

1 HB597
2 139490-1
3 By Representative Williams (J)
4 RFD: Commerce and Small Business
5 First Read: 22-MAR-12

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8 SYNOPSIS: This bill would require the Department of
9 Revenue to develop and make available a system
10 which allows any taxpayer required to file and
11 remit a state, county, or municipal sales or use
12 tax the ability to file and remit the sales and use
13 tax returns and payments through an electronic
14 single point of filing program.

15 This bill would provide that there shall be
16 no charge to utilize the local electronic single
17 point of filing program by a taxpayer or local
18 taxing jurisdiction.

19 This bill would allow the Department of
20 Revenue to promulgate rules to implement the
21 provisions of the bill.

22 This bill would create a State and Local
23 Advisory Committee to provide input to the
24 Commissioner of Revenue, and would provide for its
25 membership, powers, and duties.

26
27 A BILL

1 TO BE ENTITLED

2 AN ACT

3
4 Relating to sales and use tax; to require the
5 Department of Revenue to develop and make available a system
6 which allows any taxpayer required to file and remit a state,
7 county, or municipal sales or use tax the ability to file and
8 remit the sales and use tax returns and payments through an
9 electronic single point of filing program; to provide that
10 there shall be no charge to utilize the local electronic
11 single point of filing program by a taxpayer or local taxing
12 jurisdiction; to allow the Department of Revenue to promulgate
13 rules to implement the provisions of this act; and to create a
14 State and Local Advisory Committee to provide input to the
15 Commissioner of Revenue, and to provide for its membership,
16 powers, and duties.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

18 Section 1. (a) No later than September 30, 2013, the
19 Department of Revenue shall develop and make available a
20 system which allows any taxpayer required to file and remit a
21 state, county, or municipal sales or use tax the ability to
22 file and remit such sales and use tax returns and payments
23 through an electronic single point of filing program. The
24 system shall be known as the Optional Network Election for
25 Single Point Online Transactions or "ONE SPOT." The system
26 shall be available for use by any taxpayer for tax periods
27 after September 30, 2013, provided the taxpayer complies with

1 this act and any rules promulgated by the department for the
2 administration of the system. The ONE SPOT system shall allow
3 for sales and use tax return filing and tax remittance only
4 and may not provide for the administration or enforcement of
5 local sales and use taxes.

6 (b) There shall be no charge to local taxing
7 jurisdictions for utilization of the ONE SPOT system by
8 taxpayers or the local taxing jurisdiction. Beginning no later
9 than January 2013, the department shall provide financial
10 assistance of up to one million dollars (\$1,000,000) for three
11 years to assist local taxing jurisdictions as necessary to
12 ensure that their local system is capable of effectively
13 interfacing with the ONE SPOT system.

14 (c) The system developed and implemented pursuant to
15 subsection (a) shall have the capability to allow a taxpayer
16 to file an electronic tax return for state sales and use taxes
17 and for each local taxing jurisdiction in which the taxpayer
18 is required to file and remit a sales or use tax. The
19 electronic tax return shall contain all information included
20 in the standard multiple jurisdictional tax returns developed
21 pursuant to Section 11-51-210, Code of Alabama 1975, and all
22 information included in the electronic tax return shall be
23 electronically available to each appropriate local taxing
24 jurisdiction without delay. The department shall consult with
25 the State and Local Advisory Committee established in Section
26 3 regarding development and implementation of the ONE SPOT
27 system.

1 (d) As required in Section 11-51-210, Code of
2 Alabama 1975, every local taxing jurisdiction levying or
3 administering a sales or use tax shall submit to the
4 department a list of the sales and use taxes levied or
5 administered by that local taxing jurisdiction including
6 current rates and shall submit to the department written
7 notification of any new or amended sales or use tax at least
8 30 days prior to the effective date of the tax or amendment.
9 Failure to notify the department may not invalidate the levy
10 of the tax; except that the department may not be required to
11 program new sales or use taxes or tax rates in the system
12 until such time as notice is provided as required in this act
13 and pursuant to Section 11-51-210, Code of Alabama 1975.

14 Section 2. (a) All Alabama taxing jurisdictions
15 shall authorize utilization of the ONE SPOT system for any
16 taxpayer required to file a state or local sales or use tax
17 return or remit the tax payments; provided, however, that any
18 taxpayer utilizing the ONE SPOT system for filing an
19 electronic tax return for a local taxing jurisdiction shall be
20 required to simultaneously remit payment through the system or
21 through another electronic method of payment accepted by the
22 local taxing jurisdiction for which payment is being made. A
23 local taxing jurisdiction may not accept a tax return from a
24 taxpayer without payment through the system unless the
25 taxpayer has prior approval from the local taxing jurisdiction
26 to utilize a different approved electronic method of payment.

1 (b) No later than June 30, 2013, each local taxing
2 jurisdiction shall provide the department with necessary
3 information to allow all sales and use tax payments to be
4 remitted directly to the bank account or other account
5 designated by the local taxing jurisdiction. Each non-state
6 administered local taxing jurisdiction shall set up their
7 accounts to allow dishonored payments to be reversed by the
8 system. All tax payments made through the ONE SPOT system for
9 non-state administered local taxing jurisdictions shall be
10 remitted directly from the taxpayer to the designated bank
11 account or other account of the local taxing jurisdiction with
12 the ONE SPOT system serving as a conduit only.

13 (c) No taxpayer shall be required to use the ONE
14 SPOT system for tax return filing and remittance of local
15 sales and use taxes; provided, however, that any taxpayer
16 utilizing the system shall comply with this act and any rules
17 promulgated by the department for the administration of this
18 act. Additionally, any taxpayer utilizing the system shall
19 comply with any rules of the local taxing jurisdiction
20 regarding the administration of the local sales or use tax.

21 (d) All penalties and interest shall be assessed
22 according to state law and the rules of the department, except
23 that a local taxing jurisdiction may elect to apply the
24 interest at the rate of one percent per month, if it notifies
25 the department of the election in a manner prescribed by the
26 department. Additionally, the state discount rate shall be
27 applied except that a local taxing jurisdiction discount rate

1 shall be applied if the local taxing jurisdiction notifies the
2 department of such election in a manner prescribed by the
3 department. A taxpayer who desires a waiver of any penalty
4 assessed in relation to a return filed for a local taxing
5 jurisdiction shall apply directly to that local taxing
6 jurisdiction for the waiver.

7 Section 3. (a) (1) To ensure that local taxing
8 jurisdictions have meaningful input into the development and
9 operation of ONE SPOT, a State and Local Advisory Committee is
10 hereby established to review the design and operation of the
11 system and to make recommendations regarding system
12 requirements and functionality to the Commissioner of Revenue.

13 (2) The committee shall consist of the following
14 individuals:

15 a. Three representatives of county government,
16 appointed by the Association of County Commissions of Alabama.

17 b. Three representatives of municipal government,
18 appointed by the Alabama League of Municipalities.

19 c. One representative of the business community,
20 appointed by the Business Council of Alabama.

21 d. One representative of the retail community,
22 appointed by the Alabama Retail Association.

23 (3) The committee members shall receive no
24 compensation or reimbursement of expenses from the state for
25 serving on the committee.

26 (b) The committee shall meet with the Commissioner
27 of Revenue and with other employees of the department as the

1 commissioner deems appropriate. The initial meeting shall be
2 at a time and place to be determined by the commissioner and
3 shall be held no later than September 30, 2012. At the initial
4 meeting, the committee shall organize itself and shall
5 determine the timing and frequency of subsequent meetings.

6 (c) The role of the committee shall be limited to
7 providing input and recommendations on the development and
8 functionality of the ONE SPOT system with relation to the
9 filing of sales and use tax returns and remittance of payments
10 utilizing the ONE SPOT system. The committee shall make no
11 review of the department's administration of state taxes, of
12 state-administered local taxes, nor of any other department
13 matter beyond the ONE SPOT system.

14 (d) If the commissioner fails to act on
15 recommendations made by the committee regarding ONE SPOT, the
16 committee, by majority vote, may appeal to the Legislative
17 Council for a determination on whether the committee's
18 recommendations shall be implemented. The determination of the
19 Legislative Council shall be final.

20 Section 4. The provisions of this act are severable.
21 If any part of this act is declared invalid or
22 unconstitutional, that declaration shall not affect the part
23 which remains.

24 Section 5. All laws or parts of laws which conflict
25 with this act are repealed.

1 Section 6. This act shall be effective on the first
2 day of the second month following its passage and approval by
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