

1 HB52
2 154885-4
3 By Representative Collins
4 RFD: Ways and Means Education
5 First Read: 14-JAN-14
6 PFD: 11/18/2013

1 ENGROSSED

2
3
4 A BILL
5 TO BE ENTITLED
6 AN ACT
7

8 Relating to Class 1, Class 2, Class 3, Class 4, and
9 Class 5 municipalities and municipalities with an incorporated
10 arts council or main street program; to provide a sales tax
11 exemption for an original work of art sold in a cultural
12 district and to authorize the Alabama State Council on the
13 Arts to develop criteria for the establishment of the
14 district.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. The provisions of this act shall only
17 apply to Class 1, Class 2, Class 3, Class 4, and Class 5
18 municipalities and municipalities with an incorporated arts
19 council or main street program.

20 Section 2. As used in this act, the following terms
21 shall have the following meanings:

22 (1) CULTURAL DISTRICT. A district designated by a
23 local governing authority which is in an area being
24 revitalized by creating a hub of cultural activity and
25 affordable artist housing and workspace. The Alabama State
26 Council on the Arts shall develop standard criteria for the
27 establishment of a cultural district which shall include that

1 the district be geographically contiguous and distinguished by
2 cultural resources which play a vital role in the life and
3 cultural development of the community.

4 (2) ORIGINAL WORK OF ART. An original and creative
5 work, whether written, composed, performed, or executed for "a
6 one of a kind limited" production by an artist living in a
7 cultural district. The work may be:

- 8 a. A book or other writing.
- 9 b. A play or the performance of the play.
- 10 c. A musical composition or the performance of the
11 composition.
- 12 d. A painting or other rendering.
- 13 e. A sculpture.
- 14 f. Traditional and fine crafts.
- 15 g. The creation of a film or the acting within the
16 film.
- 17 h. The creation of a dance or the performance of the
18 dance.

19 A work of art does not include any performance
20 created or executed for industry or mass production.

21 Section 3. An artist who sells an original work of
22 art as defined in this act with a sales price of \$10,000 or
23 less per item in a cultural district in a municipality as
24 described in Section 1 shall be exempt from the collection and
25 payment of sales and use taxes on the sale of original works
26 of art otherwise levied, assessed and payable under the
27 provisions of Chapter 23 of Title 40, Code of Alabama 1975.

1 Each local government with a certified cultural district in
2 its jurisdiction shall annually submit a report relating to
3 cultural and economic development to the Department of Revenue
4 and the Department of Tourism. This exemption shall not apply
5 to county or municipal sales and use taxes unless approved by
6 resolution or ordinance adopted by the governing body.

7 Section 4. The Department of Revenue may promulgate
8 rules necessary to implement and administer the provisions of
9 this bill.

10 Section 5. The provisions of this act are severable.
11 If any part of this act is declared invalid or
12 unconstitutional, that declaration shall not affect the part
13 which remains.

14 Section 6. All laws or parts of laws which conflict
15 with this act are repealed.

16 Section 7. This act shall become effective for the
17 fiscal year beginning October 1, ~~2013~~ 2014, and continuing
18 thereafter, following its passage and approval by the
19 Governor, or its otherwise becoming law.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Ways and Means
Education..... 14-JAN-14

Read for the second time and placed
on the calendar 1 amendment 26-FEB-14

Read for the third time and passed
as amended..... 11-MAR-14

Yeas 98, Nays 0, Abstains 0

Jeff Woodard
Clerk