

1 HB480  
2 129140-1  
3 By Representative Knight (Constitutional Amendment)  
4 RFD: Ways and Means Education  
5 First Read: 07-APR-11

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8 SYNOPSIS: This bill would propose an amendment to the  
9 Constitution of Alabama of 1901, to repeal  
10 Amendment 225 of the Constitution of Alabama of  
11 1901, now appearing as Section 211.04 of the  
12 Official Recompilation of the Constitution of  
13 Alabama of 1901, as amended; and to exempt sales of  
14 food and over-the-counter drugs from state sales  
15 tax.

16  
17 A BILL  
18 TO BE ENTITLED  
19 AN ACT  
20

21 To propose an amendment to the Constitution of  
22 Alabama of 1901, to repeal Amendment 225 of the Constitution  
23 of Alabama of 1901, now appearing as Section 211.04 of the  
24 Official Recompilation of the Constitution of Alabama of 1901,  
25 as amended; and to exempt sales of food and over-the-counter  
26 drugs from state sales tax.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1           Section 1. The following amendment to the  
2           Constitution of Alabama of 1901, as amended, is proposed and  
3           shall become valid as a part thereof when approved by a  
4           majority of the qualified electors voting thereon and in  
5           accordance with Sections 284, 285, and 287 of the Constitution  
6           of Alabama of 1901, as amended:

7                               PROPOSED AMENDMENT

8           (a) Amendment 225 of the Constitution of Alabama of  
9           1901, now appearing as Section 211.04 of the Official  
10          Recompilation of the Constitution of Alabama of 1901, as  
11          amended, is repealed.

12          (c) Beginning September 1, 2012, the sale of food  
13          and over-the-counter drugs shall be exempt from the state  
14          sales tax. Local governments shall continue to levy sales  
15          taxes on food and over-the-counter drugs at the same rate  
16          collected for the local portion of the retail sales tax. For  
17          purposes of this amendment, food means food as defined in 7  
18          U.S.C. §2011, et seq., for the purposes of the federal  
19          Supplemental Nutrition Assistance Program regardless of where  
20          or by what means food is sold. In the event that the federal  
21          Supplemental Nutrition Assistance Program definition no longer  
22          exists, the Legislature shall provide a new definition of food  
23          by general law.

24          Over-the-counter drugs means drugs that are sold  
25          without a prescription and that contain a label that  
26          identifies the product as a drug as required by 21 C.F.R.  
27          §201.66. The over-the-counter drug label includes a drug facts  
28          panel or a list of the active ingredients with a list of those

1 ingredients contained in the compound, substance or  
2 preparation. Over-the-counter drugs do not include grooming  
3 and hygiene products, including soaps and cleaning solutions,  
4 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan  
5 lotions and screens, regardless of whether the product meets  
6 the definition of over-the-counter drugs.

7 Section 2. An election upon the proposed amendment  
8 shall be held in accordance with Sections 284 and 285 of the  
9 Constitution of Alabama of 1901, as amended, and the election  
10 laws of this state at the next statewide primary, general or  
11 special election held for that purpose.

12 Section 3. The appropriate election official shall  
13 assign a ballot number for the proposed constitutional  
14 amendment on the election ballot and shall set forth the  
15 following description of the substance or subject matter of  
16 the proposed constitutional amendment:

17 "Proposing an amendment to the Constitution of  
18 Alabama of 1901, to repeal Amendment 225 of the Constitution  
19 of Alabama of 1901, now appearing as Section 211.04 of the  
20 Official Recompilation of the Constitution of Alabama of 1901,  
21 as amended; and to exempt sales of food and over-the-counter  
22 drugs from state sales tax.

23 "Proposed by Act \_\_\_\_\_."

24 This description shall be followed by the following  
25 language:

26 "Yes ( ) No ( )."