

1 HB513  
2 80003-1  
3 By Representative Ford (Constitutional Amendment)  
4 RFD: County and Municipal Government  
5 First Read: 26-JAN-06

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8 SYNOPSIS: This bill would propose an amendment to the  
9 Constitution of Alabama of 1901, to provide that  
10 any municipality may fix and collect business  
11 licenses for companies in the real estate business  
12 if the licensee maintains its principal place of  
13 business in the corporate limits of the  
14 municipality, to provide that the Legislature may  
15 set an annual license tax for the privilege of  
16 engaging in the real estate business in every other  
17 municipality, and to prohibit additional municipal  
18 taxation of companies engaged in the real estate  
19 business.

20  
21 A BILL  
22 TO BE ENTITLED  
23 AN ACT  
24

25 To propose an amendment to the Constitution of  
26 Alabama of 1901, to provide that any municipality may fix and  
27 collect business licenses for companies in the real estate

1 business if the licensee maintains its principal place of  
2 business in the corporate limits of the municipality; to  
3 provide that the Legislature may set an annual license tax for  
4 the privilege of engaging in the real estate business in every  
5 other municipality; and to prohibit additional municipal  
6 taxation of companies engaged in the real estate business.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. The following amendment to the  
9 Constitution of Alabama of 1901, as amended, is proposed and  
10 shall become valid as a part thereof when approved by a  
11 majority of the qualified electors voting thereon and in  
12 accordance with Sections 284, 285, and 287 of the Constitution  
13 of Alabama of 1901, as amended:

14 PROPOSED AMENDMENT

15 (a) Any city or municipality may fix and collect  
16 license fees pursuant to Sections 11-51-90 and 11-51-91, Code  
17 of Alabama 1975, for the business, trade, or profession  
18 relating to the buying, selling, managing, leasing, or renting  
19 of real estate on commission if the licensee maintains its  
20 principal place of business within the corporate limits or  
21 police jurisdiction of the city or municipality.

22 (b) In addition to the license fees imposed by  
23 subsection (a), every corporation, firm, broker, agent, or  
24 other person or entity engaged in the business of buying,  
25 selling, managing, leasing, or renting of real estate on  
26 commission may pay an annual business license tax at a rate to  
27 be set by the Legislature for the privilege of engaging in

1 that business in every other city or municipality. The tax  
2 shall be collected by the tax collecting official in the  
3 county in which the city or municipality is located and shall  
4 be distributed to each city or municipality on a pro rata  
5 basis based upon population.

6 (c) Except for the license fees authorized to be  
7 imposed pursuant to this amendment, no other privilege license  
8 tax or other fee or tax shall be imposed under Sections  
9 11-51-90 and 11-51-91, Code of Alabama 1975, or any other law  
10 by any city or municipality on corporations, firms, brokers,  
11 agents, or other persons or entities engaged in the business  
12 of buying, selling, managing, leasing, or renting of real  
13 estate on commission.

14 Section 2. An election upon the proposed amendment  
15 shall be held in accordance with Sections 284 and 285 of the  
16 Constitution of Alabama of 1901, now appearing as Sections 284  
17 and 285 of the Official Recompilation of the Constitution of  
18 Alabama of 1901, as amended, and the election laws of this  
19 state.

20 Section 3. The appropriate election official shall  
21 assign a ballot number for the proposed constitutional  
22 amendment on the election ballot and shall set forth the  
23 following description of the substance or subject matter of  
24 the proposed constitutional amendment:

25 "Proposing an amendment to the Constitution of  
26 Alabama of 1901, to provide that any municipality may fix and  
27 collect business licenses for companies in the real estate

1 business if the licensee maintains its principal place of  
2 business in the corporate limits of the municipality; to  
3 provide that the Legislature may set an annual license tax for  
4 the privilege of engaging in the real estate business in every  
5 other municipality; and to prohibit additional municipal  
6 taxation of companies engaged in the real estate business.

7 "Proposed by Act \_\_\_\_\_."

8 This description shall be followed by the following  
9 language:

10 "Yes ( ) No ( )."