

1 SB446  
2 139463-1  
3 By Senator Allen  
4 RFD: Finance and Taxation General Fund  
5 First Read: 22-MAR-12

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8 SYNOPSIS: This bill would amend the state lodgings  
9 tax statute to clarify that the tax does not apply  
10 to certain single-family residences or multifamily  
11 residences.

12  
13 A BILL  
14 TO BE ENTITLED  
15 AN ACT  
16

17 To amend Section 40-26-1, Code of Alabama 1975,  
18 relating to a lodging tax on renting rooms and lodgings on a  
19 transient basis; to clarify the tax excludes certain  
20 single-family residences and multifamily residences.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. Section 40-26-1, Code of Alabama 1975, is  
23 amended to read as follows:

24 "§40-26-1.

25 "(a) There is levied and imposed, in addition to all  
26 other taxes of every kind now imposed by law, a privilege or  
27 license tax upon every person, firm, or corporation engaging

1 in the business of renting or furnishing any room or rooms,  
2 lodging, or accommodations to transients in any hotel, motel,  
3 inn, tourist camp, tourist cabin, or any other place in which  
4 rooms, lodgings, or accommodations are regularly furnished to  
5 transients for a consideration, in any county which is located  
6 in the geographic region comprising the Alabama mountain lakes  
7 area, those being Blount, Cherokee, Colbert, Cullman, DeKalb,  
8 Etowah, Franklin, Jackson, Lauderdale, Lawrence, Limestone,  
9 Madison, Marion, Marshall, Morgan, and Winston, in an amount  
10 to be determined by the application of the rate of five  
11 percent of the charge for such room, rooms, lodgings, or  
12 accommodations, including the charge for use or rental of  
13 personal property and services furnished in such room, and the  
14 rate of four percent of the charge in every other county.  
15 There is exempted from the tax levied under this chapter any  
16 rentals or services taxed under Division 1 of Article 1 of  
17 Chapter 23 of this title.

18 "(b) The tax shall not apply to rooms, lodgings, or  
19 accommodations supplied or provided: (i) For a period of 180  
20 continuous days or more in any place; (ii) by camps,  
21 conference centers, or similar facilities operated by  
22 nonprofit organizations primarily for the benefit of, and in  
23 connection with, recreational or educational programs for  
24 children, students, or members or guests of other nonprofit  
25 organizations during any calendar year; ~~or~~ (iii) by privately  
26 operated camps, conference centers, or similar facilities that  
27 provide lodging and recreational or educational programs

1 exclusively for the benefit of children, students, or members  
2 or guests of nonprofit organizations during any calendar year;  
3 or (iv) pursuant to a written lease agreement with a term of  
4 30 continuous days or more for a single-family residence or  
5 for premises within a multifamily residential premises that  
6 contains its own separate self-contained cooking, eating,  
7 sleeping, bathroom, and living space as permitted by  
8 applicable zoning laws to be occupied by a single family,  
9 provided that for this purpose multifamily residential  
10 premises shall not include any such premises which permits  
11 lease or occupancy by any person for any period of 30  
12 continuous days or more.

13 "(c) For purposes of subsection (b): "Children"  
14 means individuals under age 21; "student" is defined in  
15 accordance with 26 U.S.C. §151(c)(4), as in effect from time  
16 to time or by any successor law; "nonprofit organization" is  
17 an organization exempt from federal income tax under 26 U.S.C.  
18 §501(c)(3), as in effect from time to time or any successor  
19 law; and "privately operated" refers to any camp, conference  
20 center, or similar facility other than those operated by a  
21 nonprofit organization as herein defined."

22 Section 2. This act shall become effective on the  
23 first day of the third month following its passage and  
24 approval by the Governor, or its otherwise becoming law.