture, as described in Section 32-8-87. In addition
21 to any punishment rendered, each person convicted shall be
22 subject to the laws regarding restitution of the state. For
23 purposes of this section, car crushing equipment means a
24 machine that compacts or flattens a motor vehicle into a
25 crushed motor vehicle and is designed to be transported on a
26 highway; and a crushed motor vehicle means a motor vehicle,
27 the frame or unibody of which is compacted or flattened so

1 that it no longer resembles any particular year, model, or
2 make of motor vehicle and is less than half of the motor
3 vehicle's original volume as measured in cubic feet.

4 §11-80-11.1.

5 All persons dealing in pistols, revolvers and maxim
6 silencers shall be required to keep a permanent record of the
7 sale of every pistol, revolver or maxim silencer, showing the
8 date of sale, serial number or other identification marks,
9 manufacturer's name, caliber and type, and also the name and
10 address of the purchaser, which record shall always be open
11 for inspection by any peace officer of the State of Alabama or
12 any municipality thereof. The failure to keep such record
13 shall subject such person to having the business licenses
14 required by this act revoked by the judge of probate of the
15 county where such license was issued or where the business is
16 located on motion of any district attorney of the State of
17 Alabama.

18 Section 14. All laws or parts of laws, including
19 local laws, which conflict with any provision of this act are
20 repealed.

21 Section 15. This act shall become effective
22 immediately following its passage and approval by the
23 Governor, or its otherwise becoming law.