

1 SB416
2 186552-1
3 By Senator Bussman
4 RFD: Governmental Affairs
5 First Read: 04-MAY-17

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8 SYNOPSIS: Existing law provides for a refund to
9 pharmaceutical service providers for overpayment of
10 the supplemental privilege tax on pharmaceutical
11 services paid by those providers in the form of a
12 credit against future taxes.

13 This bill would authorize the Department of
14 Revenue, upon petition by a pharmaceutical service
15 provider who is entitled to a credit of the
16 supplemental privilege tax on pharmaceutical
17 services and has unused credit remaining after
18 October 1, 2019, to refund the provider the
19 remaining credit.

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21 A BILL
22 TO BE ENTITLED
23 AN ACT

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25 Relating to the supplemental privilege tax on
26 pharmaceutical services; to amend Section 40-26B-9, Code of
27 Alabama 1975, as added by Act 2016-452, 2016 First Special

1 Session, to authorize the Department of Revenue, upon petition
2 by a pharmaceutical service provider who is entitled to a
3 credit of the supplemental privilege tax on pharmaceutical
4 services and has unused credit remaining after October 1,
5 2019, to refund the provider the remaining credit.

6 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

7 Section 1. Section 40-26B-9, Code of Alabama 1975,
8 as added by Act 2016-452, 2016 First Special Session, is
9 amended to read as follows:

10 "§40-26B-9.

11 "(a) Each pharmaceutical service provider that
12 collected and remitted the supplemental privilege tax on
13 pharmaceutical services pursuant to Article 1A, as it read
14 prior to August 30, 2016, shall be entitled to a refund of the
15 taxes collected in the form of a credit against any future
16 taxes levied pursuant to the privilege tax on pharmaceutical
17 services provided for in Article 1 of Chapter 26B, commencing
18 at Section 40-26B-1, due after August 30, 2016. Beginning
19 October 1, 2016, monthly credits shall be allowed to the
20 pharmaceutical service providers that remitted the
21 supplemental privilege tax until tax amounts are credited in
22 full.

23 "(b) On or after October 1, 2019, a pharmaceutical
24 service provider who is entitled to a credit under subsection
25 (a) and has unused credit remaining shall be entitled to a
26 refund of the remaining credit owed to the provider, without

1 interest, upon petition to the department. The department
2 shall establish procedures to implement this subsection."

3 Section 2. This act shall become effective
4 immediately following its passage and approval by the
5 Governor, or its otherwise becoming law.