HB395 ENROLLED



- 1 HB395
- 2 EGLT229-2
- 3 By Representatives Sorrells, Rehm, Lee, Clouse (N & P)
- 4 RFD: Local Legislation
- 5 First Read: 02-Apr-24



- 1 Enrolled, An Act,
- 2 Relating to Houston County; authorizing the Houston
- 3 County Commission to levy a lodging tax in the county;
- 4 providing for the distribution of the proceeds from the tax;
- 5 and to provide for a referendum.
- 6 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- 7 Section 1. In Houston County, in addition to all other
- 8 taxes imposed by law, the Houston County Commission may levy a
- 9 privilege or license tax in the amount prescribed in this
- 10 section against every person in the county engaging in the
- 11 business of renting or furnishing a room or rooms, lodging, or
- 12 accommodations to a transient in a hotel, motel, inn,
- 13 condominium, house, or another place in which rooms, lodgings,
- or accommodations are regularly furnished to transients for a
- 15 consideration. The amount of the tax shall not exceed one
- 16 percent of the charge for the rooms, lodgings, or
- 17 accommodations, including the charge for use of rental or
- 18 personal property and services furnished in the room or rooms
- 19 within the county.
- 20 Section 2. (a) There are exempted from the provisions
- of the tax levied by this act and from the computation of the
- 22 amount of the tax levied or payable all of the following:
- 23 Charges for property sold or services furnished which are
- 24 required to be included in the tax levied by the state sales
- 25 tax act; charges for the rental of rooms, lodgings, or
- 26 accommodations to a person for a period of 30 continuous days
- 27 or more; or otherwise pursuant to the exemption provision of
- 28 Alabama's Transient Occupancy Tax, Section 40-26-1 of the Code



of Alabama 1975. A subsequent amendment or change to the
Alabama Transient Occupancy Tax shall also have the effect of

similarly changing the exemption provision of this section.

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32 (b) Notwithstanding the provisions of this section, the 33 tax shall not apply to the rental of living accommodations 34 which are intended primarily for rental to persons as their 35 principal or permanent place of residence.

Section 3. (a) The tax levied by this act, except as otherwise provided, shall be due and payable to the Department of Revenue on or before the 20th day of the month following the month in which the tax accrues. Notwithstanding any provision of this act providing for the responsibility of the county to collect and administer the tax provided in this act, the county may contract with an agent to perform all or any part of its duties pursuant to this act. On or before the 20th day of each month, every person on whom the tax is levied shall render to the Department of Revenue, on a form prescribed by the department, a true and correct statement showing the gross proceeds of the business subject to the tax for the preceding month, together with other information as the county requires. At the time of making the monthly report, the taxpayer shall compute and pay to the county the amount of tax shown due. A person subject to the tax who conducts business on a credit basis may defer reporting and paying the tax until after the person has received payment of the items, articles, or accommodations furnished. In the event the taxpayer defers reporting and paying the taxes, he or she shall thereafter include in each monthly report all credit



57 collections made during the preceding month and shall pay the 58 amount of taxes computed thereon at the time of filing the 59 report.

- (b) Every person engaged or continuing in a business subject to the tax levied by this act shall keep and preserve suitable records of the gross proceeds of the business and other books or accounts necessary to determine the amount of tax for which he or she is liable pursuant to this act. The records shall be kept and preserved for a period of two years and shall be open for examination at all times by the Department of Revenue or by a duly authorized agent, deputy, or employee of the county.
- (c) A person who fails to pay the tax levied by this section within the time required by this act shall pay in addition to the tax a penalty of 10 percent of the amount of tax due, together with interest from the date on which the tax became due and payable at the rate due and payable on the state lodging tax. The penalty and interest shall be assessed and collected as a part of the tax. The Department of Revenue, if good and sufficient reason is shown, may waive or remit the penalty or a portion of the penalty.

Section 4. All provisions of the state lodging tax statutes with respect to payment, assessment, and collection of the state lodging tax, making of reports and keeping and preserving records, interest after due date of tax, or otherwise; the adoption of rules with respect to the state lodging tax; and the administration and enforcement of the state lodging tax statutes, which are not inconsistent with



85 the provisions of this act when applied to the tax levied by

86 this act, shall apply to the levied tax. The Department of

87 Revenue shall have and exercise the same powers, duties, and

88 obligations with respect to the district taxes levied as

imposed on the department by the state lodging tax statutes.

90 All provisions of the state lodging tax statutes that are made

91 applicable to this act, to the taxes levied, and to the

92 administration of this act are incorporated herein by

93 reference and made a part as if fully set forth.

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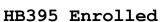
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Section 5. The Department of Revenue shall charge and deduct from the proceeds of the tax levied an amount equal to the contracted amount for the collections, provided the charge does not exceed five percent of the total amount of tax collected. Following that deduction, the agent shall pay the remainder of the tax proceeds to the county.

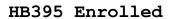
Section 6. The net proceeds from the tax levied by this act shall be deposited into the Houston County General Fund and shall be used by the county for economic development purposes and for the funding of recreational facilities in the county.

Section 7. Sections 1 to 6, inclusive, of this act shall become operative only if approved by a majority of the qualified electors of Houston County who vote in an election to be held on the day of the 2024 General Election. The notice of the election shall be given by the judge of probate, which notice shall be published once a week for three successive weeks before the day of the election, and the election shall be held, conducted, and the results canvassed in the manner as





113 other county elections. The question shall be, "Do you favor the adoption of Act No.____, of the 2024 Regular Session of 114 115 the Alabama Legislature, which authorizes the Houston County 116 Commission to levy a lodging tax in Houston County with the 117 proceeds earmarked for economic development and funding 118 recreational facilities? Yes () No ()." The county shall pay 119 any costs and expenses not otherwise reimbursed by a 120 governmental agency which are incidental to the election. If a 121 majority of the votes cast in the election are "Yes," Sections 1 to 6, inclusive, of this act shall become operative 122 123 immediately. If the majority of the votes are "No," this act shall have no further effect. The Judge of Probate of Houston 124 125 County shall certify the results of the election to the 126 Secretary of State. 127 Section 8. This act shall become effective June 1, 2024. 128





157	senace	U2-May-24	Passed
156	Senate	02-May-24	Passed
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151		Clerk	
149 150		John Treadwell	
148		Tab., M., all	
147	was pass	sed by the House 11-Apr-24.	
146		hereby certify that the within Act originated in	n and
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144		House of Representatives	
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141		President and Presiding Officer of the Senate	
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136	_	Speaker of the House of Representatives	
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