

HB372 INTRODUCED



1 HB372
2 PUVQEEE-1
3 By Representatives Ingram, Starnes, Stubbs (N & P)
4 RFD: Local Legislation
5 First Read: 27-Feb-25



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A BILL
TO BE ENTITLED
AN ACT

Relating to Elmore County; to levy a county rental tax and provide for the calculation of the rate; and to provide for the distribution of the proceeds collected from the tax.
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 privilege tax, to be called a rental tax, on each person leasing or renting tangible personal property as provided by this section.

(b) The Revenue Commissioner of Elmore County shall calculate the rates for the tax levied by this section using the formulas as provided in subsection (c) rounded to the nearest one tenth of a 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:



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29 (i) The general state rental tax rate levied pursuant
30 to Section 40-12-222(a)(1), Code of Alabama 1975; or

31 (ii) Four percent;

32 LESS

33 3. The applicable general rental or lease tax rate
34 levied on the rental of tangible personal property by a
35 municipality in the incorporated area or police jurisdiction.

36 b. If the calculation from paragraph a. results in a
37 negative number, no county rental tax shall be levied by this
38 section.

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

42 a. Five and one-half percent; or

43 b. The difference of the following:

44 1. Nine and one-half percent;

45 LESS

46 2. The lesser of the following:

47 (i) The general state rental tax rate levied pursuant
48 to Section 40-12-222(a)(1), Code of Alabama 1975; or

49 (ii) Four percent.

50 (d) Upon any change in the rates referenced in
51 subsection (c) that are used to calculate the county rental
52 tax rate, the revenue commissioner shall recalculate the
53 county rental tax rates in subsection (c) and publish notice
54 of the new rate adjustment.

55 (e) The county commission shall certify by resolution
56 the county rental tax rates levied by this section, including



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57 any recalculations provided by subsection (d).

58 (f) The tax levied by this section shall parallel the
59 tax imposed by Article 4 of Chapter 12 of Title 40, Code of
60 Alabama 1975. This tax shall apply to the same persons and
61 transactions to which that tax applies.

62 (g) The county commission shall provide for the
63 collection and administration of this tax by resolution.

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

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

68 a. Ninety percent for infrastructure.

69 b. Ten percent for economic development.

70 Section 3. This act shall become effective on June 1,
71 2025.