

1 HB151  
2 155965-2  
3 By Representatives Moore (B), Boothe, Sanderford, Long,  
4 McMillan, Williams (D), Lee, Bridges, Faust, Shedd, Carns,  
5 McClurkin, McCutcheon, Wren, Buttram, Greer, Butler,  
6 McClendon, Baker, Merrill, Johnson (K), Wallace, Hammon,  
7 Standridge, Henry, Nordgren, Johnson (W), Brown, Patterson,  
8 Farley, Hubbard (M), Collins, Williams (P), Baughn and Weaver  
9 RFD: Ways and Means Education  
10 First Read: 14-JAN-14  
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ENROLLED, An Act,

To amend Section 40-23-7, Code of Alabama 1975, relating to the collection of state sales taxes, to increase the average monthly tax liability for a taxpayer to be required to make estimated state sales tax payments from \$1,000 or greater to \$2,500 or greater.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall be known and may be cited as the Small Business Tax Relief Act of 2014.

Section 2. Section 40-23-7, Code of Alabama 1975, is amended to read as follows:

"§40-23-7.

"(a) The taxes levied under the provisions of this division, except as otherwise provided in subsection (d), shall be due and payable in monthly installments on or before the 20th day of the month next succeeding the month in which the tax accrues.

"(b) Except as otherwise provided in subsection (d) on or before the 20th day of each month, every person on whom the taxes levied by this division are imposed shall report to the department, on a form prescribed by the department, a true and correct statement showing such information as the department may require, and shall pay to the department the amount of taxes shown to be due.

1           "(c) Any taxpayer liable for taxes under the  
2 provisions of this division whose average monthly state sales  
3 tax liability was ~~one thousand dollars (\$1,000)~~ two thousand  
4 five hundred dollars (\$2,500) or greater during the preceding  
5 calendar year shall make estimated payments to the department  
6 on or before the 20th day of the month in which the liability  
7 occurs as follows:

8           "(1) The amount of the first estimated payment shall  
9 be 66 2/3 percent of the taxpayer's actual tax liability for  
10 the month of October 1983; thereafter the amounts of the  
11 payment shall be the lesser of 66 2/3 percent of the  
12 taxpayer's actual tax liability for the same calendar month of  
13 the preceding year or 66 2/3 percent of the current month's  
14 estimated liability.

15           "(2) Any outstanding credit or deficit arising from  
16 the taxpayer's overpayment or underpayment of his final  
17 liability shall be applied to either increase or reduce, as  
18 the case may be, that month's final tax liability which shall  
19 be reported and paid not later than the 20th day of the month  
20 next succeeding the month in which the tax accrues.

21           "(3) The provisions of this subsection shall not  
22 apply to the provisions of Sections 11-51-180, 11-51-200,  
23 40-12-4, nor to any municipal or county taxes levied by past  
24 or future special or local acts of the Legislature.

1           "(d) When the total state sales tax for which any  
2 person is liable under this division averages less than two  
3 hundred dollars (\$200) per month during the preceding calendar  
4 year, a quarterly return and remittance in lieu of the monthly  
5 returns may be made, by election of the taxpayer to the  
6 department, on or before the 20th day of the month next  
7 succeeding the end of the quarter for which the tax is due  
8 under any rules and regulations as may be prescribed. The  
9 election to file quarterly shall be made in writing no later  
10 than February 20 of each year and shall be filed with the  
11 department. Notwithstanding the above, no state sales tax  
12 return shall be due until January 20 of each year unless the  
13 total state sales tax for which any person is liable under  
14 this division during the preceding calendar year exceeds ten  
15 dollars (\$10).

16           "(e) The department, for good cause, may extend the  
17 time for making any state or state-administered return  
18 required under the provisions of this division, but the time  
19 for filing any such return shall not be extended for a period  
20 greater than 30 days from the date such return is due to be  
21 made."

22           Section 3. This bill is effective August 1, ~~2014~~  
23 2016, following its passage and approval by the Governor or  
24 its otherwise becoming law.

