

ACT #2014- 415

1 HB108  
2 155819-4  
3 By Representatives Wren and Hubbard (M)  
4 RFD: Commerce and Small Business  
5 First Read: 14-JAN-14  
6 PFD: 01/10/2014



1  
2 ENROLLED, An Act,

3           Relating to business personal property tax; to  
4 provide an optional non-itemized short form for the filing of  
5 a business personal property tax return for those taxpayers  
6 whose total original acquisition cost of all taxable tangible  
7 business personal property assets is equal to or less than  
8 \$10,000 each year; to provide that the Department of Revenue  
9 shall design the short form and filing instructions to be used  
10 when filing the short form; to require the Department of  
11 Revenue to develop and make available an online electronic  
12 filing system which allows any taxpaying entity to  
13 electronically file any annual business personal property tax  
14 return that is required of the taxpaying entity by any local  
15 county assessing official or applicable agency; to provide  
16 that there shall be no charge to either a taxpayer or a local  
17 taxing jurisdiction to access or utilize the electronic filing  
18 system created hereunder; to establish an advisory committee  
19 to oversee the development and implementation of the online  
20 filing system created under this act; and to allow the  
21 Department of Revenue to promulgate rules to implement the  
22 provisions of this bill.

23 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

24           Section 1. (a) Prior to October 1, 2014, the  
25 Department of Revenue shall design a non-itemized business

1 personal property tax return short form "short form tax  
2 return" which, at the taxpayer's option, may be utilized for  
3 reporting total taxable tangible business personal property  
4 assets with original acquisition costs equal to or less than  
5 ten thousand dollars (\$10,000) under the provisions of this  
6 act and any rules promulgated by the department related  
7 thereto. Any taxpaying entity utilizing the short form return  
8 agrees to a business personal property tax liability for that  
9 applicable tax year that is based upon taxable tangible  
10 business personal property assets valued at ten thousand  
11 dollars (\$10,000), and that the submission of such short form  
12 return by the taxpayer is a declaration to the county  
13 assessing official or other applicable agency that the  
14 property is to be valued at ten thousand dollars (\$10,000) for  
15 all taxable tangible business personal property assets.

16 (b) Effective October 1, 2014, and subject to the  
17 provisions of this act, any taxpaying entity required to file  
18 a business personal property tax return with a county  
19 assessing official or other applicable agency may file the  
20 short form tax return if: (1) the taxpayer has previously  
21 filed with the county assessing official or other applicable  
22 agency an itemized business personal property tax return in  
23 which the total original acquisition cost of all the taxpaying  
24 entity's taxable tangible business personal property assets  
25 resulted in a total amount equal to or less than ten thousand

1 dollars (\$10,000); and (2) the taxpayer's total original  
2 acquisition cost of all taxable tangible business personal  
3 property assets for the current tax year results in the  
4 taxpaying entity's total amount of taxable tangible business  
5 personal property assets being equal to or less than ten  
6 thousand dollars (\$10,000). The tax liability for any taxpayer  
7 filing the short form tax return shall be calculated by the  
8 county assessing official or other applicable agency based  
9 upon a value of ten thousand dollars (\$10,000), and otherwise  
10 in accordance with subsection (a).

11 (c) Once a taxpaying entity has filed a business  
12 personal property tax return which includes a detailed  
13 itemized listing of all taxable tangible business personal  
14 property assets with the county assessing official or other  
15 applicable agency as required in subsection (b) (1), the  
16 taxpayer may file the short form tax return in each  
17 consecutive year that the total original acquisition cost of  
18 all taxable tangible business personal property assets remains  
19 equal to or less than ten thousand dollars (\$10,000).

20 (d) In the event the total original acquisition cost  
21 of all the taxpayer's taxable tangible business personal  
22 property assets exceeds ten thousand dollars (\$10,000), the  
23 taxpayer shall be required to file a business personal  
24 property tax return which includes an itemized listing of all  
25 taxable tangible business personal property assets with the

1 county assessing official or other applicable agency as  
2 otherwise required by law and shall pay taxes calculated based  
3 upon the assets itemized in the tax return.

4 (e) All short form tax returns shall be subject to  
5 audit by the appropriate county assessing official or other  
6 applicable agency, in the discretion of such official or  
7 agency. Such an audit may include the requirement that the  
8 taxpaying entity provide an itemized listing of all taxable  
9 tangible business personal property. Additionally, any  
10 taxpayer who knowingly submits a false or incorrect short form  
11 tax return shall be subject to penalties equaling 50 percent  
12 of any additional taxes owed. Further, any relevant and  
13 otherwise applicable state or local laws providing for  
14 penalties, fines, or fees for violations of tax return filings  
15 shall have full effect under the tax returns applicable to  
16 this act and shall not be limited or abrogated by any  
17 provision hereunder.

18 Section 2. (a) No later than September 30, 2016, the  
19 Department of Revenue shall develop, maintain, and administer  
20 an online business personal property tax filing system that  
21 allows any taxpayer required to file a business personal  
22 property tax return with any county assessing official or  
23 applicable agency the ability and option to electronically  
24 file the return through the electronic filing system which  
25 will be submitted to the county assessing official or

1 applicable agency where the tax return is required to be  
2 filed. The system shall be optional for any taxpayer and shall  
3 be known as the Optional Personal Property Assessment Link or  
4 OPPAL. All Alabama taxing jurisdictions shall allow taxpayers  
5 to utilize and access the OPPAL system for filing any business  
6 personal property return. The online system shall be available  
7 for use in tax periods beginning on and after October 1, 2016,  
8 provided the taxpayer complies with this act and any rules  
9 promulgated by the Department of Revenue for the  
10 administration and use of the system. The OPPAL system shall  
11 be utilized only for the filing of business personal property  
12 tax returns and shall not provide for the administration or  
13 enforcement of business personal property taxes. The OPPAL  
14 system shall allow a third party authorized by the taxpayer to  
15 file a business personal property tax return on behalf of the  
16 taxpayer utilizing a standardized web interface as prescribed  
17 by the department.

18 (b) There shall be no charge to either the taxpayer  
19 or a local taxing jurisdiction for the utilization or access  
20 of the OPPAL system.

21 (c) The system developed and implemented pursuant to  
22 subsection (a) shall have the capability to allow any  
23 applicable taxpayer to electronically file a business personal  
24 property tax return with the county assessing official or  
25 other applicable agency in each taxing jurisdiction in which

1 the taxpayer is required to file a business personal property  
2 tax return. The electronically filed return shall contain all  
3 information included in the standard paper tax return and all  
4 information included in the electronically filed return shall  
5 be electronically available to each appropriate local taxing  
6 jurisdiction at the time filed by the taxpayer.

7 Section 3. (a) No taxpayer shall be required to use  
8 the OPPAL system for filing business personal property tax  
9 returns; provided, however, that any taxpayer utilizing the  
10 system shall comply with this act and any rules promulgated by  
11 the Department of Revenue for the administration of this act.  
12 Additionally, any taxpayer utilizing the system shall comply  
13 with any rules of the local taxing jurisdiction regarding  
14 payment, administration, and enforcement of the business  
15 personal property tax law.

16 (b) All penalties and interest assessed according to  
17 state law for failure to properly and timely file a business  
18 personal property tax return or for payment of such taxes  
19 shall apply to filings made through the OPPAL system.

20 Section 4. (a) (1) To ensure that local taxing  
21 jurisdictions have meaningful input into the development and  
22 operation of OPPAL, a state and local advisory committee is  
23 hereby established to review the design and operation of the  
24 system and to make recommendations regarding the system  
25 requirements and functionality to the Commissioner of Revenue.

1           (2) The advisory committee shall consist of the  
2 following individuals:

3           a. Two local tax officials appointed by the  
4 Association of Alabama Tax Administrators.

5           b. Two local tax officials appointed by the Alabama  
6 Association of Assessing Officials.

7           c. One county commissioner appointed by the  
8 Association of County Commissioners of Alabama.

9           d. One probate judge who serves as chair of the  
10 county commission appointed by the Alabama Probate Judges  
11 Association.

12           e. One representative of the business community,  
13 appointed by the Business Council of Alabama.

14           f. One representative of the retail community  
15 appointed by the Alabama Retailers Association.

16           g. One representative of the business community,  
17 appointed by the Alabama Chapter of the National Federation of  
18 Independent Businesses.

19           h. One representative of the Alabama Department of  
20 Revenue, appointed by the Revenue Commissioner, who shall  
21 serve as chair of the advisory committee.

22           (3) The advisory committee members shall receive no  
23 compensation or reimbursement of expenses from the state for  
24 serving on the advisory committee.

1           (b) The advisory committee shall meet with the  
2 Commissioner of Revenue and other employees of the Department  
3 of Revenue as the commissioner deems appropriate. The initial  
4 meeting of the advisory committee shall be at a time and place  
5 to be determined by the chair of the advisory committee and  
6 shall be held no later than September 30, 2014. At the initial  
7 meeting, the advisory committee shall organize itself and  
8 shall determine the timing and frequency of subsequent  
9 meetings.

10           (c) The role of the advisory committee shall be  
11 limited to providing input and recommendations on the  
12 development and functionality of the OPPAL system with  
13 relation to the filing of business personal property tax  
14 returns utilizing the OPPAL system. The advisory committee  
15 shall make no review of the Department of Revenue's  
16 administration of property taxes or any other department  
17 matter beyond the OPPAL system.

18           (d) If the Revenue Commissioner fails to act on  
19 recommendations made by the advisory committee regarding  
20 OPPAL, the advisory committee, by majority vote, may appeal to  
21 the Legislative Council for a determination on whether the  
22 committee's recommendations shall be implemented. The  
23 determination of the Legislative Council shall be final.

24           Section 5. ~~This act shall not apply to any county in~~  
25 ~~which the Legislature has prior to the effective date of this~~

1 ~~act provided by local law for the electronic filing of~~  
 2 ~~business personal property tax returns under certain~~  
 3 ~~conditions in the office of the county revenue commissioner,~~  
 4 ~~county property tax commissioner, or other similar county~~  
 5 ~~officer.~~

6 Notwithstanding any other provision of this act, no  
 7 county property tax commissioner, county revenue commissioner,  
 8 or similar county tax assessing or tax collecting official  
 9 shall be prevented from providing an electronic system for the  
 10 filing of any applicable business personal property tax  
 11 returns through a system other than and as an alternative to  
 12 the OPPAL system, nor shall any county property tax  
 13 commissioner, county revenue commissioner, or similar county  
 14 tax assessing or tax collecting official be prevented from  
 15 enforcing mandatory electronic filing of a business personal  
 16 property tax return pursuant to any local act of the  
 17 Legislature.

18 Section 6. The provisions of this act are severable.  
 19 If any part of this act is declared invalid or  
 20 unconstitutional, that declaration shall not affect the part  
 21 which remains.

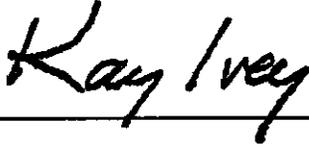
22 Section 7. All laws or parts of laws which conflict  
 23 with this act are repealed.

1                   Section 8. This act shall become effective on the  
2 first day of the third month following its passage and  
3 approval by the Governor, or its otherwise becoming law.

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Speaker of the House of Representatives



President and Presiding Officer of the Senate

House of Representatives

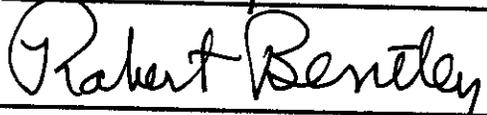
I hereby certify that the within Act originated in and was passed by the House 16-JAN-14, as amended.

Jeff Woodard  
Clerk

Senate	03-APR-14	Amended and Passed
House	03-APR-14	Concurred in Senate Amendment

APPROVED April 9, 2014

TIME 1:45 p.m.

  
GOVERNOR

Alabama Secretary Of State  
Act Num....: 2014-415  
Bill Num...: H-108

Recv'd 04/09/14 04:21pmSLF

en  
SPONSORS  
Woodard, (M)

DATE: 1-21 2014  
RD 1 RFD JC + EP

This Bill was referred to the Standing Committee of the Senate on JC + EP and was acted upon by such Committee in session and is by order of the Committee returned therefrom with a favorable report w/amend(s) 1 w/sub 1 by a vote of yeas 7 nays 0 abstain 0 this 5<sup>th</sup> day of Feb 2014 Paul Sanford, Chairperson

DATE: 2-6 2014  
RF FAJ AND (1) RD 2 CAL

DATE: 20\_\_  
RE-REFERRED  RE-COMMITTED   
Committee \_\_\_\_\_

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, HB 108.  
YEAS 30 NAYS 1  
PATRICK HARRIS,  
Secretary

I HEREBY CERTIFY THAT THE RESOLUTION AS REQUIRED IN SECTION C OF ACT NO. 81-889 WAS ADOPTED AND IS ATTACHED TO THE BILL, H.B. 108.  
YEAS 93 NAYS 0  
JEFF WOODARD, Clerk

I HEREBY CERTIFY THAT THE NOTICE & PROOF IS ATTACHED TO THE BILL, H.B. 108 AS REQUIRED IN THE GENERAL ACTS OF ALABAMA, 1975 ACT NO. 919.  
JEFF WOODARD, Clerk

CONFERENCE COMMITTEE  
House Conferees \_\_\_\_\_

FURTHER SENATE ACTION (OVER)