

1 SB459
2 139490-3
3 By Senator Blackwell
4 RFD: Banking and Insurance
5 First Read: 03-APR-12

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

10
11 Relating to sales and use tax and leasing or rental
12 tax; to require the Department of Revenue to develop and make
13 available a system which allows any taxpayer required to file
14 and remit a state, county, or municipal sales or use tax or a
15 state, county, or municipal leasing or rental tax the ability
16 to file and remit the sales and use tax or leasing or rental
17 tax returns and payments through an electronic single point of
18 filing program; to provide that there shall be no charge to
19 utilize the local electronic single point of filing program by
20 a taxpayer or local taxing jurisdiction; to allow the
21 Department of Revenue to promulgate rules to implement the
22 provisions of this act; and to create a State and Local
23 Advisory Committee to provide input to the Commissioner of
24 Revenue, and to provide for its membership, powers, and
25 duties.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. (a) No later than September 30, 2013, the
2 Department of Revenue shall develop and make available a
3 system which allows any taxpayer required to file and remit a
4 state, county, or municipal sales or use tax or leasing a
5 state, county, or municipal rental tax the ability to file and
6 remit such sales and use tax or leasing or rental tax returns
7 and payments through an electronic single point of filing
8 program. The system shall be known as the Optional Network
9 Election for Single Point Online Transactions or "ONE SPOT."
10 The system shall be available for use by any taxpayer for tax
11 periods after September 30, 2013, provided the taxpayer
12 complies with this act and any rules promulgated by the
13 department for the administration of the system. The ONE SPOT
14 system shall allow for sales and use tax or leasing or rental
15 tax return filing and tax remittance only and may not provide
16 for the administration or enforcement of local sales and use
17 taxes.

18 (b) There shall be no charge to local taxing
19 jurisdictions for utilization of the ONE SPOT system by
20 taxpayers or the local taxing jurisdiction. Beginning no later
21 than January 2013, the department shall provide financial
22 assistance of up to one million dollars (\$1,000,000) for three
23 years to assist local taxing jurisdictions as necessary to
24 ensure that their local system is capable of effectively
25 interfacing with the ONE SPOT system.

26 (c) The system developed and implemented pursuant to
27 subsection (a) shall have the capability to allow a taxpayer

1 to file an electronic tax return for state sales and use taxes
2 and leasing or rental taxes and for each local taxing
3 jurisdiction in which the taxpayer is required to file and
4 remit a sales or use tax or leasing or rental tax. The
5 electronic tax return shall contain all information included
6 in the standard multiple jurisdictional tax returns developed
7 pursuant to Section 11-51-210, Code of Alabama 1975, and all
8 information included in the electronic tax return shall be
9 electronically available to each appropriate local taxing
10 jurisdiction without delay. The department shall consult with
11 the State and Local Advisory Committee established in Section
12 3 regarding development and implementation of the ONE SPOT
13 system.

14 (d) As required in Section 11-51-210, Code of
15 Alabama 1975, every local taxing jurisdiction levying or
16 administering a sales or use tax or leasing or rental tax
17 shall submit to the department a list of the sales and use
18 taxes and leasing or rental taxes levied or administered by
19 that local taxing jurisdiction including current rates and
20 shall submit to the department written notification of any new
21 or amended sales or use tax or leasing or rental tax at least
22 30 days prior to the effective date of the tax or amendment.
23 Failure to notify the department may not invalidate the levy
24 of the tax; except that the department may not be required to
25 program new sales or use taxes and leasing or rental taxes or
26 tax rates in the system until such time as notice is provided

1 as required in this act and pursuant to Section 11-51-210,
2 Code of Alabama 1975.

3 Section 2. (a) All Alabama taxing jurisdictions
4 shall authorize utilization of the ONE SPOT system for any
5 taxpayer required to file a state or local sales or use tax or
6 leasing or rental tax return or remit the tax payments;
7 provided, however, that any taxpayer utilizing the ONE SPOT
8 system for filing an electronic tax return for a local taxing
9 jurisdiction shall be required to simultaneously remit payment
10 through the system or through another electronic method of
11 payment accepted by the local taxing jurisdiction for which
12 payment is being made. A local taxing jurisdiction may not
13 accept a tax return from a taxpayer without payment through
14 the system unless the taxpayer has prior approval from the
15 local taxing jurisdiction to utilize a different approved
16 electronic method of payment.

17 (b) No later than June 30, 2013, each local taxing
18 jurisdiction shall provide the department with necessary
19 information to allow all sales and use tax or leasing or
20 rental tax payments to be remitted directly to the bank
21 account or other account designated by the local taxing
22 jurisdiction. Each non-state administered local taxing
23 jurisdiction shall set up their accounts to allow dishonored
24 payments to be reversed by the system. All tax payments made
25 through the ONE SPOT system for non-state administered local
26 taxing jurisdictions shall be remitted directly from the
27 taxpayer to the designated bank account or other account of

1 the local taxing jurisdiction with the ONE SPOT system serving
2 as a conduit only.

3 (c) No taxpayer shall be required to use the ONE
4 SPOT system for tax return filing and remittance of local
5 sales and use taxes and leasing or rental taxes; provided,
6 however, that any taxpayer utilizing the system shall comply
7 with this act and any rules promulgated by the department for
8 the administration of this act. Additionally, any taxpayer
9 utilizing the system shall comply with any rules of the local
10 taxing jurisdiction regarding the administration of the local
11 sales or use tax or leasing or rental tax.

12 (d) All penalties and interest shall be assessed
13 according to state law and the rules of the department, except
14 that a local taxing jurisdiction may elect to apply the
15 interest at the rate of one percent per month, if it notifies
16 the department of the election in a manner prescribed by the
17 department. Additionally, the state discount rate shall be
18 applied except that a local taxing jurisdiction discount rate
19 shall be applied if the local taxing jurisdiction notifies the
20 department of such election in a manner prescribed by the
21 department. A taxpayer who desires a waiver of any penalty
22 assessed in relation to a return filed for a local taxing
23 jurisdiction shall apply directly to that local taxing
24 jurisdiction for the waiver.

25 Section 3. (a) (1) To ensure that local taxing
26 jurisdictions have meaningful input into the development and
27 operation of ONE SPOT, a State and Local Advisory Committee is

1 hereby established to review the design and operation of the
2 system and to make recommendations regarding system
3 requirements and functionality to the Commissioner of Revenue.

4 (2) The committee shall consist of the following
5 individuals:

6 a. Three representatives of county government,
7 appointed by the Association of County Commissions of Alabama.

8 b. Three representatives of municipal government,
9 appointed by the Alabama League of Municipalities.

10 c. One representative of the business community,
11 appointed by the Business Council of Alabama.

12 d. One representative of the retail community,
13 appointed by the Alabama Retail Association.

14 e. One representative of a county or municipality
15 which levies a lease or rental tax appointed by the Speaker of
16 the House of Representatives who shall be a nonvoting member.

17 f. One representative of the business community
18 appointed by the President Pro Tempore of the Senate who shall
19 be a nonvoting member.

20 (3) The committee members shall receive no
21 compensation or reimbursement of expenses from the state for
22 serving on the committee.

23 (b) The committee shall meet with the Commissioner
24 of Revenue and with other employees of the department as the
25 commissioner deems appropriate. The initial meeting shall be
26 at a time and place to be determined by the commissioner and
27 shall be held no later than September 30, 2012. At the initial

1 meeting, the committee shall organize itself and shall
2 determine the timing and frequency of subsequent meetings.

3 (c) The role of the committee shall be limited to
4 providing input and recommendations on the development and
5 functionality of the ONE SPOT system with relation to the
6 filing of sales and use tax or leasing or rental tax returns
7 and remittance of payments utilizing the ONE SPOT system. The
8 committee shall make no review of the department's
9 administration of state taxes, of state-administered local
10 taxes, nor of any other department matter beyond the ONE SPOT
11 system.

12 (d) If the commissioner fails to act on
13 recommendations made by the committee regarding ONE SPOT, the
14 committee, by majority vote, may appeal to the Legislative
15 Council for a determination on whether the committee's
16 recommendations shall be implemented. The determination of the
17 Legislative Council shall be final.

18 Section 4. The provisions of this act are severable.
19 If any part of this act is declared invalid or
20 unconstitutional, that declaration shall not affect the part
21 which remains.

22 Section 5. All laws or parts of laws which conflict
23 with this act are repealed.

24 Section 6. This act shall become effective on the
25 first day of the second month following its passage and
26 approval by the Governor, or upon its otherwise becoming law,

1 for returns and payments for tax periods beginning after
2 September 30, 2013.

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Senate

Read for the first time and referred to the Senate
committee on Banking and Insurance..... 03-APR-12

Read for the second time and placed on the calen-
dar 1 amendment..... 05-APR-12

Read for the third time and passed as amended 10-APR-12

Yeas 27
Nays 1

Patrick Harris
Secretary