

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

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8 SYNOPSIS: This bill would require the Department of  
9 Revenue to develop and make available a system  
10 which allows any taxpayer required to file and  
11 remit a state, county, or municipal sales or use  
12 tax the ability to file and remit the sales and use  
13 tax returns and payments through an electronic  
14 single point of filing program.

15 This bill would provide that there shall be  
16 no charge to utilize the local electronic single  
17 point of filing program by a taxpayer or local  
18 taxing jurisdiction.

19 This bill would allow the Department of  
20 Revenue to promulgate rules to implement the  
21 provisions of the bill.

22 This bill would create a State and Local  
23 Advisory Committee to provide input to the  
24 Commissioner of Revenue, and would provide for its  
25 membership, powers, and duties.

26  
27 A BILL

1 TO BE ENTITLED

2 AN ACT

3  
4 Relating to sales and use tax; to require the  
5 Department of Revenue to develop and make available a system  
6 which allows any taxpayer required to file and remit a state,  
7 county, or municipal sales or use tax the ability to file and  
8 remit the sales and use tax returns and payments through an  
9 electronic single point of filing program; to provide that  
10 there shall be no charge to utilize the local electronic  
11 single point of filing program by a taxpayer or local taxing  
12 jurisdiction; to allow the Department of Revenue to promulgate  
13 rules to implement the provisions of this act; and to create a  
14 State and Local Advisory Committee to provide input to the  
15 Commissioner of Revenue, and to provide for its membership,  
16 powers, and duties.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. (a) No later than September 30, 2013, the  
19 Department of Revenue shall develop and make available a  
20 system which allows any taxpayer required to file and remit a  
21 state, county, or municipal sales or use tax the ability to  
22 file and remit such sales and use tax returns and payments  
23 through an electronic single point of filing program. The  
24 system shall be known as the Optional Network Election for  
25 Single Point Online Transactions or "ONE SPOT." The system  
26 shall be available for use by any taxpayer for tax periods  
27 after September 30, 2013, provided the taxpayer complies with

1 this act and any rules promulgated by the department for the  
2 administration of the system. The ONE SPOT system shall allow  
3 for sales and use tax return filing and tax remittance only  
4 and may not provide for the administration or enforcement of  
5 local sales and use taxes.

6 (b) There shall be no charge to local taxing  
7 jurisdictions for utilization of the ONE SPOT system by  
8 taxpayers or the local taxing jurisdiction. Beginning no later  
9 than January 2013, the department shall provide financial  
10 assistance of up to one million dollars (\$1,000,000) for three  
11 years to assist local taxing jurisdictions as necessary to  
12 ensure that their local system is capable of effectively  
13 interfacing with the ONE SPOT system.

14 (c) The system developed and implemented pursuant to  
15 subsection (a) shall have the capability to allow a taxpayer  
16 to file an electronic tax return for state sales and use taxes  
17 and for each local taxing jurisdiction in which the taxpayer  
18 is required to file and remit a sales or use tax. The  
19 electronic tax return shall contain all information included  
20 in the standard multiple jurisdictional tax returns developed  
21 pursuant to Section 11-51-210, Code of Alabama 1975, and all  
22 information included in the electronic tax return shall be  
23 electronically available to each appropriate local taxing  
24 jurisdiction without delay. The department shall consult with  
25 the State and Local Advisory Committee established in Section  
26 3 regarding development and implementation of the ONE SPOT  
27 system.

1 (d) As required in Section 11-51-210, Code of  
2 Alabama 1975, every local taxing jurisdiction levying or  
3 administering a sales or use tax shall submit to the  
4 department a list of the sales and use taxes levied or  
5 administered by that local taxing jurisdiction including  
6 current rates and shall submit to the department written  
7 notification of any new or amended sales or use tax at least  
8 30 days prior to the effective date of the tax or amendment.  
9 Failure to notify the department may not invalidate the levy  
10 of the tax; except that the department may not be required to  
11 program new sales or use taxes or tax rates in the system  
12 until such time as notice is provided as required in this act  
13 and pursuant to Section 11-51-210, Code of Alabama 1975.

14 Section 2. (a) All Alabama taxing jurisdictions  
15 shall authorize utilization of the ONE SPOT system for any  
16 taxpayer required to file a state or local sales or use tax  
17 return or remit the tax payments; provided, however, that any  
18 taxpayer utilizing the ONE SPOT system for filing an  
19 electronic tax return for a local taxing jurisdiction shall be  
20 required to simultaneously remit payment through the system or  
21 through another electronic method of payment accepted by the  
22 local taxing jurisdiction for which payment is being made. A  
23 local taxing jurisdiction may not accept a tax return from a  
24 taxpayer without payment through the system unless the  
25 taxpayer has prior approval from the local taxing jurisdiction  
26 to utilize a different approved electronic method of payment.

1           (b) No later than June 30, 2013, each local taxing  
2 jurisdiction shall provide the department with necessary  
3 information to allow all sales and use tax payments to be  
4 remitted directly to the bank account or other account  
5 designated by the local taxing jurisdiction. Each non-state  
6 administered local taxing jurisdiction shall set up their  
7 accounts to allow dishonored payments to be reversed by the  
8 system. All tax payments made through the ONE SPOT system for  
9 non-state administered local taxing jurisdictions shall be  
10 remitted directly from the taxpayer to the designated bank  
11 account or other account of the local taxing jurisdiction with  
12 the ONE SPOT system serving as a conduit only.

13           (c) No taxpayer shall be required to use the ONE  
14 SPOT system for tax return filing and remittance of local  
15 sales and use taxes; provided, however, that any taxpayer  
16 utilizing the system shall comply with this act and any rules  
17 promulgated by the department for the administration of this  
18 act. Additionally, any taxpayer utilizing the system shall  
19 comply with any rules of the local taxing jurisdiction  
20 regarding the administration of the local sales or use tax.

21           (d) All penalties and interest shall be assessed  
22 according to state law and the rules of the department, except  
23 that a local taxing jurisdiction may elect to apply the  
24 interest at the rate of one percent per month, if it notifies  
25 the department of the election in a manner prescribed by the  
26 department. Additionally, the state discount rate shall be  
27 applied except that a local taxing jurisdiction discount rate

1 shall be applied if the local taxing jurisdiction notifies the  
2 department of such election in a manner prescribed by the  
3 department. A taxpayer who desires a waiver of any penalty  
4 assessed in relation to a return filed for a local taxing  
5 jurisdiction shall apply directly to that local taxing  
6 jurisdiction for the waiver.

7 Section 3. (a) (1) To ensure that local taxing  
8 jurisdictions have meaningful input into the development and  
9 operation of ONE SPOT, a State and Local Advisory Committee is  
10 hereby established to review the design and operation of the  
11 system and to make recommendations regarding system  
12 requirements and functionality to the Commissioner of Revenue.

13 (2) The committee shall consist of the following  
14 individuals:

15 a. Three representatives of county government,  
16 appointed by the Association of County Commissions of Alabama.

17 b. Three representatives of municipal government,  
18 appointed by the Alabama League of Municipalities.

19 c. One representative of the business community,  
20 appointed by the Business Council of Alabama.

21 d. One representative of the retail community,  
22 appointed by the Alabama Retail Association.

23 (3) The committee members shall receive no  
24 compensation or reimbursement of expenses from the state for  
25 serving on the committee.

26 (b) The committee shall meet with the Commissioner  
27 of Revenue and with other employees of the department as the

1 commissioner deems appropriate. The initial meeting shall be  
2 at a time and place to be determined by the commissioner and  
3 shall be held no later than September 30, 2012. At the initial  
4 meeting, the committee shall organize itself and shall  
5 determine the timing and frequency of subsequent meetings.

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

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

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

24 Section 5. All laws or parts of laws which conflict  
25 with this act are repealed.

26 Section 6. This act shall become effective on the  
27 first day of the second month following its passage and



1 approval by the Governor, or upon its otherwise becoming law,  
2 for returns and payments for tax periods beginning after  
3 September 30, 2013.