
NOTICE

Friday, August 16, 2024

Alabama Tourism Tax Protection

On May 9, 2024, Governor Kay Ivey signed into law Act 2024-334 which becomes effective October 1, 2024. This act requires accommodations intermediaries to collect and remit state lodging taxes levied by §40-26-1, Code of Ala. 1975, and parallel local levies for transactions occurring on or after January 1, 2025. The tax shall be imposed on the room charge as defined in the act.

When an accommodations intermediary facilitates the lodging transaction on behalf of an accommodations provider and there is an executed written agreement or contract for the accommodations intermediary to remit the collected taxes to the accommodations provider, the accommodations intermediary shall not be liable for lodging taxes not remitted by the accommodations provider.

Every lodging accommodations intermediary and accommodations provider is required to submit an annual report to the Alabama Department of Revenue listing the physical address of each accommodation that was rented or furnished for greater than 14 days during the previous year.

The following entities shall be exempt from filing the annual report:

- Professional property management companies that either collect and remit the lodging taxes levied pursuant to §40-26-1, Code of Ala. 1975, or manage properties leased for a month or more as the principal residence of the tenant.
- Hotels that collect and remit the lodging taxes levied pursuant to §40-26-1, Code of Ala. 1975.
- A destination marketing organization whose primary purpose is the promotion of tourism and receives funding from taxes collected and remitted pursuant to §40-26-1, Code of Ala. 1975.
- Providers of accommodations defined under §40-26-1(d), Code of Ala. 1975, such as marine slips, tent camping, and RV parks, that collect and remit the taxes levied pursuant to §40-26-1, Code of Ala. 1975.

If you have any questions, contact ALDOR's Sales Tax Administration Section.

Contact

Sales and Use Tax Division
Sales Tax Administration Section
P.O. Box 327710
Montgomery, AL 36132
334-242-1490
