

HB632 ENROLLED



1 HB632
2 SLDFH87-2
3 By Representative Butler (N & P)
4 RFD: Local Legislation
5 First Read: 17-Mar-26



HB632 Enrolled

1 Enrolled, An Act,

2
3 Relating to Etowah County; to amend Section 45-28-243,
4 Code of Alabama 1975; to increase the amount of time necessary
5 for accommodations supplied to be exempt from privilege and
6 license tax in the county.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. Section 45-28-243 of the Code of Alabama
9 1975, is amended to read as follows:

10 "§45-28-243

11 (a) In Etowah County, there is ~~hereby~~ levied and
12 imposed, in addition to all other taxes of every kind now
13 imposed by law, a privilege or license tax upon every person,
14 firm, or corporation engaging in the business of renting or
15 furnishing any room or rooms, lodging, or accommodations to
16 transients in any hotel, motel, inn, tourist camp, tourist
17 cabin, or any other place in which rooms, lodgings, or
18 accommodations are regularly furnished to transients for a
19 consideration, in an amount of two percent of the charge for
20 such room, rooms, lodgings, or accommodations, including the
21 charge for use or rental of personal property and services
22 furnished in ~~such~~ the room. There is exempted from the tax
23 levied under this section any taxes on rentals or services
24 under Division 1, commencing with Section 40-23-1, of Article
25 1, Chapter 23, Title 40. The tax shall not apply to rooms,
26 lodgings, or accommodations supplied for a period of ~~30~~ 180
27 continuous days or more in any place.

28 (b) Municipal privilege license taxes which are levied



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29 and collected by the application of a flat percentage rate on
30 gross sales or gross receipts from sales, and which are passed
31 on directly by the licensee-seller to the purchaser-consumer
32 or user shall be excluded from gross sales or gross receipts,
33 ~~as the case may be,~~ in the computation of the tax ~~herein~~
34 levied in this section.

35 (c) The tax ~~herein~~ levied in this section shall be
36 collected in the same manner as the state lodgings tax as
37 provided in Chapter 26, Title 40, and shall be additional
38 thereto; and the net proceeds ~~thereof~~ of the tax shall be
39 payable to the county general fund for the purposes ~~on~~ of
40 promoting tourism and beautification. ~~Such~~ The funds shall be
41 used as follows: Fifty percent for the support and promotion
42 of tourism and ~~fifty~~ 50 percent for the support and promotion
43 of beautification and ecology as determined by the resolutions
44 of the Clean and Beautiful Community Commission and the
45 Gadsden-Etowah County Tourism Board. The State Department of
46 Revenue shall ~~promulgate such~~ adopt rules ~~and regulations~~ and
47 provide ~~such~~ forms and instructions as ~~are~~ necessary to
48 implement this section."

49 Section 2. This act shall become effective on October
50 1, 2026.



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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 31-Mar-26.

John Treadwell
Clerk

Senate

09-Apr-26

Passed