

1 HB109  
2 134772-1  
3 By Representative Todd  
4 RFD: Ways and Means Education  
5 First Read: 07-FEB-12  
6 PFD: 02/02/2012

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8 SYNOPSIS: Under existing law, sales of automobiles,  
9 motorboats, truck trailers, semitrailers, and  
10 travel trailers are taxed at two percent by the  
11 state. There is no limit on local sales tax on such  
12 sales.

13 This bill would increase the state sales tax  
14 on such sales from two percent to four percent and  
15 would provide for distribution of the revenue from  
16 the taxes.

17  
18 A BILL  
19 TO BE ENTITLED  
20 AN ACT

21  
22 To amend Sections 40-23-101, 40-23-102, and  
23 40-23-108 of the Code of Alabama 1975, to provide further for  
24 sales and use taxes on automobiles, motorboats, truck  
25 trailers, semitrailers, and travel trailers; and to provide  
26 for the distribution of the revenue from the taxes.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1                   Section 1. Sections 40-23-101, 40-23-102, and  
2                   40-23-108 of the Code of Alabama 1975, are amended to read as  
3                   follows:

4                   "§40-23-101.

5                   "(a) There is hereby levied and shall be collected  
6                   as herein provided a sales tax upon every person, firm, or  
7                   corporation purchasing within this state, other than at  
8                   wholesale, any automotive vehicle, motorboat, truck trailer,  
9                   trailer, semitrailer, or travel trailer required to be  
10                  registered or licensed with the judge of probate of any county  
11                  in this state from any person, firm, or corporation that is  
12                  not a licensed dealer engaged in selling automotive vehicles,  
13                  motorboats, truck trailers, trailers, semitrailers, or travel  
14                  trailers in an amount equal to ~~two~~ four percent of the  
15                  purchase price, commencing January 1, 2013.

16                  "(b) Commencing October 1, 1989, there is hereby  
17                  levied and shall be collected, as provided for under the  
18                  provisions of subsection (e) of Section 40-23-104, a sales tax  
19                  in the amount equal to two percent of the purchase price on  
20                  the sale of any manufactured home as defined in subsection (n)  
21                  of Section 40-12-255, purchased other than at wholesale in  
22                  this state from any person, firm, or corporation which is not  
23                  a licensed dealer engaged in selling manufactured homes.

24                  "(c) In addition to the two percent state sales tax,  
25                  there shall also be collected any applicable municipal gross  
26                  receipts or sales taxes and county sales taxes on the vehicles  
27                  listed in subsection (a) of this section authorized by general

1 or local law for the local taxing jurisdiction in which the  
2 purchaser resides or, if a business, the business location.  
3 Penalties for falsifying or misrepresenting the correct taxing  
4 jurisdictions shall be as provided in subsection (b) of  
5 Section 40-29-115.

6 "§40-23-102.

7 "(a) There is hereby levied and shall be collected  
8 as herein provided, in lieu of the excise tax levied by  
9 subsection (c) of Section 40-23-61, an excise or use tax upon  
10 every person, firm, or corporation purchasing outside the  
11 state, other than at wholesale, any automotive vehicle,  
12 motorboat, truck trailer, trailers, semitrailer, or travel  
13 trailer, required to be registered or licensed with the judge  
14 of probate of any county in this state for use, storage, or  
15 other consumption within this state a tax in an amount equal  
16 to ~~two~~ four percent of the purchase price, commencing January  
17 1, 2013.

18 "(b) Commencing October 1, 1989, there is hereby  
19 levied and shall be collected, as provided for under the  
20 provisions of subsection (e) of Section 40-23-104, an excise  
21 or use tax in the amount equal to two percent of the purchase  
22 price on the storage, use, or other consumption in the state  
23 of any manufactured home as defined in subsection (n) of  
24 Section 40-12-255 purchased other than at wholesale outside  
25 the state on or after October 1, 1989, for storage, use, or  
26 other consumption in this state.

1           "(c) In addition to the two percent state use tax,  
2 there shall also be collected any applicable municipal and  
3 county use tax authorized by general or local law for the  
4 local taxing jurisdiction in which the purchaser resides, or,  
5 if a business, the business location on any automotive  
6 vehicle, motorboat, truck trailer, trailer, semitrailer, or  
7 travel trailer purchased from dealers doing business outside  
8 the State of Alabama and from licensed Alabama dealers where  
9 municipal and county sales taxes were not collected at the  
10 time of purchase. Penalties for falsifying or misrepresenting  
11 the correct taxing jurisdiction shall be as provided in  
12 subsection (b) of Section 40-29-115.

13           "§40-23-108.

14           "The licensing official shall, after the deduction  
15 of the fee as provided in Section 40-23-107, remit the revenue  
16 collected hereunder to the Department of Revenue for deposit  
17 as follows:

18           "Of the total ~~two~~ four cents ~~(\$ .02)~~ (\$ .04) tax on  
19 each dollar of sale, ~~58% of the total tax generated shall be~~  
20 ~~deposited to the credit of the Education Trust Fund; and 42%~~  
21 ~~of the total tax generated shall be deposited to the credit of~~  
22 ~~the State General Fund. Provided, however, of the total of~~  
23 ~~those funds derived from the state sales and use taxes~~  
24 ~~collected on motorboats, 50 percent shall be paid to the State~~  
25 ~~General Fund and 50 percent to the Education Trust Fund on~~  
26 ~~motor vehicles, the revenue from the tax shall be used for~~  
27 ~~public transportation programs approved by the county within~~

1 which the fee was collected, including buses, light rail, and  
2 bike paths."

3           Section 2. This act shall become effective on the  
4 first day of the third month following its passage and  
5 approval by the Governor, or its otherwise becoming law.