HB177

203877-1

By Representative Sorrell (Constitutional Amendment)

RFD: Financial Services

First Read: 06-FEB-20
SYNOPSIS: Under existing law, virtual currency is not currently subject to ad valorem tax.

This constitutional amendment will exempt virtual currency, herein defined, from ad valorem tax.

A BILL TO BE ENTITLED
AN ACT

Proposing a constitutional amendment to the Constitution of Alabama 1901, to exempt virtual currency from ad valorem tax.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. The following amendment to the Constitution of Alabama of 1901, as amended, is proposed and shall become valid as a part thereof when approved by a majority of the qualified electors voting thereon and in accordance with Sections 284, 285, and 287 of the Constitution of Alabama of 1901, as amended:
PROPOSED AMENDMENT

(a) The following term shall have the following meaning:

(1) VIRTUAL CURRENCY. A digital representation of value, other than a representation of the United State dollar or a foreign currency, that functions as a unit of account, a store of value, and/or a medium of exchange.

(b) Virtual currency shall be exempt from state, county, and local ad valorem taxation.

Section 2. An election upon the proposed amendment shall be held in accordance with Sections 284 and 285 of the Constitution of Alabama of 1901, now appearing as Sections 284 and 285 of the Official Recompilation of the Constitution of Alabama of 1901, as amended, and the election laws of this state.

Section 3. The appropriate election official shall assign a ballot number for the proposed constitutional amendment on the election ballot and shall set forth the following description of the substance or subject matter of the proposed constitutional amendment:

"Proposing an amendment to the Constitution of Alabama of 1901, to exempt virtual currency from ad valorem tax."

"Proposed by Act ________ ."

This description shall be followed by the following language:

"Yes ( )  No ( )."