

## HB204 INTRODUCED



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



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4 A BILL  
5 TO BE ENTITLED  
6 AN ACT

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

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

15 "§45-34-243

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



29 within the county.

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

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

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

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

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



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

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

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



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.