

1 HB653
2 139304-2
3 By Representative Williams (J) (N & P)
4 RFD: Jefferson County Legislation
5 First Read: 05-APR-12

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9 A BILL
10 TO BE ENTITLED
11 AN ACT
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13 Relating to Jefferson County; to authorize the levy
14 of occupational taxes in Jefferson County except upon those
15 natural persons otherwise required by law to pay tax pursuant
16 to certain provisions of Title 40 of the Code of Alabama 1975,
17 and to permit the levy of the occupational tax on natural
18 persons required to pay a tax pursuant to certain professional
19 licensing sections of Title 40 of the Code of Alabama 1975, if
20 certain conditions are met; to provide for the manner and
21 method of levy and the maximum rates at which the taxes may be
22 levied and the gross receipts of natural persons subject to
23 the tax so authorized; to provide for the payment of
24 penalties, interest and costs of collection in respect of
25 delinquent or late payments of the taxes; to provide for the
26 distribution of the revenues received from the taxes; to
27 provide that if any provision of the act shall be finally

1 determined invalid by a court of competent jurisdiction the
2 remainder thereof shall remain effective; and to provide for
3 an effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

5 Section 1. This act shall apply only to Jefferson
6 County.

7 Section 2. As used in this act, the following words
8 and terms shall have the meanings ascribed to them:

9 (1) BUSINESS ACTIVITY. The carrying on or practice
10 of any business, vocation, occupation, work, calling, or
11 profession.

12 (2) COUNTY. Jefferson County.

13 (3) GOVERNING BODY. The Jefferson County Commission.

14 (4) JEFFERSON COUNTY BUSINESS OCCUPATIONAL TAX. The
15 tax authorized to be levied pursuant to the provisions of
16 Section 3 hereof.

17 (5) NATURAL PERSON. Any individual human being.

18 Section 3. The Governing Body of the County is
19 authorized to levy, impose and collect a license or privilege
20 tax on those natural persons engaged in Business Activity in
21 the County.

22 (1) Who are not required to pay a license or
23 privilege tax to either the State of Alabama or the County
24 pursuant to the provisions of any of Sections 40-16-4,
25 40-21-50, 40-21-52, 40-21-53, 40-21-56 or 40-21-60 of the Code
26 of Alabama 1975, as amended, or pursuant to the professional
27 licensing sections of Chapter 12 of Title 40, Code of Alabama

1 1975, currently sections 43, 48, 49, 71, 92, 99, 126, 135,
2 136, 155 and 178 thereof, provided that natural persons paying
3 a license or privilege tax to the State or the County under
4 such provisions or professional licensing sections shall not
5 be excepted from the levy of the license or privilege tax
6 authorized herein if and to the extent such provisions or
7 professional licensing sections are hereafter amended or
8 effectively modified by the Legislature in such manner as to
9 remove those statutory restrictions that may exist on the
10 ability of a county to levy, impose, and collect a license or
11 privilege tax on such natural persons.

12 (b) Whose gross receipts derived from employment are
13 subject to withholding of federal or state employment or
14 Medicare taxes in respect of compensation derived by them from
15 engaging in Business Activity in the County, upon the gross
16 receipts so derived by such natural persons, measured by the
17 gross receipts, at the rate as shall be determined from time
18 to time by the Governing Body but not exceeding 45/100ths of
19 one percent (.0045) of such receipts less amounts withheld for
20 payment of health insurance premiums and for retirement plan
21 contributions, said tax to be known as the Jefferson County
22 Occupational Business Tax. The Governing Body is authorized to
23 provide by ordinance for collection of the Jefferson County
24 Occupational Business Tax from the employers of those natural
25 persons subject to the tax and for the imposition on such
26 employers of penalties and interest on delinquent payments of
27 the tax due and unpaid and for costs of collection thereof.

1 Provided, however, if a natural person otherwise subject to
2 the tax herein authorized to be levied is an owner,
3 proprietor, or stockholder in a business entity the income (or
4 any portion thereof) of which is, for federal income tax
5 purposes passed through to such person and such person would
6 therefore be subject to federal income tax thereon and if the
7 gross receipts of such entity are used in measuring the amount
8 of an entity business license tax levied by the County, the
9 gross receipts of such person from the Business Activity of
10 such entity shall not be subject to the tax authorized to be
11 levied by this section.

12 Section 4. The taxes hereby authorized to be levied
13 shall be paid to that officer or employer of the County
14 charged by the Governing Body or otherwise with the duty of
15 collecting license or privilege taxes payable to the County,
16 and the proceeds thereof, net of any costs of collection,
17 shall be distributed as follows:

18 (a) 20 percent to the University of Alabama at
19 Birmingham to be used for scientific, medical, or innovative
20 research projects conducted at such university or construction
21 projects at the university.

22 (b) The remainder to the County's General Fund for
23 use and appropriation therefrom by the Governing Body for such
24 other lawful public purposes and objects of expenditure for
25 which the said General Fund has been established.

26 Section 5. In addition to other legal authority as
27 it may otherwise have with respect thereto, the Governing Body

1 is hereby authorized to adopt and promulgate or provide for
2 the adoption and promulgation of such rules and regulations
3 consistent herewith and with any ordinance providing for the
4 levy and collection of the tax herein authorized as shall be
5 necessary and appropriate in the circumstances to the
6 efficient administration thereof.

7 Section 6. All laws or parts of laws which conflict
8 with this act are repealed.

9 Section 7. If any provision of this Act shall be
10 finally determined by a court of competent jurisdiction to be
11 invalid, such invalidity shall not affect any other provisions
12 of this act, which shall be given full force and effect as
13 completely as if the invalid provision had not been included
14 herein.

15 Section 8. This act shall become effective
16 immediately following its passage and approval by the
17 Governor, or its otherwise becoming law.