

**SB150 INTRODUCED**



1 SB150  
2 EG6I22C-1  
3 By Senator Gudger  
4 RFD: Finance and Taxation General Fund  
5 First Read: 20-Feb-24



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SYNOPSIS:

Under current law, a privilege or license tax is levied upon every person, firm, or corporation engaging in the business of renting or furnishing any room or rooms, lodging, or accommodations to transients in any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients for a consideration.

This bill establishes the Alabama Tourism Tax Protection Act of 2024.

This bill would provide that an accommodations intermediary shall collect the tax imposed on the charge for such room, rooms, lodgings, or accommodations, including the charge for use or rental of personal property and services furnished in such room.

This bill would also provide for the definition of an accommodations intermediary, accommodations provider, and room charge, and provides for the transactions in which the tax is due.

A BILL  
TO BE ENTITLED



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

(2) ACCOMMODATIONS PROVIDER. Any person, firm, or corporation engaging in the business of transactions subject



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57 to the tax levied under Section 40-26-1, which has an active  
58 lodgings tax account with the department, and collects and  
59 remits lodgings tax on such accommodations that are rented  
60 directly by the owner or manager of such accommodation.

61 (3) ROOM CHARGE. The full retail price paid by the  
62 guest for an accommodation, including any accommodations fee  
63 and any other fees or charges. This includes the charge for  
64 use or rental of personal property and services furnished in  
65 the room or accommodation.

66 (c) Except as provided for in subsection (d), the  
67 accommodations intermediary shall collect and remit the tax  
68 imposed pursuant to this chapter for the facilitation of  
69 lodgings transactions subject to the tax levied under Section  
70 40-26-1 for transactions occurring on or after January 1,  
71 2025. The tax shall be imposed on the room charge as defined  
72 in this section.

73 (d) When an accommodations intermediary facilitates the  
74 transaction on behalf of an accommodations provider, as  
75 defined in this section, the taxes collected may be remitted  
76 to the accommodations provider when there is an executed  
77 written agreement or contract specifying the responsible party  
78 for remitting such taxes.

79 (e) An accommodations intermediary collecting and  
80 remitting taxes pursuant to subsection (d) shall not be liable  
81 for taxes not remitted by the accommodations provider to the  
82 Department of Revenue.

83 (f) In any accommodation in which an accommodations  
84 intermediary facilitates the sale of the accommodation, the



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85 accommodations intermediary shall separately state the amount  
86 of the tax on the bill, invoice, or similar documentation and  
87 shall add the tax to the room charge; thereafter, such tax  
88 shall be a debt from the customer to the accommodations  
89 intermediary.

90 (g) Every accommodations intermediary and  
91 accommodations provider shall annually submit a report  
92 prescribed by the Department of Revenue that includes, the  
93 physical address of each accommodation that was rented or  
94 furnished greater than 14 days during the previous year and  
95 the number of days that each accommodation was rented or  
96 furnished during the previous year. The Department of Revenue,  
97 not later than 60 days after receipt of such annual report,  
98 shall provide this information to tax officers of county  
99 governmental agencies pursuant to the exchange of information  
100 provisions of Section 40-2A-10.

101 Section 2. The Department of Revenue shall adopt rules  
102 for the implementation and administration of this act.

103 Section 3. This act shall become effective October 1,  
104 2024.