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3 AMENDMENT TO HOUSE AGRICULTURE AND FORESTRY COMMITTEE
4 SUBSTITUTE FOR HB313

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9 On page 8, line 17, delete ", but the" and insert in
10 lieu thereof the following:

11 ~~, but the.~~ The

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13 On page 8, line 20, before "chips" insert the
14 following:

15 pulpwood

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17 On page 8, line 21, after the period insert the
18 following:

19 A manufacturer utilizing logs in a manufacturing
20 process that also produces residual pulpwood chips from those
21 logs shall not be liable for the additional forest products
22 manufacturers tax levied by subsection (b) on that portion of
23 the log that is converted into residual pulpwood chips. The
24 additional forest products manufacturers tax levied by
25 subsection (b) attributable to those residual pulpwood chips
26 shall be paid by the manufacturer utilizing the residual
27 pulpwood chips in a manufacturing process.

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On page 14, delete lines 15 to 22, inclusive, and insert in lieu thereof a new Section 2 as follows:

Section 2. (a) The Legislature finds and declares that the intent of this amendatory act is to simplify and clarify existing language used to calculate and collect forest product severance taxes and forest product manufacturing taxes and to ensure that these taxes are levied and paid only once. In furtherance of that intent, the Legislature finds that this amendatory act clarifies all of the following:

(1) Before the effective date of this amendatory act, if a manufacturer paid forest products severance tax utilizing a formula to convert from the weight of delivered logs to an estimate of volume based on either board measure lumber tally or log scale (Doyle Rule) for the purposes of determining the amount of forest products severance tax to be paid, then no additional forest products severance tax shall be due on the products produced from that log including the parts of the logs that are converted to residual pulpwood chips.

(2) Before the effective date of this amendatory act, if any manufacturer collected and paid forest products severance tax based on the weight of delivered logs, no additional forest products severance tax shall be due on the products produced from that log including the parts of the logs that are converted to residual pulpwood chips.

1 (3) Before the effective date of this amendatory
2 act, if the forest products severance tax was paid on either
3 pulpwood chips or the logs used to produce pulpwood chips, no
4 additional forest products severance tax shall be due by the
5 manufacturer purchasing the pulpwood chips for use in a
6 manufacturing process.

7 (b) The clarifications provided in subsection (a)
8 shall apply to all open tax periods and all periods for which
9 a preliminary or final assessment of tax could be or was
10 entered pursuant to Section 40-2A-7, Code of Alabama 1975, or
11 any successor general or local law, before the effective date
12 of this amendatory act.

13 (c) No refunds shall be due or issued pursuant to
14 the clarifications provided in subsection (a) with respect to
15 those tax periods occurring before the effective date of this
16 amendatory act.