HB354

RP3BMMN-1

By Representative Shedd

RFD: Urban and Rural Development

First Read: 21-Mar-24

SYNOPSIS:

Community development districts, which are established by law, allow the sale of alcoholic beverages within the boundaries of a district under certain circumstances. Certain community development districts authorize a sales tax that is deposited into a special fund in the county treasury of the county where the district is located and provides for distributions of those tax proceeds.

This bill would provide that the tax proceeds would be awarded as grants based on the recommendation of each legislator representing a portion of the county in proportion to the population of the county which the legislator represents.

A BILL

TO BE ENTITLED

AN ACT

Relating to community development districts; to amend Section 33-8B-5, Code of Alabama 1975; to further provide for distribution of tax proceeds from alcoholic beverage sales in certain community development districts.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 33-8B-5, Code of Alabama 1975, is amended to read as follows:

"§35-8B-5

(a) Notwithstanding any other provision of law, beginning on October 1, 2021, any proceeds of the sales tax on alcoholic beverages collected by a county in a community development district as provided in Section 35-8B-1(a)(2), (i)(2), and (q)(2), shall be deposited into a special fund in the county treasury to be used for grants to support education, civic, community, and tourism activities within the county in which the taxes were collected.

(b) Grants awarded pursuant to subsection (a) shall be distributed based on the recommendation of each legislator representing a portion of the county ~~in which the funds were collected~~, based on the proportion of the population he or she represents in the county."

Section 2. This act shall become effective on June 1, 2024.