

HB160 INTRODUCED



1 G35S6C-1
2 By Representative Faulkner
3 RFD: Ways and Means Education
4 First Read: 21-Mar-23
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SYNOPSIS: Under existing law, the National Foundation's Alabama Field Offices, is exempt from payment of any and all state, county, and municipal taxes.

This bill would rename the National Foundation in the Code of Alabama 1975, to reflect its current name, the March of Dimes Inc.

A BILL
TO BE ENTITLED
AN ACT

Relating to tax exemptions, to amend Section 40-9-12, Code of Alabama 1975, to change the name of the National Foundation to reflect its current name, the March of Dimes Inc.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-9-12, Code of Alabama 1975, is amended to read as follows:

"§40-9-12

(a) The ~~National Foundation's Alabama Field Offices~~ March of Dimes Inc., all Young Men's Hebrew Associations (Y.M.H.A.) also known as Jewish Community Centers (J.C.C.), and all real and personal property of all Young Men's Hebrew Associations (Y.M.H.A.) also known as Jewish Community Centers (J.C.C.), the Seamen's Home of Mobile, incorporated under Act No. 145, Acts of Alabama 1844-45, the Girl Scouts of America



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29 and the Boy Scouts of America, and any council, troop or other
30 subdivision thereof now existing or hereafter created and all
31 real and personal property of the Girl Scouts of America and
32 the Boy Scouts of America, and any council, troop or other
33 subdivision thereof now existing or hereafter created, the
34 Catholic Maritime Club of Mobile, Inc., the Knights of Pythias
35 Lodges, the Salvation Army, Inc., the Elks Memorial Center,
36 and all real and personal property of the Salvation Army,
37 Inc., and the Elks Memorial Center, all United Way
38 organizations and United Way member agencies in Alabama, other
39 qualifying united appeal funds and their recipients as
40 provided in subsection (d), and the real and personal property
41 of all United Way organizations and United Way member agencies
42 in Alabama, other qualifying united appeal funds and their
43 recipients as provided in subsection (d), and the Alabama
44 Masonic Home, the American Cancer Society, and all real and
45 personal property of American Cancer Society, the New Hope
46 Industries of Dothan, and all real and personal property of
47 the New Hope Industries of Dothan, the Helping Hand Club of
48 Anniston, and all real and personal property of the Helping
49 Hand Club of Anniston, Childhaven, Inc., and all real and
50 personal property of Childhaven, Inc., Presbyterian Home for
51 Children and all real and personal property of Presbyterian
52 Home for Children, Freewill Baptist Children's Home and all
53 real and personal property of Freewill Baptist Children's
54 Home, Methodist Homes for the Aging and all real and personal
55 property of Methodist Homes for the Aging, and United
56 Methodist Children's Home and all real and personal property



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57 of United Methodist Children's Home, Birmingham Building
58 Trades Towers of Birmingham, Alabama, a nonprofit corporation,
59 the Holy Comforter House, Inc., of Gadsden, Alabama, a
60 nonprofit corporation, the University of Alabama Huntsville
61 Foundation and all real and personal property of the
62 University of Alabama Huntsville Foundation, the Birmingham
63 Football Foundation, Inc., a nonprofit corporation, and all
64 real and personal property of the Birmingham Football
65 Foundation, Inc., and of any branch or department of any of
66 same heretofore or hereafter organized and existing in good
67 faith in the State of Alabama, for other than pecuniary gain
68 and not for individual profit, when such real or personal
69 property shall be used by such associations or nonprofit
70 corporations, their branches or departments in and about the
71 conducting, maintaining, operating and carrying out of the
72 program, work, principles, objectives, and policies of such
73 associations or nonprofit corporations, their branches or
74 departments, in any city or county of the State of Alabama,
75 are exempt from the payment of any and all state, county, and
76 municipal taxes, licenses, fees, and charges of any nature
77 whatsoever, including any privilege or excise tax heretofore
78 or hereafter levied by the State of Alabama or any county or
79 municipality thereof. The receipt, assessment or collection of
80 any fee, admission, service charge, rent, dues, or any other
81 item or charge by any such association or nonprofit
82 corporation, its branches or departments from any person,
83 firm, or corporation for any services rendered by any such
84 association or nonprofit corporation, its branches or



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85 departments or for the use or occupancy of any real or
86 personal property of any such association or nonprofit
87 corporation, its branches or departments in or about the
88 conducting, maintaining, operating, and carrying out of the
89 program, work, principles, objectives, and policies of any
90 such association or nonprofit corporation, its branches, or
91 departments shall not be held or construed by any court,
92 agency, officer, or commission of the State of Alabama, or any
93 county or municipality thereof, to constitute pecuniary gain
94 or individual profit by any such association or nonprofit
95 corporation, its branches or departments, or the doing of
96 business in such a manner as to prejudice or defeat, in any
97 manner, the right and privilege of any such association or
98 nonprofit corporation, its branches or departments to claim or
99 rely upon or receive the exemption of such association or
100 nonprofit corporation, its branches or departments and of all
101 real and personal property thereof from taxation, as herein
102 provided.

103 (b) With respect to gasoline, tobacco, playing card tax
104 or any other tax required by law to be prepaid by the
105 retailer, the associations, nonprofit corporations, or
106 organizations exempt under this section shall pay the
107 appropriate tax at the time purchases are made, and the amount
108 of such tax shall be refunded to such associations, nonprofit
109 corporations, or organizations by the Department of Revenue
110 pursuant to the procedures for refunds provided in Chapter 2A
111 of this title.

112 (c) For purposes of this section, the following words



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113 and phrases shall have the following meanings:

114 (1) SUPPORTED CHARITY. Any charitable, civic, or
115 eleemosynary institution for which a united appeal fund
116 solicits funds.

117 (2) UNITED APPEAL FUND. Any nonprofit entity that
118 demonstrates to the reasonable satisfaction of the Department
119 of Revenue that it has all of the following characteristics:

120 a. Is an Alabama nonprofit corporation, or another type
121 of legal entity, whether formed in Alabama or in another
122 jurisdiction, which is required by its principal governing
123 documents to be operated as a charity.

124 b. Is one of a class, donations to which are deductible
125 for federal and Alabama income tax purposes under Section
126 170(c) of the Internal Revenue Code.

127 c. Has as its principal purpose, as stated by its
128 principal governing documents, the raising of funds or the
129 aggregation or consolidation of fund raising efforts, to
130 support other charities which are not themselves united appeal
131 funds, known as supported charities.

132 d. Has been issued a Certificate of Exemption from
133 Alabama sales, use, and lodgings tax prior to July 1, 2017,
134 and has continually maintained the Certificate of Exemption as
135 required by Section 40-9-60.

136 e. With respect to the distribution of funds raised by
137 the united appeal fund, the entity's principle governing
138 documents must require that no supported charity, as defined
139 in this subsection, will receive de minimis support.

140 (3) UNITED WAY MEMBER AGENCY. Any nonprofit



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141 organization that receives funding through the approval of the
142 board of a United Way organization, but only if the nonprofit
143 organization is:

144 a. Accountable to the granting United Way organization
145 for the expenditure of any funds received from such United Way
146 organization.

147 b. Included on a list of such nonprofit organizations
148 to be submitted to the Department of Revenue under subsection
149 (e) by all United Way organizations on or before a date
150 provided for in a rule of the Department of Revenue.

151 (4) UNITED WAY ORGANIZATION. Any nonprofit corporation
152 legally authorized and licensed to operate under the name
153 United Way and use the name United Way and the associated logo
154 and trademarks.

155 (d) (1) Each supported charity must be separately
156 identified by name in the principal governing documents of the
157 united appeal fund entity, and by name and federal employer
158 identification number at the request of the Department of
159 Revenue. Each supported charity must agree, in its own
160 principal governing documents, to become or remain a member of
161 the united appeal fund that funded the supported charity.

162 (2) The special rules provided in this subsection shall
163 not apply to any United Way organization or any United Way
164 member agency.

165 (e) (1) Each United Way organization shall provide the
166 Department of Revenue with a list of its constituent United
167 Way member agencies on an annual basis.

168 (2) The Department of Revenue, by rule, shall provide



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169 the date on which United Way organizations shall submit the
170 list required by this subsection."

171 Section 2. This act shall become effective immediately
172 following its passage and approval by the Governor, or its
173 otherwise becoming law.