

1 SB403
2 210503-6
3 By Senator Gudger (N & P)
4 RFD: Local Legislation
5 First Read: 27-APR-21

1 SB403

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3
4 With Notice and Proof

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6 ENROLLED, An Act,

7 Relating to Cullman County, to amend Sections
8 45-22-242 and 45-22-242.11 of the Code of Alabama 1975, to
9 decrease the county lodgings tax upon the retirement of
10 certain debt and provide further for the use of the proceeds
11 of the tax.

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

15 "§45-22-242.

16 "(a) There is levied in Cullman County, in addition
17 to all other taxes now imposed by law, a privilege or license
18 tax paralleling the state tax on businesses renting rooms,
19 lodging, or accommodations to transients provided for in
20 Sections 40-26-1 to 40-26-21, inclusive, hereinafter referred
21 to as state lodging tax, in the manner and at the rate
22 hereinafter prescribed.

23 "(b) Upon every person, firm, or corporation
24 engaging in Cullman County in the business of renting or
25 furnishing any room or rooms, lodging, or accommodations to

1 transients in any hotel, motel, inn, tourist camp, tourist
2 cabin, or any other place in which rooms, lodgings, or
3 accommodations are regularly furnished to transients for a
4 consideration, in an amount to be determined by the
5 application of the rate of five percent of the charge for the
6 room, rooms, lodgings, or accommodations, including the charge
7 for use or rental of personal property and services furnished
8 in the room. Notwithstanding the foregoing, upon the
9 retirement of existing debt for the Exit 305 Interchange,
10 County Road 222 and outstanding debt on the building occupied
11 by the Cullman Area Chamber of Commerce, located at 301 2nd
12 Ave SW, Cullman, AL 35055, the application of the rate to be
13 charged for the room, rooms, lodgings, or accommodations,
14 including the charge for use or rental of personal property
15 and services furnished in the room shall be four percent.
16 There is exempted from the tax levied under this part any
17 rentals or services taxed under the state sales tax provided
18 for in Chapter 23 of Title 40. The tax shall not apply to
19 rooms, lodgings, or accommodations supplied for a period of 30
20 continuous days or more in any place.

21 "§45-22-242.11.

22 "(a) The State Department of Revenue shall charge
23 Cullman County for collecting the county lodging taxes levied
24 in this part the lessor of the actual ~~an amount or percentage~~
25 of total collections, ~~as may be agreed upon by the State~~

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

1 having been collected for the use of the county. ~~Upon~~
2 ~~receiving the tax proceeds, the county treasurer~~

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

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

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

1 Board shall serve six year terms; (2) one appointee each for
2 the Cullman City Council, the Cullman Area Chamber of
3 Commerce, and the Cullman County Commission shall serve four
4 year terms; and (3) all other appointees shall serve two-year
5 terms.

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

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

1 stated in subdivision (2) of this subsection. The remaining
2 one-fifth of the proceeds shall expire on December 31, 2024.

3 "(c) Effective June 1, 2021, the balance of the
4 proceeds remaining to be distributed to Cullman County after
5 the cost of collection and distribution to the Alabama
6 Mountain Lakes Association have been deducted pursuant to
7 Section 40-26-20, shall be controlled by the Cullman County
8 Tourism Board.

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

15 Section 2. This act shall become effective June 1,
16 2021, following its passage and approval by the Governor, or
17 its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB403

Senate 04-MAY-21

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,
Secretary.

House of Representatives
Passed: 17-MAY-21

By: Senator Gudger