

1 SB171  
2 190030-3  
3 By Senator Gudger  
4 RFD: Tourism  
5 First Read: 21-MAR-19

1 SB171

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4 ENROLLED, An Act,

5 To amend Section 40-26-1, Code of Alabama 1975,  
6 relating to lodging tax; to provide that the rental of room or  
7 space in a hotel, motel, inn, tourist camp, tourist cabin, or  
8 any other place which is not a room, lodging, or accommodation  
9 regularly furnished for overnight sleeping purposes would not  
10 be subject to the lodging tax.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. Section 40-26-1, Code of Alabama 1975, is  
13 amended to read as follows:

14 "§40-26-1.

15 "(a) There is levied and imposed, in addition to all  
16 other taxes of every kind now imposed by law, a privilege or  
17 license tax upon every person, firm, or corporation engaging  
18 in the business of renting or furnishing any room or rooms,  
19 lodging, or accommodations to transients in any hotel, motel,  
20 inn, tourist camp, tourist cabin, or any other place in which  
21 rooms, lodgings, or accommodations are regularly furnished to  
22 transients for a consideration, in any county which is located  
23 in the geographic region comprising the Alabama mountain lakes  
24 area, those being Blount, Cherokee, Colbert, Cullman, DeKalb,  
25 Etowah, Franklin, Jackson, Lauderdale, Lawrence, Limestone,

1 Madison, Marion, Marshall, Morgan, and Winston, in an amount  
2 to be determined by the application of the rate of five  
3 percent of the charge for such room, rooms, lodgings, or  
4 accommodations, including the charge for use or rental of  
5 personal property and services furnished in such room, and the  
6 rate of four percent of the charge in every other county.  
7 There is exempted from the tax levied under this chapter any  
8 rentals or services taxed under Division 1 of Article 1 of  
9 Chapter 23 of this title.

10 "(b) The tax shall not apply to rooms, lodgings, or  
11 accommodations supplied: (i) For a period of 180 continuous  
12 days or more in any place; (ii) by camps, conference centers,  
13 or similar facilities operated by nonprofit organizations  
14 primarily for the benefit of, and in connection with,  
15 recreational or educational programs for children, students,  
16 or members or guests of other nonprofit organizations during  
17 any calendar year; or (iii) by privately operated camps,  
18 conference centers, or similar facilities that provide lodging  
19 and recreational or educational programs exclusively for the  
20 benefit of children, students, or members or guests of  
21 nonprofit organizations during any calendar year.

22 "(c) For purposes of subsection (b): "Children"  
23 means individuals under age 21; "student" is defined in  
24 accordance with 26 U.S.C. §151(c)(4), as in effect from time  
25 to time or by any successor law; "nonprofit organization" is

1 an organization exempt from federal income tax under 26 U.S.C.  
2 §501(c)(3), as in effect from time to time or any successor  
3 law; and "privately operated" refers to any camp, conference  
4 center, or similar facility other than those operated by a  
5 nonprofit organization as herein defined.

6 "(d) (1) Charges made for the rental of a ballroom,  
7 dining room, club room, sample room, conference room, wedding  
8 chapel, or similar room or space that is not intended nor  
9 suitable for overnight sleeping purposes and that is not used  
10 for overnight sleeping purposes is not subject to the tax  
11 levied pursuant to this chapter if the charges for the rental  
12 are separately stated by the facility and the room or space is  
13 used exclusively as a room or space for a meeting, conference,  
14 seminar, club meeting, private party, or similar activity.

15 "(2) The exclusion provided in subdivision (1)  
16 applies solely to the transient occupancy tax levied under  
17 this chapter and does not apply to any other taxes, licenses,  
18 or fees except a separately stated rental charge for a meeting  
19 room or other space excluded pursuant to subdivision (1) is  
20 also excluded from the tax levied by Chapter 23 of Title 40."

21 Section 2. All laws or parts of laws which conflict  
22 with this act are repealed.

23 Section 3. This act shall become effective on the  
24 first day of the third month following its passage and  
25 approval by the Governor, or its otherwise becoming law.

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President and Presiding Officer of  
the Senate

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Speaker of the House of Representa-  
tives

SB171  
Senate 16-MAY-19  
I hereby certify that the within Act originated in  
and passed the Senate.

Patrick Harris,  
Secretary.

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House of Representatives  
Passed: 30-MAY-19

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By: Senator Gudger