

ALABAMA DEPARTMENT OF REVENUE  
ADMINISTRATIVE CODE

CHAPTER 810-8-5  
NATURAL RESOURCES AND LICENSE TAX DIVISION

810-8-5-.19      Suspension Of Iron Ore Severance Tax.

(1) Act 2014-331 was signed into law on April 7, 2014 and becomes effective on July 1, 2014. In accordance with Section 40-1-49, Code of Ala. 1975, as created by this Act, the Department of Revenue, by administrative rule, shall suspend the collection of a tax or fee when the cost of administering the collection of the tax exceeds the total amount of the tax collected for the previous three fiscal years.

(a) Sections 40-12-128 through 40-12-130 provides for a privilege license tax on iron ore mining within Alabama.

(b) Based upon a review of the collections of the Iron Ore Severance Tax for fiscal years 2011-2013, the annual administrative costs exceed the three-year average revenue collections for this tax. Therefore, this tax meets the suspension requirements established in the Act.

(c) Through the adoption of this rule, the Department of Revenue exercises its authority to suspend the collection of the Iron Ore Severance Tax levied in Sections 40-12-128 through 40-12-130.

(d) The effective date of this suspension shall be October 1, 2014.

(e) The September 2014 return which is due by October 20, 2014 shall be the final return submitted for the iron ore severance tax.

(f) Upon implementation of this rule, the Department shall notify all affected parties in writing.

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**Statutory Authority:** Code of Ala. 1975, §§40-2A-7(a)(5); 40-1-49.

**History: New Rule:** Filed August 27, 2014; effective October 1, 2014.