

HB 355 by Rep. Hill

Streamlined Sales Tax Commission

I. Establish State Level Commission

Ten-member Commission will include representation from each of the following:

- 4 from Alabama Department of Revenue (appointed by Commissioner)
- 2 from County Government (appointed by Association of County Commissions)
- 2 from Municipal Government (appointed by League of Municipalities)
- 1 from retail (appointed by Alabama Retail Association)
- 1 from business community (Appointed by Business Council of Alabama)

Commission charged with preparing state for participation in Streamline Sales Tax Agreement (SSTA) in event federal law passed adopting SSTA

Seven members required for any action of Commission

Commission to be appointed within 90 days of statute's effective date

II. Initial Work of the Commission

Identify and develop processes and programs for compliance with SSTA to include at a minimum each of the following

- System for "single entity administration" of tax collection and distribution
- System for proper notice/implementation of state tax changes
- System for separate audits as authorized under SST
- System for providing and maintaining database of all tax rates in all jurisdictions as required by SST
- Any other systems or policies required by SST

Commission proposals subject to review and comment by Department of Revenue, counties, and municipalities prior to final approval or implementation

Recommendations approved by joint resolution of the Alabama Legislature

Implementation begins only if federal law adopting SSTA is passed

III. Study of Changes Needed to Alabama's Sales and Use Tax Laws

Commission will also research Alabama's current sales and use tax laws to identify necessary changes to bring the state into compliance with the requirements of SSTA

Establish deadline for reporting needed changes to the Alabama Legislature

Commission charged with drafting legislation needed for compliance