

HB590 INTRODUCED



1 HB590
2 FKKUI5C-1
3 By Representative Wadsworth (N & P)
4 RFD: Local Legislation
5 First Read: 17-Apr-25



A BILL
TO BE ENTITLED
AN ACT

Relating to Winston County; to levy a lodging tax; and to provide for the collection of the tax and the distribution of the proceeds from the tax.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) There is levied and imposed, in addition to all other taxes of every kind now imposed by law, a privilege or license tax upon every person, firm, or corporation engaging in the business of renting or furnishing any room or rooms, lodging, or accommodations to a transient 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. The amount of the tax shall be equal to 8 percent of the charge for the rooms, lodgings, or accommodations, including the charge for use or rental of personal property and services furnished in the room.

(b) There is exempted from the tax levied under this act any rentals or services taxed under Article 1, Chapter 23 of Title 40, Code of Alabama 1975.

Section 2. (a) The tax levied by this act shall be in



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the same manner as the state lodgings tax as provided in Chapter 26 of Title 40, Code of Alabama 1975, and subject to the same exemptions as the state lodging tax as provided in Chapter 26 of Title 40, Code of Alabama 1975. Nonprofit organizations qualifying as tax exempt under 26 U.S.C. § 501(c)(3) shall also be exempt from the tax levied by this act. The tax herein levied shall constitute a debt due the county.

(b) The tax, together with any interest and penalties, shall constitute and be secured by a lien upon the property of any person from whom the tax is due or who is required to collect the tax.

(c) The county shall receive the tax, is authorized to enforce this act, and shall have and exercise all rights and remedies otherwise currently applicable or which may be provided for in the future for the collection of the state lodging tax by the Department of Revenue. The tax shall initially be collected by the Department of Revenue or thereafter by the county or such other agent as the county may appoint from time to time.

Section 3. The proceeds from the tax collected pursuant to this act shall be distributed as follows:

(1) Fifty-five percent to road and bridge improvements in the county. Of that amount, 75 percent shall be distributed to District 1 of the county, and 25 percent shall be distributed to District 2 of the county.

(2) Twenty percent to the sheriff for law enforcement purposes in the county.



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(3) Nineteen percent to those volunteer fire departments with coverage area and a station physically located in the county, distributed equally among those fire departments in existence as of the date of distributions as certified by the Winston County Firefighters Association. The distributions to volunteer fire departments shall be made biannually each April and October.

(4) One percent to those volunteer fire departments with coverage area and no station physically located in the county, distributed equally among those fire departments in existence as of the date of distributions as certified by the Winston County Firefighters Association.

(5) Five percent to the Winston County General Fund.

Section 4. This act shall become operative only if approved by a majority of the qualified electors of Winston County who vote in an election to be held on the day designated by the Judge of Probate of Winston County, at a referendum held pursuant to Section 67-1.00 to the Constitution of Alabama of 2022. The notice of the election shall be given by the judge of probate, and the election shall be held, conducted, and the results canvassed in the manner as other county elections. The election shall be held in conjunction with the next regularly scheduled state or local election to be held in the county. The question shall be, "Do you favor the adoption of Act ____, of the _____ Session of the Alabama Legislature? Yes () No ()." The county shall pay any costs and expenses not otherwise reimbursed by a governmental agency which are incidental to the election. If a



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majority of the votes cast in the election are "Yes," this act shall become effective immediately. If the majority of the votes are "No," this act shall be repealed and shall have no further effect. The judge of probate shall certify the results of the election to the Secretary of State.

Section 5. This act shall become effective on October 1, 2025.