

HB204 ENROLLED



1 HB204
2 PSTTSGG-2
3 By Representative Rehm (N & P)
4 RFD: Local Legislation
5 First Read: 13-Jan-26



1 Enrolled, An Act,

2 Relating to Henry County; to amend Section 45-34-243,
3 Code of Alabama 1975; to further provide for the county
4 lodging tax.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. Section 45-34-243, Code of Alabama 1975, is
7 amended to read as follows:

8 "§45-34-243

9 (a) ~~In Henry County, in~~ In addition to all other taxes
10 imposed by law, the Henry County Commission may levy a
11 privilege or license tax in the amount prescribed in this
12 section against every person in the county engaging in the
13 business of renting or furnishing a room~~—or rooms~~, lodging~~,~~ or
14 ~~accommodations~~, accommodation to a transient in a hotel,
15 motel, inn, condominium, house, recreational vehicle park as
16 defined in Section 35-15-30, or ~~another~~other place in which
17 rooms, lodgings, or accommodations are regularly furnished to
18 transients for a consideration. The amount of the tax shall
19 not exceed four percent of the charge for the rooms, lodgings,
20 or accommodations, including the charge for use of rental or
21 personal property and services furnished in the room or rooms
22 within the county.

23 (b) (1) There are exempted from the provisions of the
24 tax levied by this section and from the computation of the
25 amount of the tax levied or payable ~~all~~both of the following:

26 a. Charges for property sold or services furnished that
27 are required to be included in the tax levied by the state
28 sales tax act~~#~~.



29 b. ~~charges~~ Charges for the rental of rooms, lodgings,
30 or accommodations to a person for a period of 30 continuous
31 days or more or otherwise pursuant to the exemption provision
32 of Alabama's Transient Occupancy Tax, Section 40-26-1. A
33 subsequent amendment or change to the Alabama Transient
34 Occupancy Tax shall also have the effect of similarly changing
35 the exemption provision of this section.

36 (2) Notwithstanding the provisions of this section, the
37 tax shall not apply to the rental of living accommodations
38 which are intended primarily for rental to persons as their
39 principal or permanent place of residence.

40 (c) (1) The tax levied by this section, except as
41 otherwise provided, shall be due and payable to the Department
42 of Revenue on or before the 20th day of the month next
43 succeeding the month in which the tax accrues. Notwithstanding
44 any provision of this section providing for the responsibility
45 of the county to collect and administer the tax provided in
46 this section, the county may contract with an agent to perform
47 all or any part of its duties pursuant to this section. On or
48 before the 20th day of each month, every person on whom the
49 tax is levied by this section shall render to the Department
50 of Revenue, on a form prescribed by the department, a true and
51 correct statement showing the gross proceeds of the business
52 subject to the tax for the then preceding month, together with
53 other information as the county requires. At the time of
54 making the monthly report, the taxpayer shall compute and pay
55 to the county the amount of tax shown due. A person subject to
56 the tax who conducts business on a credit basis may defer



57 reporting and paying the tax until after the person has
58 received payment of the items, articles, or accommodations
59 furnished. In the event the taxpayer defers reporting and
60 paying the taxes, he or she shall include in each monthly
61 report all credit collections made during the then preceding
62 month and shall pay the amount of taxes computed thereon at
63 the time of filing the report.

64 (2) It shall be the duty of every person engaged or
65 continuing in a business subject to the tax levied by this
66 section to keep and preserve suitable records of the gross
67 proceeds of the business and other books or accounts necessary
68 to determine the amount of tax for which he or she is liable
69 pursuant to this section. The records shall be kept and
70 preserved for a period of two years and shall be open for
71 examination at all times by the Department of Revenue or by a
72 duly authorized agent, deputy, or employee of the county.

73 (3) A person who fails to pay the tax levied by this
74 section within the time required by this section shall pay in
75 addition to the tax a penalty of 10 percent of the amount of
76 tax due, together with interest from the date on which the tax
77 became due and payable at the rate due and payable on the
78 state lodging tax. The penalty and interest shall be assessed
79 and collected as a part of the tax. The Department of Revenue,
80 if good and sufficient reason be shown, may waive or remit the
81 penalty or a portion of the penalty.

82 (d) All provisions of the state lodging tax statutes
83 with respect to payment, assessment, and collection of the
84 state lodging tax, making of reports and keeping and



85 preserving records, interest after due date of tax, or
86 otherwise; the adoption of rules with respect to the state
87 lodging tax; and the administration and enforcement of the
88 state lodging tax statutes, that are not inconsistent with
89 this section when applied to the tax levied by this section,
90 shall apply to the levied tax. The Department of Revenue shall
91 have and exercise the same powers, duties, and obligations
92 with respect to the district taxes levied as imposed on the
93 department by the state lodging tax statutes. All provisions
94 of the state lodging tax statutes that are made applicable to
95 this section, to the taxes levied, and to the administration
96 of this section are incorporated herein by reference and made
97 a part as if fully set forth.

98 (e) The Department of Revenue shall charge and deduct
99 from the proceeds of the tax levied an amount equal to the
100 contracted amount for the collections, provided the charge
101 does not exceed five percent of the total amount of tax
102 collected. Following that deduction, the agent shall pay the
103 remainder of the tax proceeds to the county.

104 (f) The net proceeds from the tax levied by this
105 section shall be deposited into the Henry County General Fund
106 and shall be used by the county for economic development
107 purposes and for the promotion of tourism."

108 Section 2. This act shall become effective on October
109 1, 2026.

HB204 Enrolled



110
111
112
113
114
115
116
117
118
119
120

121 Speaker of the House of Representatives
122
123
124
125

126 President and Presiding Officer of the Senate
127
128

129 House of Representatives
130

131 I hereby certify that the within Act originated in and
132 was passed by the House 20-Jan-26.

133
134 John Treadwell
135 Clerk
136
137
138
139
140

141 Senate 22-Jan-26 Passed
142
143
144