

**HB77 ENROLLED**



1 L6TDAY-2  
2 By Representative Garrett  
3 RFD: Ways and Means Education  
4 First Read: 07-Mar-23  
5 2023 Regular Session



## HB77 Enrolled

1 Enrolled, An Act,

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4 Relating to sales tax; to amend Section 40-23-7, as  
5 last amended by Section 5 of Act 2022-53 of the 2022 Regular  
6 Session, Code of Alabama 1975, to provide for an increase in  
7 the amount of the average monthly sales tax liability for  
8 required estimated payments.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. Section 40-23-7, as last amended by Section  
11 5 of Act 2022-53 of the 2022 Regular Session, Code of Alabama  
12 1975, is amended to read as follows:

13 "§40-23-7

14 (a) The taxes levied under this division, except as  
15 otherwise provided in subsection (d), shall be due and payable  
16 in monthly installments on or before the 20th day of the month  
17 next succeeding the month in which the tax accrues.

18 (b) Except as otherwise provided in subsection (d), on  
19 or before the 20th day of each month, every person on whom the  
20 taxes levied by this division are imposed shall report to the  
21 department, on a form prescribed by the department, a true and  
22 correct statement showing such information as the department  
23 may require, and shall pay to the department the amount of  
24 taxes shown to be due.

25 (c) Any taxpayer liable for taxes under this division  
26 whose average monthly state sales tax liability was ~~five~~  
27 ~~thousand dollars (\$5,000)~~ twenty thousand dollars (\$20,000) or  
28 greater during the preceding calendar year shall make



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29 estimated payments to the department on or before the 20th day  
30 of the month in which the liability occurs as follows:

31 (1) The amount of the first estimated payment shall be  
32 66 2/3 percent of the taxpayer's actual tax liability for the  
33 month of October 1983; thereafter the amounts of the payment  
34 shall be the lesser of 66 2/3 percent of the taxpayer's actual  
35 tax liability for the same calendar month of the preceding  
36 year or 66 2/3 percent of the current month's estimated  
37 liability.

38 (2) Any outstanding credit or deficit arising from the  
39 taxpayer's overpayment or underpayment of his or her final  
40 liability shall be applied to either increase or reduce that  
41 month's final tax liability which shall be reported and paid  
42 not later than the 20th day of the month next succeeding the  
43 month in which the tax accrues.

44 (3) This subsection shall not apply to Sections  
45 11-51-180, 11-51-200, 40-12-4, nor to any municipal or county  
46 taxes levied by past or future special or local acts of the  
47 Legislature.

48 (d) Taxpayers meeting the criteria set forth in this  
49 subsection may elect to file quarterly, semi-annually, or  
50 annually. Any election to file quarterly, semi-annually, or  
51 annually shall be made in writing no later than February 20 of  
52 each year and shall be filed with the department in the manner  
53 prescribed by the department. Qualifying taxpayers electing to  
54 file quarterly, semi-annually, or annually, shall report to  
55 the department, on a form prescribed by the department, a true  
56 and correct statement showing such information as the



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57 department may require. Qualifying taxpayers shall pay to the  
58 department the amount of tax shown to be due on or before the  
59 applicable deadlines, under any rules as may be prescribed, as  
60 follows:

61 (1) When the total state sales tax for which any person  
62 is liable under this division is less than \$2,400 during the  
63 preceding calendar year, the person may elect to file  
64 quarterly returns. Quarterly returns and payments of the  
65 amount of tax shown to be due shall be due on or before the  
66 20th day of the month next succeeding the end of the quarter  
67 for which the tax is due.

68 (2) When the total state sales tax for which any person  
69 is liable under this division is less than \$1,200 during the  
70 preceding calendar year, or the person liable for the tax has  
71 made retail sales in this state during no more than two, 30  
72 consecutive day periods during the preceding calendar year,  
73 the person may file semi-annual returns. The semi-annual  
74 returns and payment of the amount of the tax shown to be due  
75 shall be due on or before July 20 and January 20 following the  
76 end of the six-month period for which the tax is due.

77 (3) When the total state sales tax for which any person  
78 is liable under this division during the preceding calendar  
79 year is less than six hundred dollars (\$600), or the person  
80 liable for the tax has made retail sales in this state during  
81 no more than one, 30 consecutive day period during the  
82 preceding calendar year, the person may elect to file an  
83 annual return. The annual return and payment of the tax shown  
84 to be due shall be due on or before January 20 following the



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85 end of the annual period for which the tax is due.

86 (e) The department, for good cause, may extend the time  
87 for making any state or state-administered return required  
88 under this division, but the time for filing any such return  
89 shall not be extended for a period greater than 30 days from  
90 the date such return is due to be made."

91 Section 2. This act shall become effective October 1,  
92 2023, following its passage and approval by the Governor, or  
93 its otherwise becoming law.



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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 20-Apr-23.

John Treadwell  
Clerk

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Senate 31-May-23

Passed