

1 SB18
2 133211-1
3 By Senator Bedford
4 RFD: Finance and Taxation General Fund
5 First Read: 07-FEB-12
6 PFD: 06/28/2011

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8 SYNOPSIS: This bill would provide that the excise and
9 privilege tax on coal shall terminate on October 1,
10 2016, unless extended by the Legislature of the
11 State of Alabama and would provide further for the
12 distribution of the tax receipts.

13
14 A BILL
15 TO BE ENTITLED
16 AN ACT

17
18 To amend Sections 40-13-6 and 40-13-8, Code of
19 Alabama 1975; to provide that the excise and privilege tax on
20 coal shall terminate on October 1, 2016, unless extended by
21 the Legislature; and to provide further for the distribution
22 of tax receipts.

23 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

24 Section 1. Sections 40-13-6 and 40-13-8, Code of
25 Alabama 1975, are amended to read as follows:

26 "§40-13-6.

1 "(a) In each fiscal year when the funds then on
2 deposit in the special fund or funds created for retirement of
3 the bonds equal the amount needed to pay all the principal and
4 interest becoming payable on the bonds within the succeeding
5 12 months and the funds then on deposit in the reserve fund or
6 funds created for the bonds equal the maximum principal and
7 interest becoming due on the bonds in any one year, the
8 severance tax proceeds remaining in the Alabama State Docks
9 Bulk Handling Facility Trust Fund, shall be credited to the
10 State General Fund; provided however, that if at the end of
11 any fiscal year of the state, beginning with the fiscal year
12 ending September 30, 1987, the Director of the Alabama State
13 Docks Department shall have notified the Director of Finance
14 in writing, at least five days prior to the close of the
15 fiscal year, that the revenues to be derived by the Alabama
16 State Docks Department from the operations of its coal
17 handling facilities for the then current fiscal year are
18 anticipated to be insufficient to pay the aggregate of (1) the
19 expenses (exclusive of depreciation) incurred in operating and
20 maintaining the facilities during such fiscal year and (2)
21 principal and interest that came due during such fiscal year
22 on those bonds of the Alabama State Docks Department for
23 payment of which the revenues have been pledged (which
24 notification shall specify the amount of the expected
25 deficiency), then the remaining severance tax proceeds shall
26 remain in the Alabama State Docks Bulk Handling Facility Trust
27 Fund and shall not be transferred to the State General Fund.

1 Following the filing of such notification, a report shall be
2 filed by the Director of the Alabama State Docks Department
3 with the Director of Finance within 30 days after the close of
4 such fiscal year, supported by such documentation as may be
5 deemed appropriate by the Director of Finance and attesting to
6 the amount of the actual deficiency, computed as described
7 above, incurred in the operation of the facilities during the
8 immediately preceding fiscal year. Upon receipt of the report
9 and such other documentation from the department as the
10 Director of Finance may specify, the Director of Finance, if
11 satisfied as to the accuracy of the amount of the actual
12 deficiency as reflected in the report and accompanying
13 documentation, shall authorize to be transferred, and to the
14 extent herein provided there is hereby in such event
15 appropriated, to the Alabama State Docks Department an amount
16 equal to the lesser of (i) the actual amount of any deficiency
17 computed as described herein or (ii) the balance contained in
18 the Alabama State Docks Bulk Handling Facility Trust Fund as
19 of the immediately preceding September 30. Beginning with the
20 1992-93 fiscal year, the first three hundred thousand dollars
21 (\$300,000) of any moneys remaining in the Alabama State Docks
22 Bulk Handling Facility Trust Fund after such transfer to the
23 Alabama State Docks Department shall be transferred directly
24 to the Alabama Mining Academy. ~~Five hundred thousand dollars~~
25 ~~(\$500,000)~~ Five hundred ninety-four thousand dollars
26 (\$594,000) shall be transferred to the Tuscaloosa County
27 General Fund; five hundred thousand dollars (\$500,000) to the

1 Jefferson County General Fund; and two hundred thousand
2 dollars (\$200,000) to the Walker County Economic and
3 Industrial Development Authority and any remaining moneys
4 shall be credited to the State General Fund. The Tuscaloosa
5 County General Fund allocation shall be distributed as
6 follows: One hundred thousand dollars (\$100,000) to the Town
7 of Vance; one hundred thousand dollars (\$100,000) to the Town
8 of Brookwood; ~~one hundred twenty-five thousand dollars~~
9 ~~(\$125,000)~~ fifteen thousand dollars (\$15,000) to the Town of
10 Coaling; fifteen thousand dollars (\$15,000) to the Town of
11 Lake View; one hundred thirty-five thousand dollars (\$135,000)
12 to the Tuscaloosa County Public Library; and ~~one hundred~~
13 ~~seventy-five thousand dollars (\$175,000)~~ two hundred thirteen
14 thousand dollars (\$213,000) to the Tuscaloosa County Board of
15 Education, fifteen thousand dollars (\$15,000) to Tuscaloosa
16 County Courthouse Law Library Fund. In any year in which the
17 total amount allocated to the Tuscaloosa County General Fund,
18 the Jefferson County General Fund, and the Walker County
19 Economic and Industrial Development Authority is insufficient
20 to provide the total allocations for the three, the amount
21 that is available shall be prorated among the three in the
22 same proportion as the designated allocations. ~~In the event~~
23 ~~the Tuscaloosa County General Fund receives less than five~~
24 ~~hundred thousand dollars (\$500,000), the distributions to the~~
25 ~~Town of Vance, the Town of Brookwood, and the Tuscaloosa~~
26 ~~County Public Library shall collectively have priority. In the~~
27 ~~event the allocation to the Tuscaloosa County General Fund is~~

1 ~~less than three hundred twenty-five thousand dollars~~
2 ~~(\$325,000), the total amount available shall be prorated among~~
3 ~~the Town of Vance, the Town of Brookwood, and the Tuscaloosa~~
4 ~~County Public Library in the same proportion as the designated~~
5 ~~allocations.~~

6 " (b) In addition to the above amounts, out of the
7 amounts paid to the State General Fund as provided in
8 subsection (a), beginning with the ~~2006-07~~ 2011-2012 fiscal
9 year, one hundred thousand dollars (\$100,000) to the Community
10 Development Foundation, Inc., one hundred thousand dollars
11 (\$100,000) to the Marion County Community Development
12 Association, Inc., one hundred thousand dollars (\$100,000) to
13 the Jackson County Economic Development Association, one
14 hundred thousand dollars (\$100,000) to the West Alabama
15 Development Association of Fayette County, one hundred
16 thousand dollars (\$100,000) to the West Alabama Economic
17 Development Association, fifty thousand dollars (\$50,000)
18 shall be transferred to the Winston County General Fund, one
19 hundred fifty thousand dollars (\$150,000) shall be distributed
20 for the support of the Tennessee-Tombigbee Waterway
21 Development Compact, and fifty thousand dollars (\$50,000)
22 shall be transferred to the Winston County Industrial
23 Development Board. There shall also be transferred to the
24 Cullman County Industrial Development Authority the amount of
25 fifty thousand dollars (\$50,000) to be used for economic
26 development purposes, fifty thousand dollars (\$50,000) to the
27 City of Cullman Industrial Development Board, and twenty-five

1 thousand dollars (\$25,000) to the Blount County Commission.
2 ~~one hundred thousand dollars (\$100,000) shall be transferred~~
3 ~~to the Community Development Foundation, Inc., one hundred~~
4 ~~thousand dollars (\$100,000) shall be transferred to the Marion~~
5 ~~County Community Development Association, Inc., one hundred~~
6 ~~thousand dollars (\$100,000) shall be transferred to the West~~
7 ~~Alabama Development Association of Fayette County, one hundred~~
8 ~~thousand dollars (\$100,000) shall be transferred to the~~
9 ~~Jackson County Economic Development Association, and one~~
10 ~~hundred thousand dollars (\$100,000) shall be transferred to~~
11 ~~the West Alabama Economic Development Association.~~

12 "Any foundation or association receiving funds
13 pursuant to this amendatory act shall be annually audited by
14 the Examiners of Public Accounts and such audit shall be
15 submitted to the Legislature each legislative session.

16 "(c) Of the above amount to the Alabama Mining
17 Academy, a small portion of said sum shall be used to retrain
18 Alabama coal miners, who have been terminated from their
19 employment, for other occupational opportunities.

20 "§40-13-8.

21 "The excise and privilege tax imposed by this
22 article shall terminate on October 1, ~~2011~~ 2016, unless
23 extended by an act of the Legislature of the State of
24 Alabama."

25 Section 2. If the coal excise and privilege tax
26 levied in Section 40-13-2 of the Code of Alabama 1975, does
27 not generate enough revenue to the State General Fund to

1 distribute to the entities described in Section 1 of this act
2 the amounts provided for each, then the amounts distributed
3 shall be prorated among them.

4 Section 3. All laws or parts of laws which conflict
5 with this act are repealed.

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