

HB369 ENROLLED



1 HB369
2 PUUNRRE-2
3 By Representatives Stubbs, Starnes, Ingram (N & P)
4 RFD: Local Legislation
5 First Read: 27-Feb-25



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Enrolled, An Act,

Relating to Elmore County; to levy a county sales and use tax and provide for the calculation of the rate; to provide for the distribution of the proceeds collected from the tax; to create the Enhance Elmore Fund; and to provide for the allocation of monies deposited into the fund.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall only apply to Elmore County.

Section 2. (a) In addition to all other taxes, beginning September 1, 2025, there is levied a county sales and use tax as provided by this section.

(b) The Revenue Commissioner of Elmore Coounty shall calculate the rates for the tax levied by this section using the formulas in subsection (c) rounded to the nearest tenth percent and shall publish notice of the rates by August 1, 2025.

(c) (1) a. The rate for each incorporated area of the county, including any police jurisdictions, shall be equal to the difference of the following:

1. Nine and one-half percent;

LESS

2. The lesser of the following:

(i) The general retail state sales tax rate levied pursuant to Section 40-23-2(1), Code of Alabama 1975; or

(ii) Four percent;

LESS

3. The lesser of the following:



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(i) The general county sales tax rate levied pursuant to Section 40-12-4, Code of Alabama 1975; or

(ii) One percent;

LESS

4. The general retail sales tax rate levied by a municipality in the incorporated area or police jurisdiction.

b. If the calculation from paragraph a. results in a negative number, no county sales or use tax shall be levied by this section in that area.

(2) The rate for unincorporated areas of the county, not to include any police jurisdictions, shall be an amount equal to the greater of:

a. Four and one-half percent; or

b. The difference of the following:

1. Nine and one-half percent;

LESS

2. The lesser of the following:

(i) The general retail state sales tax rate levied pursuant to Section 40-23-2(1), Code of Alabama 1975; or

(ii) Four percent;

LESS

3. The lesser of the following:

(i) The general county sales tax rate levied pursuant to Section 40-12-4, Code of Alabama 1975; or

(ii) One percent.

(d) Upon any change in rates referenced in subsection (c) that are used to calculate the county sales and use tax rate, the revenue commissioner shall recalculate the county



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sales and use tax rates in subsection (c) and publish notice of the new rate adjustment.

(e) The county commission shall certify by resolution the county sales and use tax rates levied by this section, including any recalculations provided by subsection (d).

(f) As used in this bill, "sales and use tax" means the same type of tax imposed by Section 40-23-2(1), Code of Alabama 1975. This tax shall apply to the same persons and sales to which that subdivision applies.

(g) Machinery and equipment subject to the sales tax levied by Section 40-23-37, Code of Alabama 1975, shall be exempt from the tax levied by this section.

(h) (1) The proceeds of this tax shall be deposited into the Enhance Elmore Fund.

(2) The county commission shall appropriate the proceeds of this tax as follows:

a. Ninety percent for infrastructure.

b. Ten percent for economic development.

Section 3. (a) There is created the Enhance Elmore Fund in the county treasury. The proceeds deposited into this fund shall be appropriated as provided by law.

(b) The commission shall produce an annual report that includes a detailed listing of all monies deposited into the fund and all expenditures from the fund during the previous fiscal year. This report shall be published by January 31 of each year on the commission's website.

(c) (1) By January 15 each year, the Elmore County Firefighter's Association shall provide a report to the



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commission on any expenditures from the fund to the association or fire departments. The commission shall adopt the reporting requirements by resolution.

(2) Notwithstanding any other provision of law, the commission may withhold the allocation of monies from the fund to a fire department for failure to report as provided in subdivision (1). The commission shall reallocate any funds withheld for use for public safety purposes.

Section 4. This act shall become effective on June 1, 2025.



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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and
was passed by the House 18-Mar-25.

John Treadwell
Clerk

Senate

01-Apr-25

Passed