

**SB150 ENGROSSED**



1 SB150  
2 F36KD5D-2  
3 By Senator Gudger  
4 RFD: Finance and Taxation General Fund  
5 First Read: 20-Feb-24



**SB150 Engrossed**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

A BILL  
TO BE ENTITLED  
AN ACT

Relating to transient occupancy tax; to establish the Alabama Tourism Tax Protection Act of 2024; to define an accommodations intermediary, accommodations provider, and room charge; and to provide that an accommodations provider intermediary shall collect the tax imposed.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-26-1.1 is added to the Code of Alabama 1975, to read as follows:

§40-26-1.1.

(a) This act shall be known and cited as the Alabama Tourism Tax Protection Act of 2024.

(b) For the purposes of this act, the following terms have the following meanings:

(1) ACCOMMODATIONS INTERMEDIARY. Any person, firm, or corporation, other than an accommodations provider, that facilitates renting, furnishing, lodging, or accommodation transactions subject to the tax levied under Section 40-26-1 and charges a room fee or an accommodations fee to the customer, which it retains as compensation for such facilitation. Facilitating transactions include brokering,



## SB150 Engrossed

29 coordinating, or in any other way arranging for the purchase  
30 of the right to use accommodations via a transaction directly,  
31 including via one or more payment processors, between a  
32 customer and an accommodations provider.

33 (2) ACCOMMODATIONS PROVIDER. Any person, firm, or  
34 corporation engaging in the business of transactions subject  
35 to the tax levied under Section 40-26-1 that has an active  
36 lodgings tax account with the department and collects and  
37 remits lodgings tax on such accommodations that are rented  
38 directly by the owner of such accommodation.

39 (3) HOTEL. Any public lodging establishment that is  
40 owned by a single entity or person; contains 15 or more  
41 individual sleeping room accommodations; offers rental units  
42 with daily or weekly rates; has a central office on the  
43 property with specified hours of operation; has a bathroom for  
44 each rental unit; is recognized as a hotel in the community in  
45 which it is situated; and possesses a permit from the Alabama  
46 Department of Public Health to operate as a hotel.

47 (4) MERCHANT OF RECORD. The legally authorized and  
48 responsible entity that processes customer payments for the  
49 sale of goods or services within the state of Alabama.

50 (5) PROFESSIONAL PROPERTY MANAGEMENT COMPANY. A  
51 licensed real estate brokerage firm with a physical storefront  
52 location authorized and licensed under Section 34-27-30 to  
53 engage in the business of property management services on  
54 behalf of property owners.

55 (6) ROOM CHARGE. The full retail price paid by the  
56 guest for an accommodation, including any accommodations fee



## SB150 Engrossed

57 and any other fees or charges. This includes the charge for  
58 use or rental of personal property and services furnished in  
59 the room or accommodation.

60 (c) Except as provided for in subsection (d), the  
61 accommodations intermediary shall collect and remit the tax  
62 imposed pursuant to this chapter for the facilitation of  
63 lodgings transactions subject to the tax levied under Section  
64 40-26-1, and parallel local levies, for transactions occurring  
65 on or after January 1, 2025. The tax shall be imposed on the  
66 room charge as defined in this section.

67 (d) When an accommodations intermediary facilitates the  
68 transaction on behalf of an accommodations provider as defined  
69 in this section, the taxes collected may be remitted to the  
70 accommodations provider when there is an executed written  
71 agreement or contract specifying the responsible party for  
72 remitting such taxes.

73 (e) An accommodations intermediary collecting and  
74 remitting taxes pursuant to subsection (d) shall not be liable  
75 for taxes not remitted by the accommodations provider to the  
76 Department of Revenue.

77 (f) In any accommodation in which an accommodations  
78 intermediary facilitates the sale of the accommodation, the  
79 accommodations intermediary shall separately state the amount  
80 of the tax on the bill, invoice, or similar documentation and  
81 shall add the tax to the room charge; thereafter, such tax  
82 shall be a debt from the customer to the accommodations  
83 intermediary.

84 (g) Every accommodations intermediary and



## SB150 Engrossed

85 accommodations provider shall annually submit a report  
86 prescribed by the Department of Revenue that includes the  
87 physical address of each accommodation that was rented or  
88 furnished greater than 14 days during the previous year. The  
89 report provided herein is confidential taxpayer information  
90 protected under Section 40-2A-10.

91 (h) The following entities shall be exempt from the  
92 provisions of Section 1 of this act:

93 (1) Professional property management companies that  
94 either collect and remit the tax levied pursuant Section  
95 40-26-1, or manage properties leased for a month or more as  
96 the principal residence of the tenant.

97 (2) Hotels that collect and remit the tax levied  
98 pursuant to Section 40-26-1.

99 (3) A destination marketing organization whose primary  
100 purpose is the promotion of tourism and receives funding from  
101 taxes collected and remitted pursuant to Section 40-26-1.

102 (4) Providers of accommodations defined under  
103 subsection (d) of 40-26-1, that collect and remit the tax  
104 levied pursuant to Section 40-26-1.

105 Section 2. For any accommodations transactions, subject  
106 to the tax levied in Section 40-26-1, through an  
107 accommodations intermediary where the accommodations provider  
108 has hired a professional property management company to  
109 oversee, the professional property management company shall be  
110 the merchant of record for such transactions.

111 Section 3. The Department of Revenue shall adopt rules  
112 for the implementation and administration of this act.



## SB150 Engrossed

113                   Section 4. This act shall become effective October 1,  
114    2024.

SB150 Engrossed



115  
116  
117 Senate

118 Read for the first time and referred .....20-Feb-24  
119 to the Senate committee on Finance  
120 and Taxation General Fund  
121  
122 Read for the second time and placed .....20-Mar-24  
123 on the calendar:  
124 0 amendments  
125  
126 Read for the third time and passed .....04-Apr-24  
127 as amended  
128 Yeas 33  
129 Nays 0  
130 Abstains 0

131  
132  
133 Patrick Harris,  
134 Secretary.  
135