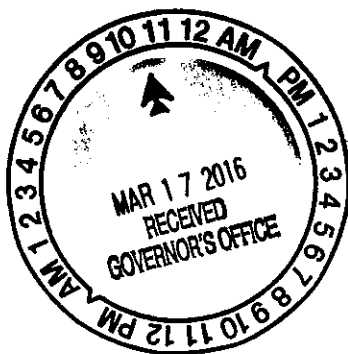


ACT #2016-110

1 SB233
2 173394-3
3 By Senator Pittman
4 RFD: Finance and Taxation General Fund
5 First Read: 16-FEB-16



SB233

ENROLLED, An Act,

To amend Sections 40-23-191 and 40-23-198, Code of Alabama 1975, to update the definitions relating to simplified sellers use tax; to update references to federal legislation on the enforcement of sales and use tax as it relates to eligible sellers remitting simplified sellers use tax.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 40-23-191 and 40-23-198, Code of Alabama 1975, are amended to read as follows:

"§40-23-191.

"(a) This part shall be titled The Simplified Seller Use Tax Remittance Act.

"(b) For the purpose of this part, the following terms shall have the respective meanings ascribed to them in this section:

"(1) DEPARTMENT. The Alabama Department of Revenue.

"(2) ELIGIBLE SELLER. An individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation, or other legal entity that sells tangible personal property or a service, but does not have a physical presence in this state or is not otherwise required to be subject to requirements for collecting and

1 remitting state and local sales or use tax for sales delivered
 2 into the state. Such seller shall remain eligible for
 3 participation in the Simplified Use Tax Remittance Program
 4 unless the seller establishes a presence through a physical
 5 business address for the purpose of making instate retail
 6 sales within the state of Alabama or becomes otherwise
 7 required to collect and remit sales or use tax pursuant to
 8 Section 40-23-190 through an affiliate making retail sales at
 9 a physical business address in Alabama, provided the seller
 10 was a participant in the program for at least 6 months prior
 11 to establishing such physical presence or filing obligation.

12 "(3) LOCALITY. A county, municipality, or other
 13 local governmental taxing authority which levies a local sales
 14 and/or use tax.

15 "(4) SIMPLIFIED SELLERS USE TAX. The eight percent
 16 tax to be collected, reported, and remitted by eligible
 17 sellers who are participating in the program pursuant to
 18 requirements and procedures established pursuant to this part.

19 "(5) SIMPLIFIED USE TAX REMITTANCE PROGRAM or
 20 PROGRAM. The program established in this part to provide a
 21 mechanism for eligible sellers to collect, report, and remit
 22 the simplified sellers use tax established pursuant to this
 23 part.

24 "(6) STATE. The State of Alabama.

25 "\$40-23-198.

1 " ~~In the event that a change in federal law, whether~~
2 ~~it be federal legislation or decision of the U.S. Supreme~~
3 ~~Court, the enactment of federal legislation~~ removes current
4 federal limitations on states' ability to enforce their sales
5 and use tax jurisdiction against businesses that lack an
6 instate physical presence, the provisions of this part shall
7 be inapplicable as to any eligible seller who is not
8 registered with the department as a participant in the program
9 at least six months prior to the date of such change in law.
10 In such event, the provisions of this part will continue to
11 apply to any eligible seller who has been approved by the
12 department as a participant in the program at least six months
13 prior to the change in law and to any taxpayer who has paid or
14 pays the simplified sellers use tax authorized under this part
15 provided the eligible seller continues to collect, report, and
16 remit the simplified sellers use tax and otherwise complies
17 with all procedures and requirements of the program. Eligible
18 sellers participating in the program pursuant to this
19 subsection may continue to receive a discount of two percent
20 (2%) on all simplified sellers use taxes properly remitted
21 under the provisions of this part and shall continue to report
22 sales under the conditions set out in Section 40-23-193."

23 Section 2. This act shall become effective
24 immediately following its passage and approval by the
25 Governor, or its otherwise becoming law.

Kay Ivey
President and Presiding Officer of
the Senate

[Signature]
Speaker of the House of Representa-
tives

SB233
Senate 25-FEB-16
I hereby certify that the within Act originated in
and passed the Senate.

Patrick Harris
Secretary

House of Representatives
Passed: 15-MAR-16

By: Senator Pittman

APPROVED 4-4-16

TIME 4:00 PM

Robert Bentley
GOVERNOR

Alabama Secretary Of State

Act Num.....: 2016-110
Bill Num....: S-233

Recv'd 04/05/16 09:06a SLF

FOR
SPONSORS

SENATE ACTION

DATE: 2-16 2016
RD 1 RFD F-4TG

I hereby certify that the notice & proof is attached to the Bill, SB _____ as required in the General Acts of Alabama, 1975 Act No. 919.

PATRICK HARRIS,
Secretary

This Bill was referred to the Standing Committee of the Senate on F-4TG

and was acted upon by such Committee in session and is by order of the Committee returned therefrom with a favorable report

w/amd(s) 15 w/sub 0 w/eng sub 0
years 15 days 0 abstain 0
this 12-16 day of February, 2016
Jury Woodard, Chairperson

DATE: 2-24 2016
RF FAV RD 2 CAL

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 233.
years 31 days 0 abstain 0

PATRICK HARRIS,
Secretary

DATE: 2-25-16 RD 3 at length
PASSED ☒ PASSED AS AMENDED ☐

years 31 days 0 abstain 0
And was ordered sent forthwith to the House.

PATRICK HARRIS,
Secretary

HOUSE ACTION

DATE: 3-1-16 2016
RD 1 RFD W4MG

REPORT OF STANDING COMMITTEE

This bill having been referred by the House to its standing committee on

W4MG

was acted upon by such Committee in session, and returned therefrom to the House with the recommendation that it be Passed,

w/amd(s) 9 w/sub 0
this 9th day of March, 2016
Steve Chase, Chairperson

DATE: 3-10 2016
RF RD 2 CAL

DATE: 20
RE-REFERRED ☐ RE-COMMITTED ☐
COMMITTEE

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 233.
YEAS 105 NAYS 0

JEFF WOODARD,
Clerk