

1 SB332
2 115472-2
3 By Senator Benefield (N & P)
4 RFD: Local Legislation No. 1
5 First Read: 02-FEB-10

1 SB332

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With Notice and Proof

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6 ENROLLED, An Act,

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Relating to Chambers County; to amend Section

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45-9-244, Code of Alabama 1975; to provide further for the

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disbursement of a portion of the tobacco tax to Valley Haven

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School, to the county commission to be used by water districts

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for feeder lines, subject to guidelines provided by the county

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commission and to the county treasury for scholarships for

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local residents to be administered by a board appointed by the

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legislative delegation; and to abolish the District Community

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Service Office.

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BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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Section 1. Section 45-9-244, Code of Alabama 1975,

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is amended to read as follows:

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"§45-9-244.

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"(a) Upon adoption of the Legislature, there is

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hereby imposed on every person, firm, or corporation that

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sells, stores, delivers, uses, or otherwise consumes tobacco

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or tobacco products in Chambers County, a county privilege,

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license, or excise tax in the following amounts:

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

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

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

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

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

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

22 "The privilege, license, or excise tax shall be in
23 addition to all other taxes imposed by law and shall be
24 collected in the same manner as other taxes on tobacco, except
25 that when the license tax required by this section has been

1 paid by a wholesaler or seller of the products, that payment
2 shall be sufficient. The legislative intent is that the tax
3 shall be paid only once on each package of cigarettes, chewing
4 tobacco, snuff, cigars of every description, and smoking
5 tobacco of every description, and for each package of tobacco
6 paper, whether gummed or ungummed.

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

1 "(c) It shall be unlawful for any dealer, storer,
2 distributor, or any person, firm, or corporation that sells,
3 delivers, uses, or otherwise consumes tobacco products in
4 Chambers County, for which the tax is levied, to fail or
5 refuse to add to the sales price and collect from the
6 purchaser the amount due on account of the tax herein
7 provided, to refund or offer to refund all or any part of the
8 amount collected or absorbed, or advertise directly or
9 indirectly, the absorption of the tax or any portion thereof.
10 Any person, firm, corporation, club, or association violating
11 this subsection shall be subject to a civil penalty of not
12 less than twenty-five dollars (\$25) nor more than five hundred
13 dollars (\$500). Each section in violation of this subsection
14 shall constitute a separate offense.

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

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

21 "(3) The county shall contract with the State
22 Department of Revenue, to purchase stamps to be affixed. The
23 department may have the same duties relative to the
24 preparation and sale of stamps to evidence the payment of the

1 tax that it has relative to the preparation and sale of stamps
2 under Section 40-25-1 to 40-25-28, inclusive.

3 "(4) In accordance with Section 40-25-2(g), in the
4 event the aforementioned tobacco stamps are not available for
5 affixing to tobacco products packages and containers, or by
6 the authority of a duly promulgated regulation eliminating the
7 requirement of affixing county tobacco stamps, the entity,
8 including the Commissioner of the Department of Revenue, may
9 require a monthly report in lieu of stamps to report the
10 amount of tax due. The monthly report shall be in a form
11 approved by the commissioner and adopted by the department
12 under the Alabama Administrative Procedure Act, Title 41,
13 Chapter 22. If monthly reports are not required to be filed by
14 a person, firm, or corporation that sells, stores, delivers,
15 uses, or otherwise consumes tobacco products in Chamber County
16 with the State Department of Revenue, these reports shall be
17 filed with the Chambers County Commission.

18 "(d) All laws, rules, and regulations of the
19 department relating to the manner and time of payment of the
20 tax levied by Sections 40-25-1 to 40-25-28, inclusive,
21 requiring reports from dealers and prescribing penalties for
22 violations shall apply with equal force to the tax levied by
23 this section as provided for in this section.

24 " (e) (1) The proceeds from the tax authorized, less
25 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. Fifteen percent shall be retained in the
4 Chambers County General Fund to be utilized as are other
5 county funds.

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

10 "c. Forty-eight percent of the proceeds shall be
11 distributed to the Chambers County Industrial Development
12 Council.

13 "d. Two percent of the proceeds shall be distributed
14 to Valley Haven School.

15 "e. Eight percent of the proceeds shall be
16 distributed to the Chambers County Commission to be deposited
17 into a separate fund in the county treasury and, subject to an
18 application process developed by the county commission,
19 disbursed to water districts in the county for the purpose of
20 installing feeder lines. The county commission may develop
21 guidelines, promulgate rules, and institute an application
22 process to provide for disbursement of the funds.

23 "f. Two percent of the proceeds shall be deposited
24 into a fund in the county treasury earmarked for scholarships
25 for residents of Chambers County to be administered and

1 awarded by a Scholarship Board consisting of three persons
2 appointed by the legislative delegation representing Chambers
3 County.

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

1 and a reasonable time period to correct the deficiencies
2 before any funds shall be denied.

3 " (f) This section shall not be construed to apply
4 to cigarettes, cigars, snuff, smoking tobacco, and like
5 tobacco products stored by a wholesale dealer for the purpose
6 of resale or reshipment outside of the county which are
7 actually resold or reshipped."

8 Section 2. The District Community Service Office
9 serving Randolph, Clay, and Chambers Counties is abolished.

10 Section 3. This act shall become effective on
11 September 30, 2010.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB332

Senate 25-FEB-10

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

McDowell Lee
Secretary

House of Representatives
Passed: 06-APR-10

By: Senator Benefield