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3 HOUSE WAYS AND MEANS GENERAL FUND SUBSTITUTE FOR SB112  
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8 SYNOPSIS: This bill would authorize the Commissioner  
9 of the Department of Revenue to temporarily waive  
10 requirements associated with the International Fuel  
11 Tax Agreement and the International Registration  
12 Plan during a declared state of emergency or  
13 disaster to help affected areas.

14 Under existing law, certain county and  
15 municipal road and bridge projects are required to  
16 be publicly bid in a manner different from the  
17 current bid process for other projects.

18 This bill would clarify that bidding  
19 procedures approved by the Department of Examiners  
20 of Public Accounts may be used for certain county  
21 road and bridge projects.

22 This bill would also clarify the  
23 distributing entity responsible for the  
24 distribution of certain annual license taxes and  
25 registration fees.

26 Under current law, electric low-speed  
27 vehicles, which includes some electric golf carts,

1 are subject to the same \$200 additional annual  
2 license taxes and registration fees as other  
3 electric motor vehicles.

4 This bill would provide a reduced additional  
5 annual license tax and registration fee for  
6 electric low-speed vehicles.

7  
8 A BILL  
9 TO BE ENTITLED  
10 AN ACT

11  
12 Relating to taxation and fees; to amend Section  
13 40-2-11, Code of Alabama 1975, to authorize the Commissioner  
14 of the Department of Revenue to temporarily waive requirements  
15 for the International Fuel Tax Agreement and the International  
16 Registration Plan during a declared state of emergency or  
17 disaster; to amend Act 2019-2, 2019 First Special Session, now  
18 appearing as Section 23-8-6, Code of Alabama 1975, to clarify  
19 that bidding procedures approved by the Department of  
20 Examiners of Public Accounts may be used for certain county  
21 road and bridge projects; to amend Act 2019-305, 2019 Regular  
22 Session, now appearing as Section 40-12-242.1, Code of Alabama  
23 1975, to provide for clarification on the distributor of  
24 certain license taxes and fees; to amend Section 40-17-335,  
25 Code of Alabama 1975, to clarify a reference to motor fuel  
26 excise taxes with regard to surety bonds; and to provide a

1 reduced additional annual license tax and registration fee for  
2 electric low-speed vehicles.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Section 40-2-11, Code of Alabama 1975, is  
5 amended to read as follows:

6 "§40-2-11.

7 "It shall be the duty of the Department of Revenue,  
8 and it shall have the power and authority, in addition to the  
9 authority now in it vested by law:

10 "(1) To have and exercise general and complete  
11 supervision and control of the valuation, equalization, and  
12 assessment of property, privilege, or franchise and of the  
13 collection of all property, privilege, license, excise,  
14 intangible, franchise, or other taxes for the state and  
15 counties, and of the enforcement of the tax laws of the state,  
16 and of the several county tax assessors and county tax  
17 collectors, ~~probate judges~~ judges of probate, and each and  
18 every state and county official, board, or commission charged  
19 with any duty in the enforcement of tax laws, to the end that  
20 all taxable property in the state shall be assessed and taxes  
21 shall be imposed and collected thereon in compliance with the  
22 law and that all assessments on property, privileges,  
23 intangibles, and franchises in the state shall be made in  
24 exact proportion to the fair and reasonable market value  
25 thereof in substantial compliance with the law.

26 "(2) To equalize, value, and assess or cause to be  
27 equalized, valued, and assessed any property subject to

1 taxation, and such valuations and assessments it shall enter  
2 or cause to be entered in the proper assessment book, record,  
3 or minutes of the proper official, board, or tribunal; to set  
4 aside all assessments so entered in any assessment book,  
5 record, or minutes within any time before the end of the  
6 assessment year and, after 10 days' notice given the taxpayer,  
7 which notice shall be given by certified or registered mail,  
8 return receipt demanded, of the time and place of hearing,  
9 revalue and reassess said property and cause such revaluation  
10 and reassessment to be entered in the proper assessment book,  
11 record, or minutes in lieu of the original valuation and  
12 assessment; provided, that no reassessment or revaluation  
13 shall be made of any particular assessment from which an  
14 appeal is then pending, or if the valuation of the property  
15 for that year has been fixed on appeal by the circuit court or  
16 Supreme Court; provided further, that parties may appeal from  
17 such revaluation and assessment to the circuit court within  
18 like time and in like manner as from the valuation and  
19 assessment as fixed by the board of equalization.

20 "(3) To confer with, advise, and direct the several  
21 county tax assessors, county tax collectors, ~~probate judges~~  
22 judges of probate, boards, or commissions ~~and each~~ and every  
23 state and county official charged with the assessment and  
24 collection of taxes as to their duties under the laws of this  
25 state.

26 "(4) To direct actions to be instituted by the  
27 Attorney General, district attorneys, or attorneys especially

1 employed for such purposes, with the approval of the Attorney  
2 General for the collection of any taxes or penalties due the  
3 state or any county, or to compel any officer or taxpayer to  
4 comply with the provisions of the tax laws; to direct actions,  
5 prosecutions, and proceedings to be instituted to enforce the  
6 laws of this state relating to taxes, penalties, forfeitures,  
7 and liabilities, and for the punishment of any public officers  
8 or any person or any officer or agent of any corporation,  
9 company, or association, trustee, or receiver for failure or  
10 neglect to comply with the provisions of the tax laws, and to  
11 cause complaints, informations, actions, or prosecutions to be  
12 made or instituted against any tax assessor, tax collector,  
13 ~~probate judge~~ judge of probate, or other public official for  
14 the removal of such officers for official misconduct or  
15 neglect of duty and to further direct actions as may become  
16 necessary to obtain an order from a circuit court enjoining or  
17 restraining a taxpayer from continuing in business in Alabama  
18 whenever such taxpayer fails to collect, account for, and/or  
19 pay over any trust fund tax imposed by Sections 40-17-220,  
20 40-17-325, 40-18-71, 40-21-82, 40-21-102, 40-21-121, 40-23-2,  
21 40-23-61, 40-23-193, 40-26-1, or any other local sales, use,  
22 and gross receipts taxes collected by the department. Such  
23 actions and proceedings may be instituted in the circuit court  
24 of any county in which the taxpayer resides or does business,  
25 or in the Circuit Court of Montgomery County, Alabama, and  
26 shall remain in effect until such time as the taxpayer has  
27 come into full compliance with the tax laws.

1           "(5) To require district attorneys and the Attorney  
2 General of the state to commence and prosecute, within the  
3 respective jurisdictions or spheres of official duty of the  
4 officers, actions, proceedings, and prosecutions for  
5 penalties, forfeitures, impeachments, and punishments for  
6 violations of the tax laws of the state, to enter into  
7 agreements with district attorneys and the Attorney General of  
8 the state to reimburse those offices for reasonable fees or  
9 costs of actions, proceedings, and prosecutions, and to fund  
10 the reimbursements, in whole or in part, from penalties  
11 assessed and collected pursuant to Section 40-2A-11.

12           "(6) To require any public official in the state to  
13 report information as to valuation, equalization, and  
14 assessment of property, privileges, franchises or intangibles,  
15 gross receipts, collections of taxes, receipts from licenses  
16 and other sources, methods of taxation, values or franchises,  
17 or intangible property, or assets subject to taxation, and  
18 such other information as may be needful in the work of the  
19 Department of Revenue in such forms and upon such blanks as  
20 the department may prescribe and furnish.

21           "(7)a. To require individuals, partnerships,  
22 associations, corporations, trustees, and receivers, and the  
23 agents, officers, and employees thereof, to furnish  
24 information concerning their capital, funded or otherwise,  
25 gross receipts, net profits or income, excess profits, current  
26 assets and liabilities, values of franchises, intangibles,  
27 value of property, earnings, operating and other expenses,

1 bonds, deeds, conduct of business, and all other facts,  
2 records, books, papers, documents, and other information of  
3 any kind demanded which may be needful in order to enable the  
4 department to ascertain the value and relative burden to be  
5 borne by every kind of property in this state and to ascertain  
6 the proper amount of license, privilege, excise, corporation,  
7 franchise, income, or ad valorem taxes.

8 "b. To require reporting of retail sales and  
9 customer notification, within constitutional limitations, when  
10 the seller does not collect sales, use, or simplified sellers  
11 use tax on Alabama sales transactions, and to provide for  
12 penalties pursuant to Section 40-2A-11.

13 "c. To require reporting of rental transactions of  
14 tangible personal property as defined in Section 40-12-220,  
15 when the property is classified as Class II or Class IV  
16 property under Section 40-8-1, by persons facilitating the  
17 transactions and to require notifications to the lessor when  
18 the lessor has not furnished evidence that it has acquired a  
19 license as required under Section 40-12-221, and to provide  
20 for penalties pursuant to Section 40-2A-11.

21 "(8) To cause the deposition of witnesses residing  
22 within or without the state to be taken upon such notice to  
23 the interested party, if any, as the department may prescribe,  
24 in like manner as depositions of witnesses are taken in  
25 actions pending in circuit court, in any matter which the  
26 department has authority to investigate and determine. The  
27 depositions shall be taken upon a commission issued by the

1 Department of Revenue, or the secretary thereof, in the name  
2 of the department, and returnable to the department.

3 "(9) To visit, by the commissioner or by duly  
4 authorized agents, the several counties in the state for the  
5 purpose of investigating the work and methods of county tax  
6 assessors, tax collectors, ~~probate judges~~ judges of probate,  
7 or other officers or boards charged with the duty of  
8 administering the tax laws of the state; to examine carefully  
9 into all cases where evasions or violations of the tax laws  
10 are alleged, complained of, or discovered, and to ascertain  
11 wherein existing laws are defective or are improperly or  
12 negligently administered and to report the result of the  
13 investigation and the facts ascertained to the Governor from  
14 time to time when required by the Governor.

15 "(10) To investigate the tax system of other states;  
16 to thoroughly inform itself upon the subject of taxation and  
17 of the progress made in other states and counties in improving  
18 their tax system, to formulate and recommend such legislation  
19 as may be deemed expedient to prevent evasion of existing tax  
20 laws and to secure just and equal taxation and improvements in  
21 the system of taxation in this state.

22 "(11) To consult and confer with the Governor upon  
23 the subject of taxation and the administration of the laws and  
24 progress of the work of the department, and to furnish to the  
25 Governor from time to time such information as the Governor  
26 may require.

1           "(12) To transmit to the Governor, 30 days before  
2 the meeting of the Legislature, a written report showing all  
3 the taxable property in the state and the value of the same,  
4 in tabulated form, with recommendations for improvements in  
5 the system of taxation in the state, together with suggestions  
6 of such measures as the department may formulate for the  
7 consideration of the Legislature in regard thereto.

8           "(13) To, for good reason shown and entered on the  
9 minutes of the department, do either of the following:

10           "a. Extend the time for filing any report or written  
11 statement required to be filed with the department.

12           "b. Temporarily waive the motor fuel importer,  
13 exporter, or transporter licensing requirements under Section  
14 40-17-332, during a state of emergency or disaster. A waiver  
15 authorized by this subdivision shall be effective only for  
16 persons importing, exporting, or transporting motor fuel to  
17 areas within a state or territory of the United States for  
18 which the President of the United States or the governor of  
19 that state or territory has declared a state of emergency or  
20 disaster, and only where the import, export, or transport  
21 takes place during the time the declaration is in effect. A  
22 temporary waiver of the motor fuel importer, exporter, or  
23 transporter licensing requirements under this subdivision  
24 shall not be construed to permit any waiver of any additional  
25 requirements or payment of any taxes due under the Alabama  
26 Terminal Excise Tax.

1           "c. Temporarily waive the requirements associated  
2 with the International Registration Plan under Section 32-6-56  
3 and the International Fuel Tax Agreement under Section  
4 40-17-272, during a state of emergency or disaster. A waiver  
5 authorized by this subdivision shall be effective only for  
6 motor vehicles engaged in interstate disaster relief efforts  
7 traveling to areas within a state or territory of the United  
8 States for which the President of the United States or  
9 governor of that state or territory has declared a state of  
10 emergency or disaster, and only when the travel takes place  
11 during the time the declaration is in effect. A temporary  
12 waiver of the requirements under the International  
13 Registration Plan or International Fuel Tax Agreement under  
14 this subdivision shall not be construed to allow a motor  
15 vehicle to operate in the State of Alabama without valid  
16 registration and insurance from its base state, nor allow any  
17 motor vehicle to exceed weight limits posted for bridges and  
18 like structures, or relieve any vehicle or the carrier, owner,  
19 or driver of any vehicle from compliance with any other  
20 restrictions, statutes, orders, or other legal requirements.

21           (14) To inspect and examine at all reasonable  
22 business hours any books, documents, records, or papers kept  
23 by any person, firm, corporation, trustee, or receiver.

24           (15) To make all assessments of taxes or penalties  
25 which it is authorized to enforce or collect and report the  
26 same to the Attorney General.

1           "(16) To issue executions and writs of garnishment  
2 directed to any sheriff of Alabama, on any final assessment or  
3 judgment made or rendered by it, and upon such executions the  
4 sheriff shall proceed as in cases issued out of the circuit  
5 court and shall make return thereof to the Department of  
6 Revenue within 60 days after the receipt thereof.

7           "(17) To perform such other duties as are or may be  
8 imposed on it by law."

9           Section 2. Act 2019-2, 2019 First Special Session,  
10 now appearing as Section 23-8-6, Code of Alabama 1975, and Act  
11 2019-305, 2019 Regular Session, now appearing as Section  
12 40-12-242.1, Code of Alabama 1975, are amended to read as  
13 follows:

14           "§23-8-6.

15           "(a) All county and municipal projects let to  
16 contract shall utilize contractors and material suppliers  
17 listed on the ALDOT's list of approved contractors and  
18 suppliers. ALDOT's list of approved contractors and material  
19 suppliers shall include the ALDOT's Certified Disadvantaged  
20 Business Enterprise List. Beginning October 1, 2020, and  
21 October 1 of every other year, each county and municipality  
22 shall provide a list of all contractors who have been awarded  
23 projects under this section to the President Pro Tempore of  
24 the Senate, the Speaker of the House, and the Chair of the  
25 Joint Transportation Committee. Notwithstanding any provision  
26 of law to the contrary, no bidding shall be required by the  
27 county for asphalt or other road construction or repair

1 materials if the county has an annual contract for providing  
2 such materials.

3 "(b) For all municipal projects, the appropriate  
4 plans and bid opening date shall be published in electronic  
5 form no later than the tenth day of the month preceding the  
6 bid opening on a website maintained for that purpose by the  
7 Alabama League of Municipalities.

8 "(c) The bidding procedures approved by the  
9 Department of Examiners of Public Accounts, as authorized in  
10 Section 40-17-371(c)(2)d., may be used for any county road and  
11 bridge project otherwise subject to Chapter 2 of Title 39.

12 "~~(c)~~ (d) Bids for county and municipal contracts  
13 awarded under this section shall only be awarded in accordance  
14 with Section 39-2-6 during a regularly-scheduled meeting of  
15 the governmental body of the county or municipality, as the  
16 case may be. Immediately after the completion of each project,  
17 the publication notifications required by subsection (f) of  
18 Section 39-1-1, shall be satisfied by posting on the same  
19 website utilized for the posting of specifications and notice  
20 of bid openings.

21 "§40-12-242.1.

22 "The Legislature finds and declares the following  
23 regarding the distribution and use of the proceeds from  
24 certain annual license taxes and registration fees on  
25 vehicles: All proceeds of the annual license taxes and  
26 registration fees to be distributed to counties and  
27 municipalities pursuant to subsection (f) of Section 40-12-242

1 shall be allocated in the same manner and used for the same  
2 purposes as provided in subdivisions (2) and (3) of subsection  
3 (c) of Section 40-17-371, and shall be distributed by the  
4 entity responsible for the distribution of funds under these  
5 subdivisions, which, effective October 1, 2021, shall be the  
6 Alabama Department of Revenue."

7 Section 3. Section 40-17-335, Code of Alabama 1975,  
8 is amended to read as follows:

9 "§40-17-335.

10 "(a) Upon approval of the application by the  
11 department, the applicant shall file with the department a  
12 surety bond as herein provided:

13 "(1) Except as provided under subdivision (3), the  
14 bond amount for an applicant for a license as a supplier,  
15 permissive supplier, or terminal operator shall be in the  
16 approximate amount of twice the average monthly tax liability,  
17 not to exceed two million dollars (\$2,000,000).

18 "(2) Except as provided under subdivision (3), the  
19 bond amount for an applicant for a license as an exporter,  
20 blender, importer, or distributor shall be a minimum of two  
21 thousand dollars (\$2,000) or the approximate amount of twice  
22 the average monthly tax liability, whichever is greater.

23 "(3) The bond for distributors, suppliers, and  
24 permissive suppliers who are licensed with the department on  
25 October 1, 2012, shall remain at the amount that is filed with  
26 the department on that date, except as provided under  
27 subsection (b).

1           "(4) For an applicant for a license only as a motor  
2 fuel transporter or aviation fuel purchaser, there shall be no  
3 bond.

4           "(5) Only one bond shall be required of an applicant  
5 for multiple licenses. Except as provided under subdivision  
6 (3), the bond amount shall be based on the highest average  
7 monthly tax liability of the separate licenses, but shall  
8 cover all licenses.

9           "(b) The commissioner may require an additional  
10 surety bond from any licensee if: (1) the commissioner  
11 determines that the surety on an existing bond is  
12 unsatisfactory; (2) a surety notifies the department that it  
13 intends to cancel a bond as provided in subsection (d); or (3)  
14 the commissioner, after reviewing the financial condition of  
15 the licensee, determines that the existing bond of the  
16 licensee is insufficient in an amount to insure the prompt  
17 payment of all excise taxes that are due or may become due the  
18 state by the licensee upon the sale or withdrawal of motor  
19 fuel. However, in no case shall a new or additional bond be  
20 more than two months of average excise tax owed by the  
21 licensee.

22           "(c) The department shall notify a licensee at his  
23 or her last known address by first class U.S. mail or, at the  
24 option of the department, certified mail, return receipt  
25 requested, that it is requiring such new or additional bond  
26 for any reason as provided above, and the licensee, within 30  
27 days from the date such notice is mailed by the department,

1 shall either (1) file the new or additional bond as requested  
2 by the department, or (2) file a notice of appeal with the  
3 Alabama Tax Tribunal as allowed in Chapter 2B of this title.  
4 The department may immediately cancel the licensee's license  
5 upon the expiration of the 30-day period set out above if the  
6 licensee fails to either provide the new or additional bond  
7 requested by the department or timely appeal to the Alabama  
8 Tax Tribunal.

9 "(d) Any surety on an existing bond furnished by a  
10 licensee may notify the department in writing of its intent to  
11 cancel the bond. The department shall immediately notify the  
12 licensee of the intent of the surety to cancel and the  
13 licensee shall have 30 days from the date the notice is mailed  
14 by the department to provide a sufficient replacement bond as  
15 requested by the department. The department may immediately  
16 cancel the licensee's license upon expiration of the 30-day  
17 period set out above if the licensee fails to either provide a  
18 new replacement bond as requested by the department or appeal  
19 the proposed revocation to the Alabama Tax Tribunal within the  
20 30 days as allowed by Chapter 2B of this title. The surety  
21 requesting to be released shall remain liable for any  
22 liability already accrued or which shall accrue during the  
23 30-day period set out above, but shall not be responsible for  
24 any liability which accrues after the 30-day period.

25 "(e) A surety providing a bond must be authorized to  
26 engage in business within this state. The surety bonds are  
27 conditioned upon faithful compliance with the provisions of

1 this article, including the filing of returns and the payment  
2 of all tax prescribed herein. The surety bonds shall be  
3 approved by the commissioner as to sufficiency and form, and  
4 shall indemnify the state against any loss arising from the  
5 failure of the licensee to pay, for any cause, the motor fuel  
6 excise tax levied by this article and Article 12A, Chapter 17,  
7 Title 40."

8 Section 4. (a) Notwithstanding Section  
9 40-12-242(b)(1), effective January 1, 2022, the additional  
10 annual license tax and registration fee shall be fifty dollars  
11 (\$50) for each electric low-speed vehicle registered and  
12 operated on the public highways of this state. The term  
13 electric low-speed vehicle as used in this section shall be  
14 defined in the same manner as in 49 C.F.R. § 571.3.

15 (b) The additional annual license tax and  
16 registration fee provided in this section shall be distributed  
17 pursuant to Section 40-12-242.1, Code of Alabama 1975.

18 (c) The Department of Revenue may adopt rules for  
19 the implementation and administration of this act.

20 Section 5. Sections 1, 2, and 3 shall become  
21 effective immediately following its passage and approval by  
22 the Governor, or its otherwise becoming law, and Section 4  
23 shall become effective January 1, 2022, following its passage  
24 and approved by the Governor, or its otherwise becoming law.