

Transmittal Sheet For Notice Of Intended Action

Control: 810

Department or Agency: Revenue

Rule Nos: 810-4-1-.07

Rule Title: Motor Bus Passenger Carrier Vehicles

New; Amended; Repealed; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and , if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that result from the absence of the proposed rule? N/A

Are all the facets of the rulemaking process designed solely for the purpose of , and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule relate to or effect any matter of litigation which the agency is a party to concerning the subject matter of the purposed rule? No

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact , the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency .

Signature of certifying officer

Date 11/18/2020



REC'D & FILED

NOV 18 2020

LEGISLATIVE SVC AGENCY

ALABAMA DEPARTMENT OF REVENUE
Property Tax

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-4-1-.07

Motor Bus Passenger Carrier Vehicles

INTENDED ACTION

Repealed

**SUBSTANCE OF
PROPOSED ACTION:**

In compliance with the Red Tape Reduction Act, 2013-88, this rule is being repealed from the Property Tax administrative rule section and moved to the Motor Vehicle administrative rule section as new rule 810-5-1-.443. Additionally, the new rule is being updated to clarify language concerning the licensing and proper collection of the fee for the issuance of a Special Common Carrier of Passengers Business Operating License in lieu of property tax for motor carrier bus vehicles, and to update language on the procedure for local licensing officials to enter information into the registration computer system.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be conducted at **01:30 PM on Tuesday, January 05, 2021** via web-conference. To participate in the upcoming web-conference public hearing please contact the Tax Policy and Governmental Affairs Division at Taxpolicy@revenue.alabama.gov or 334-242-1380 to obtain the appropriate sign-in information for a specific public hearing date. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also may present their views during the web-conference.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, January 05, 2021

CONTACT PERSON AT AGENCY:

Meagan Barrett

Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Kelley Askew Gillikin, Secretary
Alabama Department of Revenue

810-4-1-.07 Motor Bus Passenger Carrier Vehicles. (REPEAL)

(1) The Property Tax Division of the Department of Revenue has established the following procedures to ensure the proper collection of a fee for the issuance of a special common carrier of passengers business operating license in lieu of property tax.

(2) Effective October 1, 2006 any motor bus passenger carrier vehicle owned or otherwise operated by a common carrier of passengers who are that is both based in and have has a principal operating facilities located within Alabama and are authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the §37-3, Code of Alabama, 1975, is exempt from the payment of property tax.

(3) Prior to the registration of any motor bus passenger carrier vehicle that is owned or otherwise operated by a common carrier of passengers who are both based in and have principal operating facilities located within Alabama and are authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the §37-3, Code of Alabama, 1975 a special common carrier of passengers business operating license must be obtained.

(4) A motor bus passenger carrier vehicle is defined as a motor bus that is operated as a common carrier of passengers that is regulated by the Public Service Commission and whose owner or operator has acquired a certificate of public convenience and necessity from the Public Service Commission.

(5) The special common carrier of passengers business operating license must be obtained annually and is a prerequisite to registration. "Annual Year" is defined as the period beginning December 1st through the following November 30th. No registration should be completed without sufficient evidence that the special common carrier of passengers business operating license has been obtained.

(6) Evidence that must be presented to obtain the license should include the following documentation or other evidence the license issuing official may require to substantiate the relevant facts. The documents and or evidence should include but is not limited to operating authorization number issued by the Public Service Commission and a signed affidavit certifying the common carrier of passengers is both based in and have principal operating facilities located within Alabama.

(7) The license and affidavit will be designed and provided by the Property Tax Division. Both the license and affidavit will be contained on one form. A license/affidavit shall be issued for a bus each time the Special Motor Bus Passenger Carrier Business Operating License. Each license/affidavit should include the date the license was issued and the expiration date. The expiration

date field on the license/affidavit should contain the next renewal month and year.

(8) Once sufficient evidence is obtained from the common carrier, the county official responsible for the collection of ad valorem taxes on motor vehicles shall collect the fee for the license. The fee is based on the age of the bus. The amount of each fee shall be \$620 for motor bus passenger carrier vehicles that are less than 10 years old and \$100 for motor bus passenger carrier vehicles that are 10 years old or older.

The license fee to be paid for any motor bus passenger carrier, either new or used, that may be acquired or first brought into and operated on the public streets or highways of this state shall be computed by the multiplication of one twelfth of the annual license fee by the number of calendar months remaining in the license year. The fee shall be paid to the county official responsible for the collection of ad valorem taxes on motor vehicles.

(9) The county licensing official shall retain as commission 2.5% of the business operating licensing fee. The commission shall be deposited into the general fund of the county. The remaining revenue shall be distributed as follows: 7.5% to the State General Fund; 56.5% to the Education Trust Fund; 36% to the general fund of the collecting county.

(10) In the event a motor bus passenger carrier vehicle is traded, sold, removed from Alabama, stolen without recovery, totally destroyed or transferred no credit voucher or receipt for credit can be granted.

(11) Zeros should be placed in the ad valorem start date field of ALVIS.

Author: Shelley Tice
Authority: 40-2A-7(a)(5), Code of Ala. 1975.
History: **Emergency Rule:** Filed September 29, 2006; effective October 1, 2006, expires January 28, 2007.
Permanent Rule: Filed November 8, 2006; effective December 13, 2006.
Amended: Filed October 30, 2014; effective December 4, 2014
Repealed: Filed November 18, 2020; effective