

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

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

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

8 "Section 3.

9 "There is hereby levied in the county, in addition
10 to all other taxes of every kind now imposed by law, and shall
11 be collected as herein provided, a privilege or license tax
12 against the person on account of the business activities and
13 in the amount to be determined by the application of rates
14 against gross sales, or gross receipts, as the case may be, as
15 follows:

16 "(a) Upon every person, firm, or corporation
17 (including the University of Alabama, and all other
18 institutions of higher learning in the county, whether such
19 institutions be denominational, state, county, or municipal
20 institutions, and any association or other agency or
21 instrumentality of such institutions) engaged, or continuing
22 within the county, in the business of selling at retail any
23 tangible personal property whatsoever, including merchandise
24 and commodities of every kind and character (not including,
25 however, bonds or other evidences of debts or stocks), an
26 amount equal to three percent of the gross proceeds of sales
27 of the business, except where a different amount is expressly

1 provided herein. Any person engaging or continuing in business
2 as a retailer and wholesaler or jobber shall pay the tax
3 required on the gross proceeds of retail sales of such
4 business at the rates specified, when his books are kept to
5 show separately the gross proceeds of sales of each business,
6 and when the books are not so kept, shall pay the tax as a
7 retailer on the gross sales of the entire business.

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

1 an amount equal to three percent of the gross receipts of any
2 such business.

3 "(c) Upon every person, firm, or corporation engaged
4 or continuing within the county in the business of selling at
5 retail any automotive vehicle, truck trailer, or semitrailer,
6 an amount equal to three-quarters of one percent of the gross
7 proceeds of the sale of the automotive vehicle, truck trailer,
8 or semitrailer. Where any used automotive vehicle, truck
9 trailer, or semitrailer is taken in trade, or in a series of
10 trades, as a credit or part payment on the sale of a new or
11 used vehicle, the tax levied herein shall be paid on the net
12 difference, that is, the price of the new or used vehicle sold
13 less the credit for the used vehicle taken in trade.

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

1 "Each exemption provided for in the state sales tax
2 statutes, shall, during the period of time when such exemption
3 shall be effective in the statutes, be applicable to the tax
4 levied in this section. In the event of the repeal of the
5 state sales tax statutes, the exemptions effective therein
6 immediately prior to any repeal shall thereafter be applicable
7 to the tax levied in this section. In addition thereto, and
8 except as expressly enumerated hereinabove, there are hereby
9 exempted from the tax levied in this section the gross
10 receipts or gross proceeds of any business engaged in by any
11 city or town in Tuscaloosa County. In the absence of any
12 express provision herein to the contrary, all provisions and
13 procedures with respect to the application for and issuance of
14 licenses, the making of returns or reports, the contents of
15 returns or reports, collection and payment of taxes, keeping
16 of records, reporting and paying taxes with respect to sales
17 on credit, determination of the amount of the tax due,
18 penalties, assessments, notices, and examinations of taxpayers
19 and their books provided for in the state sales tax statutes
20 with respect to the tax levied in those statutes shall be
21 applicable to the tax levied in this section, excepting
22 however, the procedure for appeals from assessments, and such
23 appeals shall be made as hereinafter set forth. Any procedure
24 or provisions involving the State Department of Revenue which
25 is incorporated herein by reference to the state sales tax
26 statutes shall be deemed to apply, with respect to the tax
27 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
26 against gross sales, or gross receipts, as the case may be, as
27 follows:

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

21 "(b) Upon every person, firm, or corporation
22 engaged, or continuing within the county, in the business of
23 conducting, or operating, places of amusement or
24 entertainment, billiard and pool rooms, bowling alleys,
25 amusement devices, musical devices, theaters, opera houses,
26 moving picture show, vaudevilles, amusement parks, athletic
27 contests, including wrestling matches, prize fights, boxing

1 and wrestling exhibitions, football, basketball, and baseball
2 games (including athletic contests conducted by or under the
3 auspices of any educational institution, or any athletic
4 association thereof, or other association whether such
5 institution or association be a denominational, state, county,
6 or municipal institution or association or a state, county, or
7 city school, or other institution, association, or school,
8 skating rinks, race tracks, golf courses, or any other place
9 at which any exhibition, display, amusement or entertainment
10 is offered to the public or place or places where an admission
11 fee is charged, including public bathing places, public dance
12 halls of every kind and description within the county, an
13 amount equal to the Maximum Rate multiplied by the gross
14 receipts of any such business.

15 "(c) Upon every person, firm, or corporation engaged
16 or continuing within the county in the business of selling at
17 retail any automotive vehicle or truck trailer or
18 semi-trailer, an amount equal to one-fourth of the Maximum
19 Rate multiplied by the gross proceeds of the sale of said
20 automotive vehicle or truck trailer or semi-trailer. Where any
21 used automotive vehicle or truck trailer or semi-trailer is
22 taken in trade, or in a series of trades, as a credit or part
23 payment on the sale of a new or used vehicle, the tax levied
24 herein shall be paid on the net difference, that is, the price
25 of the new or used vehicle sold less the credit for the used
26 vehicle taken in trade.

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

22 "(e) Upon every person, firm, or corporation engaged
23 or continuing within the county in the business of selling at
24 retail machines used in mining, quarrying, compounding,
25 processing, and manufacturing of coal, on or after March 1,
26 2020, an amount equal to three-sixteenths of the Maximum Rate

1 multiplied by the gross proceeds of the sales of such
2 machines.

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

13 "Each exemption provided for in the state sales tax
14 statutes shall, during the period of time when such exemption
15 shall be effective in said statutes, be applicable to the tax
16 levied in this section; provided, that in the event of the
17 repeal of the state sales tax statutes, as at any time
18 amended, the exemptions effective therein immediately prior to
19 any such repeal shall thereafter be applicable to the tax
20 levied in this section. In addition thereto, and except as
21 expressly enumerated hereinabove, there are hereby exempted
22 from the tax levied in this section the gross receipts or
23 gross proceeds of any business engaged in by any city or town
24 in Tuscaloosa County. In the absence of any express provision
25 herein to the contrary, all provisions and procedures with
26 respect to the application for and issuance of licenses, the
27 making of returns or reports, the contents of returns or

1 reports, collection and payment of taxes, keeping of records,
2 reporting and paying taxes with respect to sales on credit,
3 determination of the amount of the tax due, penalties,
4 assessments, notices, and examinations of taxpayers and their
5 books provided for in the state sales tax statutes with
6 respect to the tax levied in those statutes shall be
7 applicable to the tax levied in this section, excepting
8 however, the procedure for appeals from assessments, and such
9 appeals shall be made as hereinafter set forth; provided
10 however that any procedure or provisions involving the State
11 Department of Revenue which is incorporated herein by
12 reference to the state sales tax statutes shall be deemed to
13 apply, with respect to the tax levied in this section, to the
14 tax board. Every person, firm, or corporation engaged in any
15 business upon which the tax levied in this section is imposed
16 shall add the tax herein levied to the sales and admission
17 price with respect to which the said tax is levied and shall
18 collect the same from the purchaser.

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

22 "Section 4.

23 "(a) An excise tax is imposed on the storage, use,
24 or other consumption in the county of tangible personal
25 property purchased at retail on or after the effective date of
26 the act amending this subsection, for storage, use, or other
27 consumption in the county at the rate of three percent of the

1 sale price of such property, regardless of whether the
2 retailer who made the sale is or is not engaged in business in
3 the county, except as provided in subsections (b) and (c)
4 and (d) of this Section 4.

5 "(b) An excise tax is imposed on the storage, use,
6 or other consumption in the county of any automotive vehicle,
7 truck trailer, and semitrailer purchased at retail, on or
8 after the effective date of the act amending this subsection,
9 for storage, use, or other consumption in the county at the
10 rate of three-quarters of one percent of the sales price of
11 such automotive vehicle, truck trailer, or semitrailer.

12 "(c) An excise tax is imposed on the storage, use,
13 or other consumption within the county of any machines used in
14 mining, quarrying, compounding, processing, and manufacturing
15 of tangible personal property, purchased at retail on or after
16 the effective date of the act amending this subsection, at the
17 rate of one and one-eighth of one percent of the sales price
18 of any such machine, except as otherwise provided in
19 subsection (d) of this Section 4. The term machine, as used
20 herein, shall include machinery which is used for mining,
21 quarrying, compounding, or processing, or manufacturing
22 tangible personal property, and parts of such machines,
23 attachments, and replacements therefor, which are made or
24 manufactured for use on or in the operation of such machines
25 and which are necessary to the operation of such machines and
26 are customarily so used.

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

7 "~~(d)~~ (e) Every person storing, using, or otherwise
8 consuming in the county, tangible personal property purchased
9 at retail shall be liable for the tax imposed by this section,
10 and the liability shall not be extinguished until the tax has
11 been paid; provided, however, that a receipt from a retailer
12 maintaining a place of business in the county, showing that
13 the property in question was purchased at retail from the
14 retailer and the tax levied in Section 3 has been paid with
15 respect to the purchase at retail of such property shall be
16 sufficient to relieve the purchaser from further liability for
17 a tax under this section with respect to the use, storage, or
18 consumption of the property. Each exemption provided for in
19 the state use tax statutes, during the period of time when
20 such exemption shall be effective in the statutes, shall be
21 applicable to the tax levied in this section. In the event of
22 the repeal of the state use tax statutes, the exemptions
23 effective therein immediately prior to any such repeal shall
24 thereafter be applicable to the tax levied in this section.
25 All provisions and procedures with respect to the filing of
26 returns, collections, and payment of taxes, keeping of
27 records, making of reports, determination of the amount of the

1 tax due, penalties, assessments, notices, examinations of tax
2 payers and their books provided in the state use tax statutes,
3 with respect to the tax levied in those statutes, shall be
4 applicable to the tax levied in this section excepting,
5 however, the procedure for appeals from assessments, and such
6 appeals shall be made as hereinafter set forth. Any procedure
7 or provisions involving the State Department of Revenue which
8 is incorporated herein by reference to the state use tax
9 statutes shall be deemed to apply, with respect to the tax
10 levied in this section to the tax board.

11 "Section 4A. Levy of Special Use Tax. Effective as
12 of the date so specified in an ordinance adopted from time to
13 time by the governing body of Tuscaloosa County, there shall
14 be levied and imposed in the county, in addition to all other
15 taxes of every kind now or hereafter imposed by law, and shall
16 be collected as herein provided, an excise tax in the form of
17 a use tax, in an amount to be determined by the application of
18 the Maximum Rate as in effect on the date of adoption of the
19 ordinance, upon the following:

20 "(a) The storage, use, or other consumption in the
21 county of tangible personal property purchased at retail on or
22 after the effective date of this Section 4A, for storage, use
23 or other consumption in the county at the Maximum Rate
24 multiplied by the sale price of such property, regardless of
25 whether the retailer who made the sale is or is not engaged in
26 business in the county, except as provided in subsections (b),
27 and (c), and (d) of this ~~section~~ Section 4A.

1 "(b) The storage, use, or other consumption in the
2 county of any automotive vehicle or truck trailer, and
3 semi-trailer purchased at retail, on or after the effective
4 date of this Section 4A, for storage, use, or other
5 consumption in the county at the rate one-fourth of the
6 Maximum Rate multiplied by the sales price of such automotive
7 vehicle, truck trailer, or semi-trailer.

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

1 "(d) The storage, use, or other consumption within
2 the county of any machines used in mining, quarrying,
3 compounding, processing, and manufacturing of coal, purchased
4 at retail on or after March 1, 2020, at the rate of
5 three-sixteenths of the Maximum Rate of the sales price of any
6 such machine.

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

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

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

23 Section 2. This act is intended to clarify existing
24 law and to carry out the intention of the Legislature in the
25 enactment of Act 2015-202, 2015 Regular Session, to clarify
26 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.