

1 HB480  
2 204064-2  
3 By Representative South (N & P)  
4 RFD: Tuscaloosa County Legislation  
5 First Read: 04-MAY-20

1  
2 ENROLLED, An Act,

3           Relating to Tuscaloosa County; to amend Sections 3,  
4 3A, 4, and 4A of Act No. 56, 1953 Regular Session, as added or  
5 amended by Act No. 94-554, 1994 Regular Session (Acts 1994, p.  
6 1010), Act No. 96-554, 1996 Regular Session (Acts 1996, p.  
7 814), and as amended by Act No. 2015-202, 2015 Regular Session  
8 (Acts 2015, p. 596), which Act No. 56, 1953 Regular Session  
9 (Acts 1953, p. 76), levies and authorizes the collection by  
10 the county of certain sales and use taxes in the county; to  
11 clarify the effect of the amendments previously made to Act  
12 No. 56, 1953 Regular Session, by Act 2015-202; to clarify and  
13 provide further for the levy and authorization of county sales  
14 and use taxes with respect to the selling, storing, using, or  
15 otherwise consuming of machines used in mining, quarrying,  
16 compounding, processing, and manufacturing of coal; and to  
17 provide for retroactive effect to March 1, 2020.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19           Section 1. Sections 3, 3A, 4, and 4A of Act No. 56,  
20 1953 Regular Session (Acts, p. 76), as added or amended by Act  
21 No. 94-554, 1994 Regular Session (Acts 1994, p. 1010), and Act  
22 No. 96-554, 1996 Regular Session (Acts 1996, p. 814), and by  
23 Act No. 2015-202, 2015 Regular Session (Acts 2015, p. 596),  
24 are amended to read as follows:

25           "Section 3.

1           "There is hereby levied in the county, in addition  
2 to all other taxes of every kind now imposed by law, and shall  
3 be collected as herein provided, a privilege or license tax  
4 against the person on account of the business activities and  
5 in the amount to be determined by the application of rates  
6 against gross sales, or gross receipts, as the case may be, as  
7 follows:

8           "(a) Upon every person, firm, or corporation  
9 (including the University of Alabama, and all other  
10 institutions of higher learning in the county, whether such  
11 institutions be denominational, state, county, or municipal  
12 institutions, and any association or other agency or  
13 instrumentality of such institutions) engaged, or continuing  
14 within the county, in the business of selling at retail any  
15 tangible personal property whatsoever, including merchandise  
16 and commodities of every kind and character (not including,  
17 however, bonds or other evidences of debts or stocks), an  
18 amount equal to three percent of the gross proceeds of sales  
19 of the business, except where a different amount is expressly  
20 provided herein. Any person engaging or continuing in business  
21 as a retailer and wholesaler or jobber shall pay the tax  
22 required on the gross proceeds of retail sales of such  
23 business at the rates specified, when his books are kept to  
24 show separately the gross proceeds of sales of each business,

1 and when the books are not so kept, shall pay the tax as a  
2 retailer on the gross sales of the entire business.

3 "(b) Upon every person, firm, or corporation  
4 engaged, or continuing within the county, in the business of  
5 conducting, or operating, places of amusement or  
6 entertainment, billiard and poolrooms, bowling alleys,  
7 amusement devices, musical devices, theaters, opera houses,  
8 moving picture shows, vaudevilles, amusement parks, athletic  
9 contests, including wrestling matches, prizefights, boxing,  
10 and wrestling exhibitions, football, basketball, and baseball  
11 games (including athletic contests conducted by or under the  
12 auspices of any educational institution, or any athletic  
13 association thereof, or other association whether the  
14 institution or association is a denominational, state, county,  
15 or municipal institution, or association, or a state, county,  
16 or city school or other institution, association, or school),  
17 skating rinks, racetracks, golf courses, or any other place at  
18 which any exhibition, display, amusement, or entertainment is  
19 offered to the public or place or places where an admission  
20 fee is charged, including public bathing places and public  
21 dance halls of every kind and description within the county,  
22 an amount equal to three percent of the gross receipts of any  
23 such business.

24 "(c) Upon every person, firm, or corporation engaged  
25 or continuing within the county in the business of selling at

1 retail any automotive vehicle, truck trailer, or semitrailer,  
2 an amount equal to three-quarters of one percent of the gross  
3 proceeds of the sale of the automotive vehicle, truck trailer,  
4 or semitrailer. Where any used automotive vehicle, truck  
5 trailer, or semitrailer is taken in trade, or in a series of  
6 trades, as a credit or part payment on the sale of a new or  
7 used vehicle, the tax levied herein shall be paid on the net  
8 difference, that is, the price of the new or used vehicle sold  
9 less the credit for the used vehicle taken in trade.

10 "(d) Upon every person, firm, or corporation engaged  
11 or continuing within the county in the business of selling at  
12 retail machines used in mining, quarrying, compounding,  
13 processing, and manufacturing of tangible personal property,  
14 except as provided in subsection (e) of this Section 3, an  
15 amount equal to one and one-eighth of one percent of the gross  
16 proceeds of the sale of such machines. The term machines, as  
17 used herein, shall include machinery which is used for mining,  
18 quarrying, compounding, processing, or manufacturing tangible  
19 personal property, and the parts of such machines,  
20 attachments, and replacements therefor, which are made or  
21 manufactured for use on or in the operation of such machines  
22 and which are necessary to the operation of such machines and  
23 are customarily so used.

24 "Each exemption provided for in the state sales tax  
25 statutes, shall, during the period of time when such exemption

1 shall be effective in the statutes, be applicable to the tax  
2 levied in this section. In the event of the repeal of the  
3 state sales tax statutes, the exemptions effective therein  
4 immediately prior to any repeal shall thereafter be applicable  
5 to the tax levied in this section. In addition thereto, and  
6 except as expressly enumerated hereinabove, there are hereby  
7 exempted from the tax levied in this section the gross  
8 receipts or gross proceeds of any business engaged in by any  
9 city or town in Tuscaloosa County. In the absence of any  
10 express provision herein to the contrary, all provisions and  
11 procedures with respect to the application for and issuance of  
12 licenses, the making of returns or reports, the contents of  
13 returns or reports, collection and payment of taxes, keeping  
14 of records, reporting and paying taxes with respect to sales  
15 on credit, determination of the amount of the tax due,  
16 penalties, assessments, notices, and examinations of taxpayers  
17 and their books provided for in the state sales tax statutes  
18 with respect to the tax levied in those statutes shall be  
19 applicable to the tax levied in this section, excepting  
20 however, the procedure for appeals from assessments, and such  
21 appeals shall be made as hereinafter set forth. Any procedure  
22 or provisions involving the State Department of Revenue which  
23 is incorporated herein by reference to the state sales tax  
24 statutes shall be deemed to apply, with respect to the tax  
25 levied in this section, to the tax board. Every person, firm,

1 or corporation engaged in any business upon which the tax  
2 levied in this section is imposed shall add the tax herein  
3 levied to the sales and admission price with respect to which  
4 the tax is levied and shall collect the same from the  
5 purchaser.

6 "(e) Upon every person, firm, or corporation engaged  
7 or continuing within the county in the business of selling at  
8 retail machines used in mining, quarrying, compounding,  
9 processing, and manufacturing of coal, an amount equal to  
10 nine-sixteenths of one percent of the gross proceeds of the  
11 sales of such machines made on or after March 1, 2020.

12 "(e)(f) The sale of school lunches sold by all  
13 public and private schools in Tuscaloosa County, Alabama, is  
14 expressly exempted.

15 "Section 3A. Levy of Special Sales Tax. Effective as  
16 of the date specified in an ordinance adopted from time to  
17 time by the governing body of Tuscaloosa County directing the  
18 levy of a special sales tax as herein provided, there shall be  
19 levied in the county, in addition to all other taxes of every  
20 kind now or hereafter imposed by law, and shall be collected  
21 as herein provided, a privilege or license tax in the form of  
22 a sales tax against the person or on account of the business  
23 activities and in the amount to be determined by the  
24 application of the Maximum Rate as defined in Section 1 of  
25 this act as in effect on the date of adoption of the ordinance

1 against gross sales, or gross receipts, as the case may be, as  
2 follows:

3 "(a) Upon every person, firm, or corporation  
4 (including the University of Alabama, and all other  
5 institutions of higher learning in the county, whether such  
6 institutions be denominational, state, county or municipal  
7 institutions, and any association or other agency or  
8 instrumentality of such institutions) engaged, or continuing  
9 within the county, in the business of selling at retail any  
10 tangible personal property whatsoever, including merchandise  
11 and commodities of every kind and character (not including,  
12 however, bonds or other evidences of debts or stocks), an  
13 amount equal to the Maximum Rate multiplied by the gross  
14 proceeds of sales of the business, except where a different  
15 amount is expressly provided herein; provided, however, that  
16 any person engaging or continuing in business as a retailer  
17 and wholesaler or jobber shall pay the tax required on the  
18 gross proceeds of retail sales of such business at the rates  
19 specified, when his books are kept so as to show separately  
20 the gross proceeds of sales of each business, and when his  
21 books are not so kept he shall pay the tax as a retailer on  
22 the gross sales of the entire business.

23 "(b) Upon every person, firm, or corporation  
24 engaged, or continuing within the county, in the business of  
25 conducting, or operating, places of amusement or



1 entertainment, billiard and pool rooms, bowling alleys,  
2 amusement devices, musical devices, theaters, opera houses,  
3 moving picture show, vaudevilles, amusement parks, athletic  
4 contests, including wrestling matches, prize fights, boxing  
5 and wrestling exhibitions, football, basketball, and baseball  
6 games (including athletic contests conducted by or under the  
7 auspices of any educational institution, or any athletic  
8 association thereof, or other association whether such  
9 institution or association be a denominational, state, county,  
10 or municipal institution or association or a state, county, or  
11 city school, or other institution, association, or school,  
12 skating rinks, race tracks, golf courses, or any other place  
13 at which any exhibition, display, amusement or entertainment  
14 is offered to the public or place or places where an admission  
15 fee is charged, including public bathing places, public dance  
16 halls of every kind and description within the county, an  
17 amount equal to the Maximum Rate multiplied by the gross  
18 receipts of any such business.

19 "(c) Upon every person, firm, or corporation engaged  
20 or continuing within the county in the business of selling at  
21 retail any automotive vehicle or truck trailer or  
22 semi-trailer, an amount equal to one-fourth of the Maximum  
23 Rate multiplied by the gross proceeds of the sale of said  
24 automotive vehicle or truck trailer or semi-trailer. Where any  
25 used automotive vehicle or truck trailer or semi-trailer is

1 taken in trade, or in a series of trades, as a credit or part  
2 payment on the sale of a new or used vehicle, the tax levied  
3 herein shall be paid on the net difference, that is, the price  
4 of the new or used vehicle sold less the credit for the used  
5 vehicle taken in trade.

6 "(d) Upon every person, firm, or corporation engaged  
7 or continuing within the county in the business of selling at  
8 retail machines used in mining, quarrying, compounding,  
9 processing and manufacturing of tangible personal property,  
10 except as provided in subsection (e) of this Section 3A, an  
11 amount equal to three-eighths of the Maximum Rate multiplied  
12 by the gross proceeds of the sale of such machines. The  
13 governing body of Tuscaloosa County shall establish categories  
14 of machines including the categories of machines used in  
15 mining coal and other machines at different rates that may  
16 vary according to the dollar volume or other amount of the  
17 machines in question. The rate established shall not exceed  
18 the Maximum Rate; however, the rate may be less than the  
19 Maximum Rate. The term 'machines,' as herein used, shall  
20 include machinery which is used for mining, quarrying,  
21 compounding, processing or manufacturing tangible personal  
22 property, and the parts of such machines, attachments and  
23 replacements therefor, which are made or manufactured for use  
24 on or in the operation of such machines and which are

1 necessary to the operation of such machines and are  
2 customarily so used.

3 "(e) Upon every person, firm, or corporation engaged  
4 or continuing within the county in the business of selling at  
5 retail machines used in mining, quarrying, compounding,  
6 processing, and manufacturing of coal, on or after March 1,  
7 2020, an amount equal to three-sixteenths of the Maximum Rate  
8 multiplied by the gross proceeds of the sales of such  
9 machines.

10 "(e)(f) Notwithstanding anything in this Section 3A  
11 to the contrary, all sales of tangible personal property  
12 within the corporate limits of any municipality within  
13 Tuscaloosa County shall be exempt from the special sales tax  
14 levied by this Section 3A. All sales of tangible personal  
15 property within the police jurisdiction of a municipality  
16 within Tuscaloosa County otherwise subject to the tax imposed  
17 by this Section 3A shall be entitled to a credit against such  
18 tax equal to the amount of any sales tax paid to such  
19 municipality with respect to such sale.

20 "Each exemption provided for in the state sales tax  
21 statutes shall, during the period of time when such exemption  
22 shall be effective in said statutes, be applicable to the tax  
23 levied in this section; provided, that in the event of the  
24 repeal of the state sales tax statutes, as at any time  
25 amended, the exemptions effective therein immediately prior to

1 any such repeal shall thereafter be applicable to the tax  
2 levied in this section. In addition thereto, and except as  
3 expressly enumerated hereinabove, there are hereby exempted  
4 from the tax levied in this section the gross receipts or  
5 gross proceeds of any business engaged in by any city or town  
6 in Tuscaloosa County. In the absence of any express provision  
7 herein to the contrary, all provisions and procedures with  
8 respect to the application for and issuance of licenses, the  
9 making of returns or reports, the contents of returns or  
10 reports, collection and payment of taxes, keeping of records,  
11 reporting and paying taxes with respect to sales on credit,  
12 determination of the amount of the tax due, penalties,  
13 assessments, notices, and examinations of taxpayers and their  
14 books provided for in the state sales tax statutes with  
15 respect to the tax levied in those statutes shall be  
16 applicable to the tax levied in this section, excepting  
17 however, the procedure for appeals from assessments, and such  
18 appeals shall be made as hereinafter set forth; provided  
19 however that any procedure or provisions involving the State  
20 Department of Revenue which is incorporated herein by  
21 reference to the state sales tax statutes shall be deemed to  
22 apply, with respect to the tax levied in this section, to the  
23 tax board. Every person, firm, or corporation engaged in any  
24 business upon which the tax levied in this section is imposed  
25 shall add the tax herein levied to the sales and admission

1 price with respect to which the said tax is levied and shall  
2 collect the same from the purchaser.

3 "~~(f)~~(g) The sale of school lunches sold by all  
4 public and private schools in Tuscaloosa County, Alabama, is  
5 hereby expressly exempted.

6 "Section 4.

7 "(a) An excise tax is imposed on the storage, use,  
8 or other consumption in the county of tangible personal  
9 property purchased at retail on or after the effective date of  
10 the act amending this subsection, for storage, use, or other  
11 consumption in the county at the rate of three percent of the  
12 sale price of such property, regardless of whether the  
13 retailer who made the sale is or is not engaged in business in  
14 the county, except as provided in subsections (b), ~~and~~ (c),  
15 and (d) of this Section 4.

16 "(b) An excise tax is imposed on the storage, use,  
17 or other consumption in the county of any automotive vehicle,  
18 truck trailer, and semitrailer purchased at retail, on or  
19 after the effective date of the act amending this subsection,  
20 for storage, use, or other consumption in the county at the  
21 rate of three-quarters of one percent of the sales price of  
22 such automotive vehicle, truck trailer, or semitrailer.

23 "(c) An excise tax is imposed on the storage, use,  
24 or other consumption within the county of any machines used in  
25 mining, quarrying, compounding, processing, and manufacturing

1 of tangible personal property, purchased at retail on or after  
2 the effective date of the act amending this subsection, at the  
3 rate of one and one-eighth of one percent of the sales price  
4 of any such machine, except as otherwise provided in  
5 subsection (d) of this Section 4. The term machine, as used  
6 herein, shall include machinery which is used for mining,  
7 quarrying, compounding, or processing, or manufacturing  
8 tangible personal property, and parts of such machines,  
9 attachments, and replacements therefor, which are made or  
10 manufactured for use on or in the operation of such machines  
11 and which are necessary to the operation of such machines and  
12 are customarily so used.

13 "(d) An excise tax is imposed on the storage, use,  
14 or other consumption within the county of any machines used in  
15 mining, quarrying, compounding, processing, and manufacturing  
16 of coal, purchased at retail on or after March 1, 2020, at the  
17 rate of nine-sixteenths of one percent of the sales price of  
18 any such machine.

19 "(d)(e) Every person storing, using, or otherwise  
20 consuming in the county, tangible personal property purchased  
21 at retail shall be liable for the tax imposed by this section,  
22 and the liability shall not be extinguished until the tax has  
23 been paid; provided, however, that a receipt from a retailer  
24 maintaining a place of business in the county, showing that  
25 the property in question was purchased at retail from the

1 retailer and the tax levied in Section 3 has been paid with  
2 respect to the purchase at retail of such property shall be  
3 sufficient to relieve the purchaser from further liability for  
4 a tax under this section with respect to the use, storage, or  
5 consumption of the property. Each exemption provided for in  
6 the state use tax statutes, during the period of time when  
7 such exemption shall be effective in the statutes, shall be  
8 applicable to the tax levied in this section. In the event of  
9 the repeal of the state use tax statutes, the exemptions  
10 effective therein immediately prior to any such repeal shall  
11 thereafter be applicable to the tax levied in this section.  
12 All provisions and procedures with respect to the filing of  
13 returns, collections, and payment of taxes, keeping of  
14 records, making of reports, determination of the amount of the  
15 tax due, penalties, assessments, notices, examinations of tax  
16 payers and their books provided in the state use tax statutes,  
17 with respect to the tax levied in those statutes, shall be  
18 applicable to the tax levied in this section excepting,  
19 however, the procedure for appeals from assessments, and such  
20 appeals shall be made as hereinafter set forth. Any procedure  
21 or provisions involving the State Department of Revenue which  
22 is incorporated herein by reference to the state use tax  
23 statutes shall be deemed to apply, with respect to the tax  
24 levied in this section to the tax board.

1           "Section 4A. Levy of Special Use Tax. Effective as  
2 of the date so specified in an ordinance adopted from time to  
3 time by the governing body of Tuscaloosa County, there shall  
4 be levied and imposed in the county, in addition to all other  
5 taxes of every kind now or hereafter imposed by law, and shall  
6 be collected as herein provided, an excise tax in the form of  
7 a use tax, in an amount to be determined by the application of  
8 the Maximum Rate as in effect on the date of adoption of the  
9 ordinance, upon the following:

10           "(a) The storage, use, or other consumption in the  
11 county of tangible personal property purchased at retail on or  
12 after the effective date of this Section 4A, for storage, use  
13 or other consumption in the county at the Maximum Rate  
14 multiplied by the sale price of such property, regardless of  
15 whether the retailer who made the sale is or is not engaged in  
16 business in the county, except as provided in subsections (b),  
17 and (c), and (d) of this ~~section~~ Section 4A.

18           "(b) The storage, use, or other consumption in the  
19 county of any automotive vehicle or truck trailer, and  
20 semi-trailer purchased at retail, on or after the effective  
21 date of this Section 4A, for storage, use, or other  
22 consumption in the county at the rate one-fourth of the  
23 Maximum Rate multiplied by the sales price of such automotive  
24 vehicle, truck trailer, or semi-trailer.



1           "(c) The storage, use, or other consumption within  
2 the county of any machines used in mining, quarrying,  
3 compounding, processing, and manufacturing of tangible  
4 personal property, purchased at retail on or after the  
5 effective date of this Section 4A at the rate of three-eighths  
6 of the Maximum Rate of the sales price of any such machine,  
7 except as otherwise provided in subsection (d) of this Section  
8 4A. The governing body of Tuscaloosa County shall establish  
9 categories of machines including the categories of machines at  
10 different rates that may vary according to the dollar volume  
11 or other amount of the machines in question. The rate  
12 established shall not exceed the Maximum Rate; however, the  
13 rate may be less than the Maximum Rate. The term 'machine,' as  
14 herein used, shall include machinery which is used for mining,  
15 quarrying, compounding, or processing, or manufacturing  
16 tangible personal property, and parts of such machines,  
17 attachments, and replacements therefor, which are made or  
18 manufactured for use on or in the operation of such machines  
19 and which are necessary to the operation of such machines and  
20 are customarily so used.

21           "(d) The storage, use, or other consumption within  
22 the county of any machines used in mining, quarrying,  
23 compounding, processing, and manufacturing of coal, purchased  
24 at retail on or after March 1, 2020, at the rate of

1 three-sixteenths of the Maximum Rate of the sales price of any  
2 such machine.

3 "~~(d)~~ (e) Notwithstanding anything in this Section 4A  
4 to the contrary, all storage, use, or other consumption of  
5 tangible personal property within the corporate limits of any  
6 municipality within Tuscaloosa County shall be exempt from the  
7 special use tax levied by this Section 4A. All storage, use,  
8 or other consumption of tangible personal property within the  
9 police jurisdiction of a municipality within Tuscaloosa County  
10 otherwise subject to the tax imposed by this Section 4A shall  
11 be entitled to a credit against such tax equal to the amount  
12 of any use tax paid to such municipality with respect to such  
13 property.

14 "Every person storing, using, or otherwise consuming  
15 in the county, tangible personal property purchased at retail  
16 shall be liable for the tax imposed by this section, and the  
17 liability shall not be extinguished until the tax has been  
18 paid; provided, however, that a receipt from a retailer  
19 maintaining a place of business in the county, showing that  
20 the property in question was purchased at retail from such  
21 retailer and the tax levied in Section 3A hereof has been paid  
22 with respect to the purchase at retail of such property shall  
23 be sufficient to relieve the purchaser from further liability  
24 for a tax under this section with respect to the use, storage,  
25 or consumption of such property. Each exemption provided for

1 in the state use tax statutes shall, during the period of time  
2 when such exemption shall be effective in the statutes, be  
3 applicable to the tax levied in this section. In the event of  
4 the repeal of the state use tax statutes, the exemptions  
5 effective therein immediately prior to any such repeal shall  
6 thereafter be applicable to the tax levied in this section.  
7 All provisions and procedures with respect to the filing of  
8 returns, collections, and payment of taxes, keeping of  
9 records, making of reports, determination of the amount of the  
10 tax due, penalties, assessments, notices, examinations of  
11 taxpayers and their books provided in the state use tax  
12 statutes, with respect to the tax levied in those statutes,  
13 shall be applicable to the tax levied in this section,  
14 excepting, however, the procedure for appeals from  
15 assessments, and such appeals shall be made as hereinafter set  
16 forth. Any procedure or provisions involving the State  
17 Department of Revenue which is incorporated herein by  
18 reference to the state use tax statutes shall be deemed to  
19 apply, with respect to the tax levied in this section, to the  
20 tax board."

21 Section 2. This act is intended to clarify existing  
22 law and to carry out the intention of the Legislature in the  
23 enactment of Act 2015-202, 2015 Regular Session, to clarify  
24 the effect the amendments previously made to Act No. 56, 1953

1 Regular Session, by the act. The provisions of this act shall  
2 apply retroactively to March 1, 2020.

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

