

HB204 INTRODUCED



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



A BILL
TO BE ENTITLED
AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

"§45-34-243

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



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within the county.

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

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

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

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

(c) (1) The tax levied by this section, except as otherwise provided, shall be due and payable to the Department of Revenue on or before the 20th day of the month next succeeding the month in which the tax accrues. Notwithstanding any provision of this section providing for the responsibility of the county to collect and administer the tax provided in this section, the county may contract with an agent to perform all or any part of its duties pursuant to this section. On or before the 20th day of each month, every person on whom the tax is levied by this section shall render to the Department



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of Revenue, on a form prescribed by the department, a true and correct statement showing the gross proceeds of the business subject to the tax for the then preceding month, together with other information as the county requires. At the time of making the monthly report, the taxpayer shall compute and pay to the county the amount of tax shown due. A person subject to the tax who conducts business on a credit basis may defer reporting and paying the tax until after the person has received payment of the items, articles, or accommodations furnished. In the event the taxpayer defers reporting and paying the taxes, he or she shall include in each monthly report all credit collections made during the then preceding month and shall pay the amount of taxes computed thereon at the time of filing the report.

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

(3) A person who fails to pay the tax levied by this section within the time required by this section shall pay in addition to the tax a penalty of 10 percent of the amount of tax due, together with interest from the date on which the tax became due and payable at the rate due and payable on the



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85 state lodging tax. The penalty and interest shall be assessed
86 and collected as a part of the tax. The Department of Revenue,
87 if good and sufficient reason be shown, may waive or remit the
88 penalty or a portion of the penalty.

89 (d) All provisions of the state lodging tax statutes
90 with respect to payment, assessment, and collection of the
91 state lodging tax, making of reports and keeping and
92 preserving records, interest after due date of tax, or
93 otherwise; the adoption of rules with respect to the state
94 lodging tax; and the administration and enforcement of the
95 state lodging tax statutes, that are not inconsistent with
96 this section when applied to the tax levied by this section,
97 shall apply to the levied tax. The Department of Revenue shall
98 have and exercise the same powers, duties, and obligations
99 with respect to the district taxes levied as imposed on the
100 department by the state lodging tax statutes. All provisions
101 of the state lodging tax statutes that are made applicable to
102 this section, to the taxes levied, and to the administration
103 of this section are incorporated herein by reference and made
104 a part as if fully set forth.

105 (e) The Department of Revenue shall charge and deduct
106 from the proceeds of the tax levied an amount equal to the
107 contracted amount for the collections, provided the charge
108 does not exceed five percent of the total amount of tax
109 collected. Following that deduction, the agent shall pay the
110 remainder of the tax proceeds to the county.

111 (f) The net proceeds from the tax levied by this
112 section shall be deposited into the Henry County General Fund



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113 and shall be used by the county for economic development
114 purposes and for the promotion of tourism."

115 Section 2. This act shall become effective on October
116 1, 2026.