

1 HB430
2 199287-1
3 By Representative Nordgren
4 RFD: Ways and Means Education
5 First Read: 23-FEB-21

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8 SYNOPSIS: Under existing law, various entities are
9 exempt from state and local taxation.

10 This bill would provide that the Amazon
11 Hope, Incorporated and all real and personal
12 property of the Amazon Hope, Incorporated would be
13 exempt from the payment of ad valorem and sales and
14 use taxes.

15
16 A BILL
17 TO BE ENTITLED
18 AN ACT

19
20 To amend Section 40-9-12, Code of Alabama 1975,
21 relating to tax exemptions, to provide that the Amazon Hope,
22 Incorporated shall be exempt from the payment of ad valorem
23 and sales and use taxes.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. Section 40-9-12, Code of Alabama 1975, is
26 amended to read as follows:

27 "§40-9-12.

1 "(a) The National Foundation's Alabama Field
2 Offices, all Young Men's Hebrew Associations (Y.M.H.A.) also
3 known as Jewish Community Centers (J.C.C.), and all real and
4 personal property of all Young Men's Hebrew Associations
5 (Y.M.H.A.) also known as Jewish Community Centers (J.C.C.),
6 the Amazon Hope, Incorporated, and all real and personal
7 property of the Amazon Hope, Incorporated, the Seamen's Home
8 of Mobile, incorporated under Act No. 145, Acts of Alabama
9 1844-45, the Girl Scouts of America and the Boy Scouts of
10 America, and any council, troop or other subdivision thereof
11 now existing or hereafter created and all real and personal
12 property of the Girl Scouts of America and the Boy Scouts of
13 America, and any council, troop or other subdivision thereof
14 now existing or hereafter created, the Catholic Maritime Club
15 of Mobile, Inc., the Knights of Pythias Lodges, the Salvation
16 Army, Inc., the Elks Memorial Center, and all real and
17 personal property of the Salvation Army, Inc., and the Elks
18 Memorial Center, all United Way organizations and United Way
19 member agencies in Alabama, other qualifying united appeal
20 funds and their recipients as provided in subsection (d), and
21 the real and personal property of all United Way organizations
22 and United Way member agencies in Alabama, other qualifying
23 united appeal funds and their recipients as provided in
24 subsection (d), and the Alabama Masonic Home, the American
25 Cancer Society, and all real and personal property of American
26 Cancer Society, the New Hope Industries of Dothan, and all
27 real and personal property of the New Hope Industries of

1 Dothan, the Helping Hand Club of Anniston, and all real and
2 personal property of the Helping Hand Club of Anniston,
3 Childhaven, Inc., and all real and personal property of
4 Childhaven, Inc., Presbyterian Home for Children and all real
5 and personal property of Presbyterian Home for Children,
6 Freewill Baptist Children's Home and all real and personal
7 property of Freewill Baptist Children's Home, Methodist Homes
8 for the Aging and all real and personal property of Methodist
9 Homes for the Aging, and United Methodist Children's Home and
10 all real and personal property of United Methodist Children's
11 Home, Birmingham Building Trades Towers of Birmingham,
12 Alabama, a nonprofit corporation, the Holy Comforter House,
13 Inc., of Gadsden, Alabama, a nonprofit corporation, the
14 University of Alabama Huntsville Foundation and all real and
15 personal property of the University of Alabama Huntsville
16 Foundation, the Birmingham Football Foundation, Inc., a
17 nonprofit corporation, and all real and personal property of
18 the Birmingham Football Foundation, Inc., and of any branch or
19 department of any of same heretofore or hereafter organized
20 and existing in good faith in the State of Alabama, for other
21 than pecuniary gain and not for individual profit, when such
22 real or personal property shall be used by such associations
23 or nonprofit corporations, their branches or departments in
24 and about the conducting, maintaining, operating and carrying
25 out of the program, work, principles, objectives, and policies
26 of such associations or nonprofit corporations, their branches
27 or departments, in any city or county of the State of Alabama,

1 are exempt from the payment of any and all state, county, and
2 municipal taxes, licenses, fees, and charges of any nature
3 whatsoever, including any privilege or excise tax heretofore
4 or hereafter levied by the State of Alabama or any county or
5 municipality thereof. The receipt, assessment or collection of
6 any fee, admission, service charge, rent, dues, or any other
7 item or charge by any such association or nonprofit
8 corporation, its branches or departments from any person,
9 firm, or corporation for any services rendered by any such
10 association or nonprofit corporation, its branches or
11 departments or for the use or occupancy of any real or
12 personal property of any such association or nonprofit
13 corporation, its branches or departments in or about the
14 conducting, maintaining, operating, and carrying out of the
15 program, work, principles, objectives, and policies of any
16 such association or nonprofit corporation, its branches, or
17 departments shall not be held or construed by any court,
18 agency, officer, or commission of the State of Alabama, or any
19 county or municipality thereof, to constitute pecuniary gain
20 or individual profit by any such association or nonprofit
21 corporation, its branches or departments, or the doing of
22 business in such a manner as to prejudice or defeat, in any
23 manner, the right and privilege of any such association or
24 nonprofit corporation, its branches or departments to claim or
25 rely upon or receive the exemption of such association or
26 nonprofit corporation, its branches or departments and of all

1 real and personal property thereof from taxation, as herein
2 provided.

3 "(b) With respect to gasoline, tobacco, playing card
4 tax or any other tax required by law to be prepaid by the
5 retailer, the associations, nonprofit corporations, or
6 organizations exempt under this section shall pay the
7 appropriate tax at the time purchases are made, and the amount
8 of such tax shall be refunded to such associations, nonprofit
9 corporations, or organizations by the Department of Revenue
10 pursuant to the procedures for refunds provided in Chapter 2A
11 of this title.

12 "(c) For purposes of this section, the following
13 words and phrases shall have the following meanings:

14 "(1) SUPPORTED CHARITY. Any charitable, civic, or
15 eleemosynary institution for which a united appeal fund
16 solicits funds.

17 "(2) UNITED APPEAL FUND. Any nonprofit entity that
18 demonstrates to the reasonable satisfaction of the Department
19 of Revenue that it has all of the following characteristics:

20 "a. Is an Alabama nonprofit corporation, or another
21 type of legal entity, whether formed in Alabama or in another
22 jurisdiction, which is required by its principal governing
23 documents to be operated as a charity.

24 "b. Is one of a class, donations to which are
25 deductible for federal and Alabama income tax purposes under
26 Section 170(c) of the Internal Revenue Code.

1 "c. Has as its principal purpose, as stated by its
2 principal governing documents, the raising of funds or the
3 aggregation or consolidation of fund raising efforts, to
4 support other charities which are not themselves united appeal
5 funds, known as supported charities.

6 "d. Has been issued a Certificate of Exemption from
7 Alabama sales, use, and lodgings tax prior to July 1, 2017,
8 and has continually maintained the Certificate of Exemption as
9 required by Section 40-9-60.

10 "e. With respect to the distribution of funds raised
11 by the united appeal fund, the entity's principle governing
12 documents must require that no supported charity, as defined
13 in this subsection, will receive de minimis support.

14 "(3) UNITED WAY MEMBER AGENCY. Any nonprofit
15 organization that receives more than a de minimis amount of
16 funding through the approval of the board of a United Way
17 organization, but only if the nonprofit organization is:

18 "a. Accountable to the granting United Way
19 organization for the expenditure of any funds received from
20 such United Way organization.

21 "b. Included on a list of such nonprofit
22 organizations to be submitted to the Department of Revenue
23 under subsection (e) by all United Way organizations on or
24 before a date provided for in a rule of the Department of
25 Revenue.

26 "(4) UNITED WAY ORGANIZATION. Any nonprofit
27 corporation legally authorized and licensed to operate under

1 the name United Way and use the name United Way and the
2 associated logo and trademarks.

3 "(d) (1) Each supported charity must be separately
4 identified by name in the principal governing documents of the
5 united appeal fund entity, and by name and federal employer
6 identification number at the request of the Department of
7 Revenue. Each supported charity must agree, in its own
8 principal governing documents, to become or remain a member of
9 the united appeal fund that funded the supported charity.

10 "(2) The special rules provided in this subsection
11 shall not apply to any United Way organization or any United
12 Way member agency.

13 "(e) (1) Each United Way organization shall provide
14 the Department of Revenue with a list of its constituent
15 United Way member agencies on an annual basis.

16 "(2) The Department of Revenue, by rule, shall
17 provide the date on which United Way organizations shall
18 submit the list required by this subsection."

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