

1 HB735  
2 118650-1  
3 By Representatives Baker (A), Shiver and Hammett (N & P)  
4 RFD: Local Legislation  
5 First Read: 23-MAR-10

A BILL  
TO BE ENTITLED  
AN ACT

Relating to Escambia County; to amend Sections 2 and 4 of Act 2004-325 of the 2004 Regular Session (Acts 2004, p. 552), to exempt manufacturing equipment and manufactured homes from the three percent privilege or license tax against gross sales or gross receipts of a business; to levy a consumers' use tax and a sellers' use tax; to provide for collection; to ratify and confirm the prior acts of the county commission in the implementation of the act; and to provide for retroactive effect.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 2 and 4 of Act 2004-325 of the 2004 Regular Session (Acts 2004, p. 552) are amended to read as follows:

"Section 2. In addition to all other taxes of every kind now imposed by law, there is levied in all areas of

1 Escambia County, except within the existing corporate limits  
2 of the municipalities of Atmore, Brewton, East Brewton,  
3 Flomaton, Riverview, and Pollard a privilege or license tax, a  
4 consumers' use tax, and a sellers' use tax of three percent on  
5 business activity against gross sales or gross receipts of a  
6 business, as the case may be. In any police jurisdiction where  
7 a tax is currently being levied and collected by a  
8 municipality, the additional tax herein levied shall be at a  
9 rate equal to three percent reduced by the percent of the  
10 current levy. Sales of automobiles, agricultural equipment,  
11 forestry equipment, manufacturing equipment, and manufactured  
12 homes shall be exempt from the additional tax levied herein.

13 "Section 4. The proceeds of the revenue accruing  
14 from the additional privilege and license tax, consumers' use  
15 tax, and sellers' use tax levied by Section 2 of this act  
16 shall be distributed and used as follows:

17 "(1) Thirty percent of the net proceeds collected  
18 shall be distributed to the duly recognized volunteer fire  
19 departments or rescue squads, or both, in the unincorporated  
20 areas of the county. Only volunteer fire departments (VFD)  
21 properly certified by the Alabama Forestry Commission and  
22 members of the Escambia County Volunteer Fire Departments  
23 Association shall be eligible to receive the proceeds and use  
24 them as follows:

25 "a. Each eligible department shall receive an equal  
26 portion of the proceeds. Each department in the Escambia  
27 County Volunteer Fire Departments Association shall send one

1 voting delegate to a meeting of the association to be held no  
2 later than 30 days after this act becomes effective to vote on  
3 whether the member departments shall provide financial support  
4 for the association. If a majority of the delegates in  
5 attendance vote in favor of the support, then they shall  
6 determine the amount required for each department to share  
7 equally in the support. Any member department of the  
8 association which fails to contribute an equal share of the  
9 support shall forfeit its portion of the proceeds from the  
10 additional tax levied by this act; provided, however, that a  
11 member department that has forfeited its portion may later  
12 reimburse the association for all amounts it had previously  
13 failed to contribute, and with the permission of the county  
14 commission, may resume its participation in the distribution  
15 of the tax proceeds so long as it continues to make its equal  
16 share of support for the organization.

17 "b. Proceeds shall be used for equipment, repairs,  
18 maintenance, buildings, training, and other necessary  
19 operational costs usual to a volunteer fire service agency.

20 "c. Salaries, wages, and food shall not be eligible  
21 expenditures of the proceeds with the exception of reasonable  
22 food and drink required during emergency call periods.

23 "d. Each volunteer fire department receiving funds  
24 shall file an annual report of expenditures with the Escambia  
25 County Commission. Reports shall be due by December 31 of each  
26 year. A fiscal year shall begin October 1 and end September  
27 30. The report shall reveal the total funds received, itemized

1 accounting of expenditures, and balance on hand in the account  
2 in which the tax proceeds are deposited. These funds shall be  
3 kept in a separate bank account from all other funds.

4 "(2) Seventy percent of the net proceeds collected  
5 shall be distributed to the Escambia County Commission for  
6 deposit in the Sales Tax Road and Bridge Account to be used as  
7 follows:

8 "a. Funds may be used for such purposes as may be  
9 determined necessary by the Escambia County Commission for  
10 maintaining and improving the road system of the county.

11 "b. Funds may be used as determined by the county  
12 commission to retire existing debt.

13 "c. Funds may be used to match other available  
14 monies for maintaining and improving the road system of  
15 Escambia County."

16 Section 2. All actions of the Escambia County  
17 Commission in authorizing, adopting, assessing, collecting, or  
18 enforcing the privilege or license tax pursuant to Act  
19 2004-325 of the 2004 Regular Session (Acts 2004, p. 552) are  
20 ratified, approved, validated, and confirmed.

21 Section 3. This act, being in the nature of a  
22 clarifying amendment only, shall be retroactively effective on  
23 June 1, 2004, following its passage and approval by the  
24 Governor, or its otherwise becoming law.