

The CROAA *d*visor

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Interested in becoming a member? Please contact any of the above officers for membership information.

Legislative Update

By: Sonny Brasfield - Assistant Executive Director - Assoc. of County Comm. of Alabama

Although everything in Montgomery is subject to change at a moment's notice, right now it appears that most legislative leaders in Alabama seem to agree that we should delay state action on the streamline issue until Congress acts on the federal legislation requiring remote sellers to collect sales tax for those states participating in the Streamline Sales Tax Project. This doesn't guarantee that the issue will not surface during the upcoming regular session of the Alabama Legislature; it simply means that right now everyone is looking at Washington for guidance.

This federal legislation has yet to gain committee approval in either the U.S. Senate or House of Representatives. Our sources in Washington indicate that the stand-alone federal legislation may not pass during this session of Congress, leaving supporters of the project to contemplate "attaching" the streamline language to one of the many appropriation bills that will be passed later in the con-

gressional session. At this point, no one can be sure what will happen in D.C. Without the passage of federal legislation, it seems unlikely that Alabama will become a participating state during 2004.

During the most-recent meeting in Phoenix, the Streamline Sales Tax Implementing States elected to create a "committee" composed ONLY of those states that have enacted the "streamline" legislation. This committee is to begin work immediately on the details necessary to put the national collection system into operation. As there are so many unanswered questions regarding the operation of the system, these "complying states" have dozens of technical and practical problems to solve in the coming months.

In Phoenix we attempted to add a committee seat for a representative of a state "working on the adoption" of streamline.

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Important Dates

Feb 3, 2004

Opening day of the 2004 Regular Session of the Alabama Legislature

January 6 - 27, 2004

ACCA District Meetings
(check the ACCA's website for your county's meeting date and time)

Does that Dot.com Company have Nexus?

By: Darrick Williams - Senior Auditor, Jefferson County

According to Steve Diamond, a Chicago lawyer, it very well may. Mr. Diamond's law firm has conducted research into the subject over the last couple of years. He stated that a 1941 United States Supreme Court ruling in Montgomery Ward versus Iowa dealt with nexus for catalog companies.

The ruling basically said that if the catalog company and local store cross promoted both businesses, then the catalog company has nexus in that state. Cross promoting would include placing signs in the store for the catalog business, putting coupons in the catalog that can be used at the local store, buying merchandise from the catalog and later returning it to the local store, and ordering merchandise from the catalog

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Surfing USA

Auburn University Center for Governmental Services: www.auburn.edu/outreach/cgs/cre/
Auburn Universities' CGS administers the Alabama "Certified Revenue Examiner (CRE)" program. For all your CRE needs, including class offerings, continuing education credit forms and an overview of the program visit their website.

University Partnership of Alabama for Continuing Education (UPACE): <http://www.jsu.edu/depart/conted/>
This website offers you an overview of the Alabama County Administrator and County Engineer education programs. Class listings for the upcoming year are also listed. Some of these classes may be used for CROAA or CRE continuing education credit.

CROAA Educational Update

By: Kirk Keith, Revenue Examiner, Tuscaloosa County

On behalf of the Education Committee I would like to thank Auburn University and especially Jim Seroka and Julia Heflin for their hard work and dedication over the past 5 years. Auburn University has helped educate and to increase the County Revenue Officers' skills in order to better perform their jobs. However, the CROAA Board of Directors has made the decision to transfer its educational program to the University Partnership of Alabama for Continuing Education (UPACE).

UPACE is composed of three universities Jacksonville State, North Alabama and Troy State Dothan. These universities currently offer education programs to the County Administrators and Engineers. The education committee and UPACE are in the process of scheduling next years education program. As soon as the schedule is finalized each CROAA member will be notified. CROAA looks forward to a long and prosperous relationship with the UPACE program.

Arizona Joint Audit Meetings

By: Bettye Griggs - Principal Auditor, City of Birmingham

Representatives from Alabama and Louisiana local jurisdictions attended the November, 2003 meeting of the Arizona Unified Audit Committee (UAC) in Phoenix, Arizona. The UAC was established pursuant to ARS § 42-6005 to "coordinate uniform audit functions" and to "publish uniform guidelines that interpret the model city tax code."

At a later meeting, representatives of the City of Phoenix met with both groups of locals to discuss the specifics of the Arizona Multi-jurisdictional Audit Program. The City of Phoenix is responsible for both maintaining the database used to coordinate the joint audits, and for coordinating and scheduling the activities of the Municipal Tax Hearings Office.

The Arizona group generously shared their time, expertise and many resources (including the bones of the joint audit database) with the Alabama delegation. A formal presentation is planned for Alabama locals that will summarize the specifics of the very successful Arizona joint audit program and will outline how a similar program might be implemented in Alabama. Details of the presentation will be announced later.

Congratulations

Jerry Argo, began his civil service career with the City of Birmingham in August of 1970. He transferred to the Jefferson County Revenue Department in September of 1973 as a license inspector, now referred to as "Revenue Examiner". He was later promoted to the position of auditor, and finally promoted to a Senior Auditor. He retired as a "Certified Revenue Officer." Jerry served in several areas of responsibility as an auditor, but eventually was assigned to special projects such as alcoholic beverage and tobacco tax enforcement. He most recently served as Jefferson County's official representative to the Streamlined Sales Tax Project meetings and hearings.

Although unknown to some, Jerry served approximately 18 years as a member of the Alabama Army National Guard, where he attained the rank of Major. He also was a very talented artisan; e.g., carpentry, masonry, plumbing and electrical work. One of his many hobbies was taking pictures with his collection of cameras.

Randy Godeke, Jefferson County's Director of Revenue for the past 13 years, is retiring January 22, 2004. Before that, he was Deputy Tax Collector, and before that, he served in the County Treasurer's Office as the Investment Advisor. He interned for the County while working toward his degree at the University of Alabama. He will leave the County after thirty years of loyal and dedicated service. Although he is originally from Indiana, he moved to Alabama with his family as a young boy, and grew up in the Cullman area. He will be missed by many employees as well as other Jefferson County Officials, not the least of which are the County Commissioners.

Travis Hulsey, Travis has been named by Jefferson County Commission President Larry Langford as the incoming Director of Revenue. Travis is currently the Deputy Director of the County's Finance Department. The Finance Department handles the County's fiscal affairs such as accounts and notes payables, purchasing, bond issues, etc.

President's Note

By: Ed Sims - CROAA President, Morgan County

CROAA Members, I am in the process of planning our mid-year business meeting and I need your help. Please email me your preferences to the following questions:

Which month would be best for you? March or April?

Which week of the month? 1st, 2nd . . .

Which day of the week?

You can e-mail your responses to esims@co.morgan.al.us. With your help, I should be able to plan early for the most attendance.

E-filing is being discussed through the ACCA and local self-administered authorities, more on that as information comes available. Very recently, I was told that the State Department of Revenue was working with a local authority to offer e-filing through their e-filing system for a nominal fee with out interfering with a local's ability to administer and enforce its taxes.

DOT.COM: *(Cont. from page 1)*

picking it up at the local store.

The internet companies are very similar to the catalog companies with respect to nexus according to Mr. Diamond. His law firm sued about 65 companies in Illinois for failing to collect the taxes.

Mr. Diamond is attempting to expand his case into others states. He has hired two Alabama law firms to help him conduct field research and represent prospective clients in Alabama. They are Steve Windom, LLC and Gardner Middlebrooks PC.

CROAA has decided to take some initial steps in pursuing these companies. Sonny Brasfield has offered to review the contracts before any counties officially sign on.

??DID YOU KNOW??

The Alabama Legislature meets in annual Regular Sessions, each of which can consist of no more than 30 Legislative (meeting) days, within a 105 Calendar day period. By statute, the dates for convening of annual sessions, for each year of a Quadrennium (4-year period), are as follows (all times, Noon):

1st Year: 1st Tuesday in March (2003)

2nd Year: First Tuesday in February (2004)

3rd Year: First Tuesday in February (2005)

4th Year: 2nd Tuesday in January (2006)

(For example, the 2003 Regular Session will be the first such regular session held in the new quadrennium, elections having been held November 5, 2002)

Special Sessions may be called at any time, by the Governor, for emergency or extraordinary reasons. Special Sessions can consist of no more than 12 Legislative (meeting) days, within a 30 Calendar day period. In his/her Proclamation, calling the Legislature into such session, the Governor will state the date and time for convening of such session.

Source: <http://www.legislature.state.al.us/misc/visitorsguide/visitorsguide.html#anchor985534>

LEGISLATIVE UPDATE: *(Cont. from page 1)*

But there was little support for allowing committee participation by those states that have not changed their state law.

Back in Alabama, the Alabama Department of Revenue continues to polish its system of "electronic" filing for sales and use taxes. All taxpayers are now required to file their state returns either through the department's on-line system or through an automated telephone system. Taxpayers are not, however, required to "pay" their sales taxes through electronic means. At least until the next legislative session, the state will continue to accept payments with paper checks.

Once the department begins requiring both electronic filing and electronic payment, it will present us with an interesting avenue to secure Alabama's compliance with the federal "streamline" legislation while also continuing county operation of local enforcement and auditing. So counties are encouraged to keep a close eye on the department's experience with this system.

The self-collecting counties are looking closely at allowing voluntary electronic sales tax filing and payment. Talks are underway with the department as well as a private firm which operates the web-based filing system utilized by ALATAX.

THANK YOU

Don Allen extends his sincere gratitude to everyone for the flowers and their prayers and thoughts during his mothers recent illness and death.

County Revenue Officers Association of Alabama

c/o Association of County Commissions of Alabama
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INTERNET FACT

Third quarter 2003, e-commerce sales increased 6.6% from the 2nd quarter 2003. Total retail sales increased 1.6% for the same period.

E-commerce sales in the third quarter of 2003 accounted for 1.5% of total sales, while in the third quarter of 2002 e-commerce sales were 1.3% of total sales. In the second quarter of 2003 e-commerce sales were 1.5% of total sales.

The Census Bureau will be releasing its figures for the fourth quarter 2003 on February 23, 2004. Remaining release dates for 2004 are May 21, August 20, and November 19.

Source: The Census Bureau of the US Department of Commerce - 2/20/02

COUNTY TAX COLLECTIONS

A comparison analysis of:
FY 2003 vs. FY 2002
4th Quarter 2003 vs. 4th Quarter 2002
(July, August, September)

<u>COUNTY</u>	<u>July-September 2003</u>	<u>October-September 2003</u>
	<u>vs.</u> <u>July-September 2002</u>	<u>vs.</u> <u>October-September 2002</u>
Baldwin	2.10 %	1.40 %
Cullman	(4.57 %)	(4.23 %)
Jefferson	0.60 %	1.00 %
Madison	5.00 %	5.67 %
Morgan	2.35 %	(9.33 %)
Shelby	8.55 %	3.40 %
St. Clair	9.50 %	4.50 %
Tuscaloosa	6.09 %	6.12 %