

1 SB241
2 204365-1
3 By Senators Figures, Coleman-Madison, Ward and Burkette
4 RFD: Finance and Taxation Education
5 First Read: 27-FEB-20

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8 SYNOPSIS: Under existing law, the Governor has by
9 executive order authorized the Department of
10 Revenue to allow a discount to sales tax license
11 holders who timely file and pay their sales tax.

12 This bill eliminates the sales tax discount
13 for taxes collected on or after September 1, 2020.
14

15 A BILL
16 TO BE ENTITLED
17 AN ACT
18

19 To amend Section 40-23-36, Code of Alabama 1975, to
20 discontinue the discount applicable to sales tax.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. Section 40-23-36, Code of Alabama 1975 is
23 amended to read as follows:

24 "§40-23-36.

25 "(a) The Governor may, by executive order, authorize
26 the Department of Revenue to provide by proper rules and
27 regulations for the allowance of a discount, not to exceed

1 five percent of the first \$100 of taxes levied and two percent
2 of the taxes levied over \$100 by this division and due and
3 payable to the state by any person licensed under the
4 provisions hereof; provided, that no discount shall be
5 authorized or allowed upon any taxes which are not paid before
6 delinquency, as in this division provided.

7 "(b) For any taxes collected by the license holder
8 on or after June 1, 1996, the Governor may, by executive
9 order, authorize the Department of Revenue to provide by
10 proper rules and regulations for a maximum discount amount or
11 rate to any license holder and shall be limited to that amount
12 or rate for each retail license holder regardless of the
13 number of retail locations of that license holder within the
14 state.

15 "(c) For any taxes collected by the license holder
16 on or after September 1, 2020, the Governor shall not
17 authorize any sales tax discount to any license holder. There
18 shall be no discount allowed to any license holder for taxes
19 collected on or after September 1, 2020."

20 Section 2. This act shall become effective
21 immediately following its passage and approval by the
22 Governor, or its otherwise becoming law.