

1 SB487  
2 135679-7  
3 By Senator Dial (N & P)  
4 RFD: Local Legislation No. 1  
5 First Read: 05-APR-12

1 SB487

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4 With Notice and Proof

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6 ENROLLED, An Act,

7 Relating to Chambers County; to amend Section  
8 45-9-244, Code of Alabama 1975; to provide further for the  
9 distribution of the tobacco tax.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. Section 45-9-244, Code of Alabama 1975,  
12 is amended to read as follows:

13 "§45-9-244.

14 "(a) Upon adoption of the Legislature, there is  
15 hereby imposed on every person, firm, or corporation that  
16 sells, stores, delivers, uses, or otherwise consumes tobacco  
17 or tobacco products in Chambers County, a county privilege,  
18 license, or excise tax in the following amounts:

19 "(1) Twenty-five cents (\$.25) for each package of  
20 cigarettes made of tobacco or any substitute therefor.

21 "(2) Twelve cents (\$.12) for each cigar of any  
22 description made of tobacco or any substitute therefor, but  
23 not including cigarette sized and near cigarette sized cigars  
24 which shall be taxed in the same manner as cigarettes under  
25 subdivision (1).

1           "(3) Twenty-five cents (\$.25) for each sack, can,  
2 package, or other container of smoking tobacco, including  
3 granulated, plug cut, crimp cut, ready rubbed, and other kinds  
4 and forms of tobacco which are prepared in such manner  
5 suitable for smoking in a pipe or cigarette.

6           "(4) Twenty-five cents (\$.25) for each sack, plug,  
7 package, or other container of chewing tobacco, which tobacco  
8 is prepared in such manner suitable for chewing only and not  
9 suitable for smoking as described in subdivision (3).

10           "(5) Twenty-five cents (\$.25) for each can, bottle,  
11 glass, tumbler, package, or other container of snuff made of  
12 tobacco or any substitute therefor.

13           "(6) Twenty-five cents (\$.25) for each package of  
14 tobacco paper, both gummed and ungummed.

15           "The privilege, license, or excise tax shall be in  
16 addition to all other taxes imposed by law and shall be  
17 collected in the same manner as other taxes on tobacco, except  
18 that when the license tax required by this section has been  
19 paid by a wholesaler or seller of the products, that payment  
20 shall be sufficient. The legislative intent is that the tax  
21 shall be paid only once on each package of cigarettes, chewing  
22 tobacco, snuff, cigars of every description, and smoking  
23 tobacco of every description, and for each package of tobacco  
24 paper, whether gummed or ungummed.

1           "(b) Every person, firm, corporation, club, or  
2 association that sells, stores, or receives for the purpose of  
3 selling or storing in Chambers County, any cigarettes, cigars,  
4 snuff, and smoking tobacco products shall add the amount of  
5 the license or privilege tax levied and assessed to the price  
6 of the cigarettes, cigars, snuff, and smoking tobacco  
7 products. It is the purpose and intent of this subsection that  
8 the tax levied is, in fact, a levy on the consumer with the  
9 person, firm, corporation, club, or association that sells or  
10 stores or receives for the purpose of distributing the  
11 cigarettes, cigars, snuff, and smoking tobacco products acting  
12 merely as an agent for the collection of the tax. The dealer,  
13 storer, or distributor shall state the amount of the tax  
14 separately from the price of the cigarettes, cigars, snuff,  
15 and smoking tobacco products on all price display signs, sales  
16 or delivery slips, bills, and statements which advertise or  
17 indicate the price of the cigarettes, cigars, snuff, and  
18 smoking tobacco products.

19           "(c) It shall be unlawful for any dealer, storer,  
20 distributor, or any person, firm, or corporation that sells,  
21 delivers, uses, or otherwise consumes tobacco products in  
22 Chambers County, for which the tax is levied, to fail or  
23 refuse to add to the sales price and collect from the  
24 purchaser the amount due to Chambers County on account of the  
25 tax herein provided, to refund or offer to refund all or any

1 part of the amount collected or absorbed, or advertise  
2 directly or indirectly, the absorption of the tax or any  
3 portion thereof. Any person, firm, corporation, club, or  
4 association violating this subsection shall be subject to a  
5 civil penalty of not less than twenty-five dollars (\$25) nor  
6 more than five hundred dollars (\$500). Each section in  
7 violation of this subsection shall constitute a separate  
8 offense.

9 "(1) The State Department of Revenue may collect all  
10 taxes levied pursuant to this section at the same time and in  
11 the same manner as state sales and use taxes are collected.

12 "(2) The tax levied herein shall be paid by affixing  
13 stamps that are required for the payment of the tax imposed by  
14 Section 40-25-1 to 40-25-28, inclusive.

15 "(3) The county shall, in conjunction with the  
16 District Community Service Grant Authority, contract with the  
17 State Department of Revenue to purchase stamps to be affixed.  
18 The department may have the same duties relative to the  
19 preparation and sale of stamps to evidence the payment of the  
20 tax that it has relative to the preparation and sale of stamps  
21 under Section 40-25-1 to 40-25-28, inclusive.

22 "(4) In accordance with Section 40-25-2(g), in the  
23 event the aforementioned tobacco stamps are not available for  
24 affixing to tobacco products packages and containers, or by  
25 the authority of a duly promulgated regulation eliminating the

1 requirement of affixing county tobacco stamps, the entity,  
2 including the Commissioner of the Department of Revenue, may  
3 require a monthly report in lieu of stamps to report the  
4 amount of tax due. The monthly report shall be in a form  
5 approved by the commissioner and adopted by the department  
6 under the Alabama Administrative Procedure Act, Chapter 22,  
7 Title 41. If monthly reports are not required to be filed by a  
8 person, firm, or corporation that sells, stores, delivers,  
9 uses, or otherwise consumes tobacco products in Chambers  
10 County with the State Department of Revenue, these reports  
11 shall be filed with the Chambers County Commission.

12 "(d) All laws, rules, and regulations of the  
13 department relating to the manner and time of payment of the  
14 tax levied by Sections 40-25-1 to 40-25-28, inclusive,  
15 requiring reports from dealers and prescribing penalties for  
16 violations shall apply with equal force to the tax levied by  
17 this section as provided for in this section.

18 "(e) There is hereby created the District Community  
19 Service Grant Authority consisting of the Senator from Senate  
20 District 13 and the House members from House Districts 37 and  
21 38. The District Community Service Grant Authority shall  
22 allocate funds distributed to the authority.

23 "(f) (1) The proceeds from the tax authorized, less  
24 two percent of the actual cost of collection shall be

1 distributed to the Chambers County General Fund to be expended  
2 as follows:

3 "a. Twenty-five percent of the proceeds shall be  
4 distributed to a special account to be utilized exclusively  
5 for county fire and rescue protection purposes, as provided in  
6 subdivision (2).

7 "b. Forty-eight percent of the proceeds shall be  
8 distributed to the Chambers County Industrial Development  
9 Council.

10 "c. Eighteen percent of the proceeds shall be  
11 distributed to the District Community Service Grant Authority  
12 to be allocated by the authority.

13 "d. Four percent of the proceeds shall be  
14 distributed to the Chattahoochee Valley Humane Society to be  
15 used for small animal control on a countywide basis.

16 "e. Three percent of the proceeds shall be  
17 distributed to Valley Haven School.

18 "f. Two percent of the proceeds shall be deposited  
19 into a fund in the county treasury earmarked for scholarships  
20 for residents of Chambers County to be administered and  
21 awarded by a scholarship board consisting of three persons  
22 appointed by the legislative delegation representing Chambers  
23 County.

24 "(2) The county commission may enter into a service  
25 contract with the Chambers County Volunteer Fire and Rescue

1 Association which represents more than one fire and/or rescue  
2 department to provide fire and rescue protection to a part or  
3 all of the county. The county commission may develop criteria  
4 which shall be met by the association with which it enters  
5 into contract. The compensation for the contract shall be paid  
6 from funds in the special account. The association may be  
7 composed of volunteer fire and rescue departments which are  
8 located within the county. Compensation paid to the  
9 association pursuant to the service contract shall be  
10 distributed by the association to the volunteer fire and  
11 rescue departments in the manner the association's governing  
12 body deems appropriate. The association shall develop  
13 standards and criteria which shall be met by all its member  
14 fire and rescue departments. Each officer of the association  
15 shall be a member in good standing of a volunteer fire  
16 department. Any member fire and rescue department which fails  
17 to meet the standards and criteria shall be denied its share  
18 of the funding. The association shall give noncomplying member  
19 fire and rescue departments proper notice of all deficiencies  
20 and a reasonable time period to correct the deficiencies  
21 before any funds shall be denied.

22 "(g) This section shall not be construed to apply to  
23 cigarettes, cigars, snuff, smoking tobacco, and like tobacco  
24 products stored by a wholesale dealer for the purpose of

1 resale or reshipment outside of the county which are actually  
2 resold or reshipped."

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

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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB487

Senate 19-APR-12

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris  
Secretary

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House of Representatives

Passed: 26-APR-12

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By: Senator Dial