

1 SB403
2 210503-5
3 By Senator Gudger (N & P)
4 RFD: Local Legislation
5 First Read: 27-APR-21

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9 A BILL
10 TO BE ENTITLED
11 AN ACT
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13 Relating to Cullman County, to amend Sections
14 45-22-242 and 45-22-242.11 of the Code of Alabama 1975, to
15 decrease the county lodgings tax upon the retirement of
16 certain debt and provide further for the use of the proceeds
17 of the tax.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19 Section 1. Sections 45-22-242 and 45-22-242.11 of
20 the Code of Alabama 1975, are amended to read as follows:

21 "§45-22-242.

22 "(a) There is levied in Cullman County, in addition
23 to all other taxes now imposed by law, a privilege or license
24 tax paralleling the state tax on businesses renting rooms,
25 lodging, or accommodations to transients provided for in
26 Sections 40-26-1 to 40-26-21, inclusive, hereinafter referred

1 to as state lodging tax, in the manner and at the rate
2 hereinafter prescribed.

3 "(b) Upon every person, firm, or corporation
4 engaging in Cullman County in the business of renting or
5 furnishing any room or rooms, lodging, or accommodations to
6 transients in any hotel, motel, inn, tourist camp, tourist
7 cabin, or any other place in which rooms, lodgings, or
8 accommodations are regularly furnished to transients for a
9 consideration, in an amount to be determined by the
10 application of the rate of five percent of the charge for the
11 room, rooms, lodgings, or accommodations, including the charge
12 for use or rental of personal property and services furnished
13 in the room. Notwithstanding the foregoing, upon the
14 retirement of existing debt for the Exit 305 Interchange,
15 County Road 222 and outstanding debt on the building occupied
16 by the Cullman Area Chamber of Commerce, located at 301 2nd
17 Ave SW, Cullman, AL 35055, the application of the rate to be
18 charged for the room, rooms, lodgings, or accommodations,
19 including the charge for use or rental of personal property
20 and services furnished in the room shall be four percent.

21 There is exempted from the tax levied under this part any
22 rentals or services taxed under the state sales tax provided
23 for in Chapter 23 of Title 40. The tax shall not apply to
24 rooms, lodgings, or accommodations supplied for a period of 30
25 continuous days or more in any place.

26 "§45-22-242.11.

1 "(a) The State Department of Revenue shall charge
2 Cullman County for collecting the county lodging taxes levied
3 in this part the lessor of the actual ~~an amount or percentage~~
4 of total collections, ~~as may be agreed upon by the State~~
5 ~~Commissioner of Revenue and the Cullman County Commission,~~ but
6 the collection charge shall not in any event exceed ~~to~~ 2.5
7 percent of the total amount of the special county taxes
8 collected under this part. The charge for collecting the taxes
9 for the county may be deducted each month from the taxes
10 collected before certifying the amount of the proceeds from
11 the taxes due to Cullman County each month. The State
12 Commissioner of Revenue shall pay into the State Treasury all
13 county taxes collected under this part as the taxes are
14 received by the State Department of Revenue. On or before the
15 first day of each successive month, commencing with the month
16 following the month in which the department makes the first
17 collections under this part, the commissioner shall certify to
18 the Comptroller the amount of taxes collected under this part
19 and paid into the State Treasury for the benefit of Cullman
20 County during the month immediately preceding the making of
21 the certification. Before certifying the amount of the taxes
22 paid into the State Treasury for the benefit of Cullman County
23 during each month, the commissioner may deduct from the taxes
24 collected for the month the charges due the department for the
25 collection of the taxes for the county. It shall be the duty
26 of the Comptroller to issue a state warrant each month payable
27 to the Cullman County Commission, in an amount equal to the

1 amount so certified by the State Commissioner of Revenue as
2 having been collected for the use of the county. ~~Upon~~
3 ~~receiving the tax proceeds, the county treasurer~~

4 "(b) Upon receiving the tax proceeds, the county
5 treasurer shall transmit the proceeds as follows:

6 "(1) Two-fifths of the proceeds to the Cullman
7 County Chamber of Commerce to be used. Two-fifths of the tax
8 proceeds shall be used, in at the discretion of the chamber of
9 commerce to pay any operational expenses while promoting small
10 businesses, promotion of marketing for Cullman being a
11 destination shopping location, working with and enhancing the
12 City of Cullman's and Cullman County's Industrial Boards, to
13 working with the Cullman County Tourism Board; exclusively
14 for the purpose of developing and promoting tourism and
15 conventions, one-fifth shall be used exclusively for economic
16 and industrial development purposes in the county, and
17 two-fifths shall be used to retire a bond issue on the Cullman
18 Family Recreation Complex. Upon retirement of the bonded debt,
19 the funds shall be used to promote the complex and other
20 tourist attractions and events in the county.

21 "(2) a. One-fifth of the proceeds to the Cullman
22 County Tourism Bureau to be used at the discretion of the
23 bureau exclusively for the purpose of promoting tourism
24 through festivals, events, and tournaments throughout the City
25 of Cullman and Cullman County for the benefit of all of the
26 residents of Cullman County.

1 b. The Cullman County Tourism Bureau shall be
2 comprised as follows: (1) two members appointed by the Cullman
3 City Council, of which one shall be an elected city councilman
4 and one shall be a representative of tourism relating to the
5 restaurant industry; (2) two members appointed by the full
6 board of the Cullman Area Chamber of Commerce, of which one
7 shall be either the chairman of the chamber or the president
8 of the chamber and one shall be a representative of tourism
9 relating to the Smith Lake Community; (3) two members
10 appointed by the Cullman County Commission, of which one shall
11 be an elected county commissioner and one shall be a
12 representative of tourism relating to the Agri-Tourism
13 industry; (4) one member appointed by the Hotel Association;
14 (5) one member appointed by Wallace State Community College
15 president; (6) one member shall be the Cullman-County Parks &
16 Recreation Director; (7) one member appointed by the Cullman
17 City Parks & Recreation Board Director or President; and (8)
18 one member who shall be a representative of the tourism
19 industry selected by a majority vote of the State delegation;
20 provided however, that in the event the delegation vote is
21 tied, the Senator of Cullman would make the deciding vote.

22 c. Members of the bureau shall serve staggered,
23 four-year terms as follows: (1) appointees of the Hotel
24 Association, Wallace State Community College; Cullman-County
25 Parks & Recreation, and the Cullman City Parks & Recreation
26 Board shall serve six year terms; (2) one appointee each for
27 the Cullman City Council, the Cullman Area Chamber of

1 Commerce, and the Cullman County Commission shall serve four
2 year terms; and (3) all other appointees shall serve two-year
3 terms.

4 d. Upon enactment of this act, the Cullman County
5 Treasurer shall open a separate bank account(s) for the
6 Cullman County Tourism Bureau by June 1 of the year of
7 enactment.

8 "(3) The remaining two-fifths of the proceeds that
9 are sent to the Cullman County Commission from the Alabama
10 Department of Revenue shall continue to be sent to the Cullman
11 Area Chamber of Commerce for the sole purpose of paying off
12 the existing debt, which shall not be extended, of the Exit
13 305 Interchange, County Road 222. Once the existing debt of
14 the Exit 305, Interchange, County Road 222 debt is paid off
15 then one-hundred percent of the two-fifths will transfer for
16 the sole purpose of paying off the remaining outstanding debt
17 on the building occupied by the Cullman Area Chamber of
18 Commerce, located at 301 2nd Ave SW, Cullman, AL 35055, which
19 shall also not be extended. Upon the retirement of the
20 above-mentioned debt, two-fifths of the proceeds shall be
21 transmitted to the Cullman County Tourism Bureau to be used at
22 the discretion of the bureau exclusively for the purposes
23 stated in subdivision (2) of this subsection. The remaining
24 one-fifth of the proceeds shall expire on December 31, 2024.

25 "(c) Effective June 1, 2021, the balance of the
26 proceeds remaining to be distributed to Cullman County after
27 the cost of collection and distribution to the Alabama

1 Mountain Lakes Association have been deducted pursuant to
2 Section 40-26-20, shall be controlled by the Cullman County
3 Tourism Board.

4 "(d) Effective June 1, 2021, the City of Cullman
5 shall transmit to the Cullman County Tourism Board, an amount
6 equal to one quarter percent (1/4%) of the privilege tax
7 levied and collected, pursuant to Ordinance No. 2007-7, on
8 persons, firms or corporations renting accommodations to
9 transients in the City of Cullman."

10 Section 2. This act shall become effective June 1,
11 2021, following its passage and approval by the Governor, or
12 its otherwise becoming law.