

SB365 INTRODUCED



1 SB365
2 84B6922-1
3 By Senator Hovey
4 RFD: Banking and Insurance
5 First Read: 11-Mar-26



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SYNOPSIS:

This bill would authorize the rounding of the total amount of any in-person cash transaction to the nearest five cents.

A BILL
TO BE ENTITLED
AN ACT

Related to legal tender; to authorize the rounding of the total amount of any in-person cash transaction to the nearest five cents.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) The amount of an in-person cash transaction may be rounded to the nearest five cents using the following methodology:

(1) If the final digit of the amount in the transaction is one or two, the final digit must be rounded down to zero.

(2) If the final digit is three or four, the final digit must be rounded up to five.

(3) If the final digit is six or seven, the final digit must be rounded down to five.

(4) If the final digit is eight or nine, the final digit must be rounded up to zero.



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29 (5) If the final digit is five or zero, the final digit
30 must not be rounded.

31 (b) Subsection (a) does not alter the sales price, the
32 amount of tax collected under Section 40-23-26, Code of
33 Alabama 1975, or any other authority providing for the
34 collection of sales tax, or any surcharges, assessments, or
35 fees imposed on the sale.

36 (c) (1) Subsection (a) may apply to the amount of the
37 transaction or to the amount of change tendered to the
38 purchaser.

39 (2) Subsection (a) shall not apply to any transaction
40 for which payment is made by a method other than cash,
41 including electronic funds transfer, check, gift card, money
42 order, or credit card. If the transaction is made using both
43 cash and another form of payment, subsection (a) shall apply
44 to the portion of the transaction amount that is paid for
45 using cash.

46 (3) Subsection (a) shall not alter or affect any
47 payment amount authorized, cleared, or settled through any
48 payment system that does not use cash.

49 (4) Subsection (a) shall not apply to any transaction
50 where payment is made to a governmental entity. For purposes
51 of this subdivision, "governmental entity" means any state or
52 local agency or instrumentality thereof located in the state.

53 (d) The Department of Revenue shall post a notice on
54 the department's website stating the authorization to begin
55 rounding transactions pursuant to this section.

56 Section 2. This act shall become effective immediately.