

SB309 INTRODUCED



1 SB309

2 RFUXNMY-1

3 By Senator Livingston

4 RFD: Fiscal Responsibility and Economic Development

5 First Read: 09-Apr-24



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SYNOPSIS:

Under existing law, alcoholic beverages sold in ABC retail stores are assessed an additional state sales tax at the rate of two percent.

This bill would provide that the additional state sales tax rate assessed in an ABC retail store shall be equal to the combined county and municipal general sales tax rates.

A BILL
TO BE ENTITLED
AN ACT

Relating to sales taxes; to amend Sections 28-3-280 and 28-3-281, Code of Alabama 1975, to provide that the additional state sales tax rate assessed on alcoholic beverages sold in an ABC retail store shall be equal to the combined county and municipal general sales tax rate assessed in the county and municipality where the transaction occurs.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 28-3-280 and 28-3-281, Code of Alabama 1975, are amended to read as follows:

"§28-3-280

In addition to all other taxes levied and collected on



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29 the sale of any alcoholic beverage, there is hereby levied an
30 additional state sales tax in the amount ~~of two percent~~equal
31 to the combined county and municipal general sales tax rates
32 levied or assessed in the county and municipality where the
33 transaction occurs, applied to ~~of~~ the retail price, ~~excluding~~
34 ~~taxes,~~ on the sales of alcoholic beverages sold at retail by
35 Alcoholic Beverage Control Board stores. Such tax shall be in
36 addition to any and all other taxes collected on sales."

37 "§28-3-281

38 (a) The Alcoholic Beverage Control Board shall collect
39 the revenues generated by this article in the same manner as
40 other taxes and fees collected by it. The sales taxes as
41 collected by the Alcoholic Beverage Control Board on retail
42 sales shall be paid to the Department of Revenue.

43 (b) The Department of Revenue shall redistribute the
44 proceeds ~~therefrom in the following manner unless distribution~~
45 ~~is otherwise provided by local act:~~collected within each
46 locality to the respective localities.

47 (c) ~~(1)~~ ~~The department~~ Department of Revenue shall
48 withhold any reasonable charges incurred by the department in
49 handling such taxes which charges shall be prorated on the
50 basis of the sum collected; provided, however, such charges
51 shall not exceed a sum equal to five percent of the amount
52 collected~~;~~.

53 ~~(2) An amount equal to 25 percent of the tax proceeds~~
54 ~~shall be distributed to the respective counties in which the~~
55 ~~taxes are collected, less costs as provided in subdivision (1)~~
56 ~~above; and~~



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57 ~~(3) An amount equal to 75 percent of the tax proceeds~~
58 ~~shall be distributed to the respective municipalities in which~~
59 ~~the taxes are collected, less costs as provided in subdivision~~
60 ~~(1) above.~~

61 ~~(b)~~ (d) The Department of Revenue shall prepare and
62 distribute such reports, forms, and other information as may
63 be necessary for the collection and distribution of the said
64 taxes."

65 Section 2. This act shall become effective on October
66 1, 2024.