

SB77 INTRODUCED



1 SB77
2 G1HNC62-1
3 By Senators Weaver, Bell, Elliott, Kelley, Kitchens,
4 Chambliss, Gudger, Barfoot
5 RFD: County and Municipal Government
6 First Read: 04-Feb-25



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SYNOPSIS:

Under existing law, money transmission businesses, which include businesses that conduct electronic wire transfers, must be licensed by the Alabama Securities Commission.

This bill would require money transmission businesses to collect on outgoing international electronic wire transfers a fee of \$7.50, plus 1.5 percent of the amount in excess of \$500 and would provide that the fees collected be periodically deposited into the Sheriffs' Immigration Enforcement and Detainer Fund.

This bill would create the Sheriffs' Immigration Enforcement and Detainer Fund in the State Treasury to fund county sheriffs for costs and expenses related to enforcing immigration laws and housing violators of immigration laws.

This bill would allow taxpayers to be granted a tax credit against income taxes in the amount of all international electronic wire transfer fees paid by the customer.

This bill would require the Department of Revenue to establish a notice to customers who initiate international electronic wire transfers of the ability to be granted a tax credit for outgoing international



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29 wire transfer fees paid by a taxpayer.

30 This bill would also authorize the Alabama
31 Securities Commission and the Alabama Department of
32 Revenue to administer this act.

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35 A BILL

36 TO BE ENTITLED

37 AN ACT

38

39 Relating to wire transfers; to require money
40 transmission businesses to collect fees on outgoing
41 international wire transfers and provide for distribution of
42 fee proceeds; to establish the Sheriffs' Immigration
43 Enforcement and Detainer Fund; to authorize an income tax
44 credit equal to the amount of fees paid by taxpayers for
45 outgoing international wire transfers; and to authorize the
46 Alabama Securities Commission and the Alabama Department of
47 Revenue to administer this act.

48 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

49 Section 1. For the purpose of this act, the following
50 terms have the following meanings:

51 (1) COMMISSION. The Alabama Securities Commission.

52 (2) DEPARTMENT. The Alabama Department of Revenue.

53 (3) ELECTRONIC WIRE TRANSFER. An electronic transfer of
54 money via a network. The term does not include a transaction
55 where money debited is from an account held by the requester
56 of a transfer of a banking institution authorized to do



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57 business in this state or any business entity authorized by
58 law to do business in this state.

59 (4) MONEY TRANSMISSION BUSINESS. Any person required to
60 obtain a license pursuant to Chapter 7A of Title 8, Code of
61 Alabama 1975.

62 Section 2. (a) (1) On and after January 1, 2026, each
63 money transmission business shall collect a fee of seven
64 dollars and fifty cents (\$7.50) on every outgoing
65 international electronic wire transfer not in excess of five
66 hundred dollars (\$500) and in addition to such fee an amount
67 equal to one and one-half percent of the amount in excess of
68 five hundred dollars (\$500).

69 (2) A money transmission business shall provide to each
70 customer a receipt for each international electronic wire
71 transfer which clearly delineates the fees incurred pursuant
72 to this subsection.

73 (b) Not later than the 45 days following the close of
74 each calendar quarter, a money transmission business shall
75 remit the fees collected under subsection (a) to the
76 commission by means established by rule of the commission. The
77 commission shall deposit monies collected pursuant to this
78 subsection to the State Treasury to the credit of the
79 Sheriffs' Immigration Enforcement and Detainer Fund.

80 (c) Each money transmission business shall report to
81 the commission the number of international electronic wire
82 transfers made during a calendar quarter along with the
83 monetary amount of each transfer and any additional
84 information required by the commission, by rule, at the time



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85 the fees are remitted pursuant to subsection (b).

86 (d) Each money transmission business shall post the
87 notice established pursuant to Section 3(e) in an area
88 accessed by the public where electronic wire transfers are
89 conducted.

90 (e) Except as provided in this act, Chapter 7A of Title
91 8, Code of Alabama 1975, shall apply.

92 (f) The commission shall adopt rules to administer this
93 section.

94 Section 3. (a) (1) For tax years beginning on and after
95 January 1, 2026, a credit is allowed against income taxes
96 imposed by Chapter 18 of Title 40, Code of Alabama 1975, in
97 the amount of all international electronic wire transfer fees
98 paid by any taxpayer under Section 2 or five thousand dollars
99 (\$5,000), whichever is less. The credit must be claimed on the
100 tax return that corresponds with the tax year during which the
101 fees were paid.

102 (2) To qualify for the income tax credit, a taxpayer
103 shall submit to the department in a manner prescribed by the
104 department, by rule, the receipts received under Section
105 2(a) (2).

106 (b) The tax credit shall not be allowed to decrease a
107 taxpayer's liability to less than zero. The credit is not
108 refundable and may not be carried forward. The credit shall be
109 available on a pro-rata basis to entities taxed under 26
110 U.S.C. Subtitle A, Chapter 1, Subchapter S or Subchapter K.

111 (c) The department shall not be required under this
112 section to disclose confidential information subject to



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113 Section 40-2A-10, Code of Alabama 1975. However, the
114 department may share information with the commission upon
115 written request in order to aid or assist with any
116 investigation or other action authorized by Chapter 7A of
117 Title 8, Code of Alabama 1975. Additionally, the commission
118 may share information with the department to enforce this act.
119 The information shared shall be limited to what is necessary
120 to administer this act and shall not be considered public
121 records for purposes of Article 3 of Chapter 12 of Title 36,
122 Code of Alabama 1975. Upon receipt of information from the
123 department, Section 40-2A-10, Code of Alabama 1975, shall
124 apply to the commission and its employees with respect to the
125 use, dissemination, or other handling of the information. The
126 department shall comply with Section 8-7A-21(b), Code of
127 Alabama 1975, as to any information shared by the commission.

128 (d) The department, by rule, may require a money
129 transmission business to provide certifying documents and
130 other information necessary to determine or confirm the tax
131 credit amounts referenced in this section.

132 (e) The department shall establish a standard form to
133 be posted by money transmission businesses which notifies
134 customers that upon filing an Alabama income tax return with
135 either a valid Social Security number or a valid taxpayer
136 identification number, the customer may be entitled to an
137 income tax credit equal to the amount of the electronic wire
138 transfer fees paid by the customer for the international
139 electronic wire transfer.

140 (f) The department shall adopt rules to implement this



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141 section.

142 Section 4. (a) There is created within the State
143 Treasury the Sheriffs' Immigration Enforcement and Detainer
144 Fund. Amounts deposited into the fund shall be budgeted and
145 allotted in accordance with Section 41-4-80 through 41-4-96,
146 Code of Alabama 1975.

147 (b) The Comptroller shall allocate funds on a quarterly
148 basis to all county sheriffs based on the percentage of total
149 population of the respective counties as reported in the most
150 recent federal decennial census. Funds shall be expended by
151 county sheriffs to offset any additional costs and expenses
152 related to enforcing or assisting the enforcement of federal
153 and state immigration laws and the care and housing of
154 individuals who violate immigration laws.

155 (c) Funds received by a sheriff under this section
156 shall be subject to audit by the Department of Examiners of
157 Public Accounts in the same manner as other funds expended by
158 the sheriff.

159 Section 5. This act shall become effective on July 1,
160 2025.