

1 SB421
2 80003-1
3 By Senator Marsh (Constitutional Amendment)
4 RFD: Constitution, Campaign Finance, Ethics, and Elections
5 First Read: 07-FEB-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 ()."