

1 SB247
2 208852-5
3 By Senator Jones (Constitutional Amendment)
4 RFD: Local Legislation
5 First Read: 23-FEB-21

1 TO BE ENTITLED

2 AN ACT

3
4 To propose an amendment to the Constitution of
5 Alabama of 1901, relating to Etowah County and the authority
6 of municipalities in Etowah County to levy an occupational
7 license tax; to phase out any occupational license tax levied
8 by a municipality in Etowah County; to provide that any
9 occupational license tax levied by any municipality in Etowah
10 County would not apply to any person performing an occupation
11 in the police jurisdiction of the municipality or on any
12 property annexed into the municipality after January 1, 2021;
13 and to prohibit any municipality in Etowah County from levying
14 a new occupational license tax or increasing any existing
15 occupational license tax.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. The following amendment to the
18 Constitution of Alabama of 1901, is proposed and shall become
19 valid as a part of the Constitution when all requirements of
20 this act are fulfilled:

21 PROPOSED AMENDMENT

22 (a) This amendment shall be known and may be cited
23 as the "Etowah County Family Income Protection Amendment."

24 (b) Effective October 1 following the ratification
25 of this amendment, the rate of any occupational license tax on
26 the income of a person levied by a municipality in Etowah
27 County and imposed on a natural person derived from the

1 conduct of a vocation, occupation, calling, or profession
2 shall be reduced and phased out as follows: The maximum tax
3 rate in a municipality shall be capped at the tax rate in
4 effect on January 1, 2021, and the maximum tax rate of the
5 levy shall be reduced and phased out by subtracting not less
6 than one-tenth of one percent from the maximum tax rate of the
7 levy on October 1 following the ratification of this amendment
8 and each October 1 thereafter until the occupational tax is
9 phased out and reduced to zero and repealed. For example, if
10 the rate of the levy of the occupational tax is one percent
11 for the first year, the maximum tax rate of the levy would be
12 reduced to .9 percent; for the second year, the maximum rate
13 would be reduced to .8 percent; and continuing thereafter
14 until the rate would be zero. If the rate of the levy of the
15 occupational tax is two percent, for the first year, the
16 maximum tax rate of the levy would be reduced to 1.9 percent;
17 for the second year, the maximum rate would be reduced to 1.8
18 percent; and continuing for each year thereafter until the
19 rate would be zero.

20 (c) An occupational license tax levied on the income
21 of a person by a municipality in Etowah County shall not apply
22 to a person conducting a vocation, occupation, calling, or
23 profession in the police jurisdiction of the municipality or
24 on any property annexed into the municipality after January 1,
25 2021.

26 (d) After the ratification of this amendment,
27 notwithstanding the provisions of Section 11-51-90, Code of

1 Alabama 1975, no municipality in Etowah County may levy a new
2 occupational license tax pursuant to Section 11-50-90, Code of
3 Alabama 1975, or otherwise, on the income of any person
4 engaging in any occupation or increase the rate of any
5 occupational license tax on the income of any person engaging
6 in any occupation.

7 Section 2. An election upon the proposed amendment
8 shall be held on the date of the general election in 2022 in
9 accordance with Section 284.01 of the Constitution of Alabama
10 of 1901, now appearing as Section 284.01 of the Official
11 Recompilation of the Constitution of Alabama of 1901, as
12 amended, and the election laws of this state.

13 Section 3. The appropriate election official shall
14 assign a ballot number for the proposed constitutional
15 amendment on the election ballot and shall set forth the
16 following description of the substance or subject matter of
17 the proposed constitutional amendment:

18 "Relating to Etowah County, proposing an amendment
19 to the Constitution of Alabama of 1901, to be designated as
20 the "Etowah County Family Income Protection Amendment;" to
21 phase out any occupational license tax levied by a
22 municipality in Etowah County; to provide that any
23 occupational license tax levied by any municipality in Etowah
24 County would not apply to any person performing an occupation
25 in the police jurisdiction of the municipality or on any
26 property annexed by the municipality after January 1, 2021;
27 and to prohibit any municipality in Etowah County from levying

1 a new occupational license tax or increasing any existing
2 occupational license tax.

3 "Proposed by Act _____"

4 This description shall be followed by the following
5 language:

6 "Yes () No ()."