

1 SB385  
2 128125-1  
3 By Senators Scofield, Orr, Sanford, Dial, Allen, Whatley,  
4 Beason and McGill  
5 RFD: Finance and Taxation General Fund  
6 First Read: 12-APR-11

2  
3  
4  
5  
6  
7  
8 SYNOPSIS: Under existing law, the state imposes a  
9 business license on various businesses, including  
10 persons who participate in gun shows.

11 This bill would provide that the business  
12 license tax would be levied on the organizer of the  
13 show and not on each participant of such show.

14  
15 A BILL  
16 TO BE ENTITLED  
17 AN ACT  
18

19 To amend Section 40-12-143 of the Code of Alabama  
20 1975, relating to the levy of business license taxes on  
21 persons participating in gun shows; to provide that the  
22 business license tax would be levied on the organizer of the  
23 show and not on each participant as long as the organizer has  
24 obtained all of the required licenses; to require the  
25 organizer to purchase the license for each show and no half  
26 year license would be issued; to require that the show could  
27 not last for more than one week; and to require that the

1 organizer and participants would remain subject to all  
2 federal, state, and local regulations.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Section 40-12-143 of the Code of Alabama  
5 1975, is amended to read as follows:

6 "§40-12-143.

7 "Persons dealing in pistols, revolvers, maxim  
8 silencers, bowie knives, dirk knives, brass knucks or knucks  
9 of like kind, whether principal stock in trade or not shall  
10 pay the following license tax: in cities and towns of 35,000  
11 inhabitants and over, \$150; and in all other places, \$100. The  
12 required license amounts shall be paid for each place of  
13 business from which sales of such items are made. In addition  
14 to any other required licenses, a person may organize and  
15 conduct a gun and knife show of no more than seven days, by  
16 paying the maximum license tax prescribed in this section, as  
17 well as the maximum license taxes provided in Sections  
18 40-12-158 and 40-12-174(d), for each such show. Participants  
19 shall not be required to pay the license taxes provided in  
20 this section, nor in Section 40-12-158 or 40-12-174 for  
21 participating in such shows, provided the organizer has paid  
22 the license taxes prescribed in this section prior to the  
23 commencement of the event. It shall be the duty of the  
24 organizer of such show to determine if each participant is  
25 licensed under the sales tax laws of this state as well as the  
26 particular county and municipality in which the show is  
27 conducted. The organizer shall be responsible for collecting

1 and remitting all state and local sales taxes for any  
2 participant not licensed under state or local sales tax laws.  
3 In the event the organizer does not pay the license taxes  
4 prescribed in this section, prior to the commencement of the  
5 event, each participant shall be responsible for his or her  
6 applicable licenses. The organizer and all participants shall  
7 abide by applicable federal, state, and local laws and  
8 regulations. All persons dealing in pistols, revolvers, and  
9 maxim silencers shall be required to keep a permanent record  
10 of the sale of every pistol, revolver, or maxim silencer,  
11 showing the date of sale, serial number, or other  
12 identification marks, manufacturer's name, caliber and type,  
13 and also the name and address of the purchaser, ~~which record.~~  
14 The organizer of the show shall be responsible for keeping and  
15 maintaining such records for any sales made at the show by any  
16 participant who, for any reason, is not otherwise required to  
17 keep the records. The records shall always be open for  
18 inspection by any peace officer of the State of Alabama or any  
19 municipality thereof. The failure to keep such record shall  
20 subject such person to having his or her license revoked by  
21 the probate judge of the county where such license was issued  
22 on motion of any district attorney of the State of Alabama."

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