

## SB36 INTRODUCED



1 SB36  
2 JPEZUFN-1  
3 By Senator Albritton  
4 RFD: Finance and Taxation General Fund  
5 First Read: 13-Jan-26  
6 PFD: 18-Dec-25

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4 SYNOPSIS:

5 Under existing law, local sales and use taxes  
6 collected on the purchase of tangible personal property  
7 by an Alabama resident from a different jurisdiction  
8 are retained by the local taxing authority that levied  
9 the sales and use taxes.

10 This bill would require any sales and use taxes  
11 collected by an Alabama municipality from the purchase  
12 of tangible personal property by an Alabama resident  
13 from a different jurisdiction to be refunded to the  
14 taxpayer upon proper proof of payment and residency.

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17 A BILL  
18 TO BE ENTITLED  
19 AN ACT  
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21 Relating to local sales and use taxes; to require  
22 municipalities to refund local sales taxes paid by Alabama  
23 residents from a different jurisdiction upon proper proof of  
24 payment and residency.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. (a) Any Alabama taxpayer who pays municipal  
27 sales and use taxes to an Alabama municipality other than his  
28 or her place of residence may file a petition for refund of



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the taxes paid with the municipality based on a process established by the municipality. The petition for refund may only be filed once per year.

(b) Any taxpayer seeking a refund of municipal sales and use taxes paid pursuant to (a) shall maintain records documenting the amount of sales and use taxes paid to the municipality. Refunds shall require proper documentation of amounts of municipal sales and use taxes paid, along with proof of residency of the taxpayer.

(c) Notwithstanding any other provisions of law, interest due on any refund of municipal sales and use taxes paid to a municipality under this act shall begin to be paid by the municipality beginning 90 days after the receipt date of the properly documented refund petition with interest accruing beginning on the 91st day.

Section 2. This act shall become effective on October 1, 2026.