

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-8-5-17

Rule Title: Surety Bond of Automotive Dismantler and Parts Recycler

New;  Amend;  Repeal;  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 might result from the absence of the proposed rule? N/A

Are all 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 have any economic impact? Yes

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 Reference Service.

Signature of certifying officer 

Date 8/17/15

**ECONOMIC IMPACT STATEMENT  
FOR APA RULE  
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-8-5-.17

Rule Title: Surety Bond for Automotive Dismantler and Parts Recyclers

           New   x   Amend            Repeal            Adopt by Reference

- NO  
 YES

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. **NEED/EXPECTED BENEFIT OF RULE:**  
This rule is needed in order to comply with the provisions of Act 2015-362 in regards to requiring the automotive dismantler bond to the same amount as the automobile dealer bond identified in Section 40-12-398.
2. **COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:**  
See #1.
3. **EFFECT OF THIS RULE ON COMPETITION:**  
n/a
4. **EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:**  
n/a
5. **EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:**  
n/a
6. **SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:**  
n/a
7. **THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:**

n/a

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

n/a

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

n/a

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

n/a

11. OTHER COMMENTS:

APA-2  
11/96

**ALABAMA DEPARTMENT OF REVENUE  
Business & License Tax Division**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE**

810-8-5-.17                      Surety Bond of Automotive Dismantler and Parts Recycler

**INTENDED ACTION:**        Amend rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rule to comply with the provisions of Act 2015-362.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** A public hearing will be held at **2:00 p.m. on Wednesday, October 7, 2015, Room 1203, First Floor**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://revenue.alabama.gov/analysis/upcoming-rule-hearings.cfm>

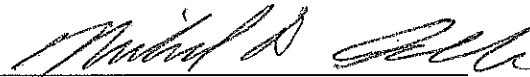
All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

Wednesday, October 7, 2015

**CONTACT PERSON AT AGENCY:**

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



Michael D. Gamble, Secretary  
Alabama Department of Revenue

0966APC.INT

810-8-5-.17 Bond of Automotive Dismantler and Parts Recycler.

(1) PURPOSE: Section 40-12-414, Code of Alabama 1975, requires **Alabama** automotive dismantler and parts recyclers to deliver to the Commissioner a continuing surety bond in the ~~sum of \$10,000~~ **amount prescribed in Section 40-12-398.**

(2) BOND FORM: The bond form must be in a form as prescribed in the attached appendices and the surety company shall provide the following information:

- (a) The true legal name of the party for whom a bond is being sought, as follows:
  - 1. If an individual, the applicant's name as well as well as the business name.
  - 2. If a partnership, the names of all partners and the name of the partnership.
  - 3. If a limited liability company, the name of the company.
  - 4. If a corporation, the corporate name.
- (b) The city, county and state in which the business is located.
- (c) The name and address of the surety company providing the coverage.
- (d) The effective date of the bond coverage.
- (e) The **original** signature of an agent of the surety company.
- (f) A telephone number for the surety company
- (g) The signature of the applicant (individual), all partners, all members of the LLC or a corporate officer.

(3) BOND REQUIREMENTS:

- (a) The bond must be accompanied by an original power of attorney form, indicating that the agent is authorized to execute the bond on behalf of the surety company.
- (b) The bond form and power of attorney must have the same issue date.
- (c) The bond form **shall be an original with original signatures and** shall be forwarded to the Commissioner of Revenue.
- (d) The bond form shall be payable to the Alabama Commissioner of Revenue.

**(e) Per Rule 810-8-5-.14 bond must be scanned and uploaded electronically to the Department, as required.**

Author: Alisa Johnson

Authority: Sections 40-2A-7(a)5 and 40-12-414, Code of Alabama 1975.

History: New rule: Filed July 26, 2013, effective August 30, 2013.

**APPENDIX A – CHAPTER 810-8-5**

**ATTACHMENT – 810-8-5-.17**

Author: Alisa Johnson  
Authority: Sections 40-2A-7(a)5 and 40-12-414, Code of Alabama 1975.  
History: New form: Filed July 26, 2013, effective August 30, 2013.



ALABAMA DEPARTMENT OF REVENUE  
BUSINESS & LICENSE TAX DIVISION  
SEVERANCE & LICENSE SECTION

Bond of Automotive Dismantler and Parts Recycler

KNOW ALL MEN BY THESE PRESENTS, that we \_\_\_\_\_

City \_\_\_\_\_, County \_\_\_\_\_, State \_\_\_\_\_,

As Principal (hereinafter called Principal), and \_\_\_\_\_

NAME OF SURETY

\_\_\_\_\_ of \_\_\_\_\_, as Surety (hereinafter called Surety), are held and firmly bound unto the State of Alabama in the sum of Twenty-five Thousand Dollars (\$25,000.00), for payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The condition of the foregoing obligation is such that:

WHEREAS, the Principal has been duly licensed as an "automotive dismantler and parts recycler" by the Alabama Department of Revenue as provided for in the Sections 40-12-410 through 40-12-425, Code of Alabama 1975, subject to the execution of this bond.

NOW THEREFORE, in consideration of the Premise:

If the aforesaid Principal shall well and faithfully perform the duties as such "automotive dismantler and parts recycler," then this obligation shall be null and void; otherwise, the same shall remain in full force and effect.

It is expressly understood and agreed that neither this obligation nor any liability thereunder shall be released or the validity thereof affected by reason of the adoption by the State of Alabama of any Act in lieu of or amendatory to said laws, but this obligation shall continue in full force and effect with respect to said statutes or any amendments thereto or changes therein which may be adopted before the cancellation of this obligation as herein provided, or before the actual cancellation and surrender of this obligation by the State of Alabama pursuant to any law now existing or hereafter adopted relating thereto.

The Surety on this bond may be released and discharged from any and all liability to the State of Alabama accruing on this bond after the expiration of sixty (60) days from the date upon which said Surety shall have filed with the Alabama Department of Revenue written request to be released and discharged; provided, however, such request shall not operate to relieve, release, or discharge such Surety from any liability already accrued or which shall accrue before the expiration of said sixty-day (60) period.

IN WITNESS WHEREOF, we hereunto set our names and seals on this date \_\_\_\_\_

_____ NAME OF SURETY COMPANY	_____ SIGNATURE OF PRINCIPAL, PARTNER, MEMBER, OR CORPORATE OFFICER	_____ (TYPE OR PRINT NAME)
By: _____ SIGNATURE OF AGENT OF SURETY COMPANY	_____ SIGNATURE OF PARTNER/MEMBER	_____ (TYPE OR PRINT NAME)
Telephone (_____) _____	_____ SIGNATURE OF PARTNER/MEMBER	_____ (TYPE OR PRINT NAME)
_____ COMMISSIONER OF REVENUE	_____ SIGNATURE OF PARTNER/MEMBER	_____ (TYPE OR PRINT NAME)

**\* ALL NAMES MUST BE TYPED UNDER SIGNATURES \***  
**(See Back For Special Instructions)**



## Bond Form Instructions

The surety company must complete all bonds on the form prescribed by the Alabama Department of Revenue.

### Completion of The Bond:

- ◆ The bond must include the true legal name of the party for whom the bond is being sought, as follows:
  - If an individual ownership, the applicant's name as well as the business name;  
*Example: John Doe, DBA ABC Auto Sales*
  - If a partnership, the names of all partners and the name of the partnership;  
*Example: John Doe & Jane Doe, DBA ABC Auto Sales*
  - If a limited liability company, the true legal name of company;  
*Example: AAA Auto Sales LLC*
  - If a corporation, the complete corporate name.
- ◆ The bond must also show the following:
  - The city, county and state in which the business is located;
  - The name and address of the surety company providing the coverage;
  - The issue date of the bond;
  - The telephone number of the agent.

### Signature Section Requirements:

- ◆ All signatures must be originals.
- ◆ The bond must include the signatures of the following:
  - The signature of the surety company agent;
  - The signature of the applicant (individual owner), all partners, all LLC members, or a corporate officer. In some cases one member may be able to sign for a Limited Liability Company. See the enclosed authorization form for details.
- ◆ Type or print the name of the person(s) signing the form.

### Power of Attorney Requirements:

- ◆ An original power of attorney form indicating that the agent is authorized to execute the bond on behalf of the surety company must accompany the bond.
- ◆ The power of attorney must have the same date as that on the bond.

*All required documents should be mailed to:*

Alabama Department of Revenue  
Business & License Tax Division  
Severance & License Section  
PO Box 327550  
Montgomery, AL 36132-7550  
*Telephone: (334) 353-7827*

Any bond or power of attorney received separately from application will be returned to sender.