

APA-1
11/96

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-4-1-07

Rule Title: Motor Bus Passenger Carrier Vehicles

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? No

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 7/21/14

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-4-1-.07

Rule Title: Motor Bus Passenger Carrier Vehicles

 New X Amend Repeal Adopt by Reference

- NO This rule has no economic impact.
 YES This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
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:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND

**BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE
BENEFITS AND BURDEN COMPARISON:**

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

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

11. **OTHER COMMENTS:**

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ALABAMA DEPARTMENT OF REVENUE
Property Tax Division

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-4-1-.07 Motor Bus Passenger Carrier Vehicles

INTENDED ACTION: Amend rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to allow for the proration of license fees based on the number of months remaining in the tax year.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 3:00 p.m. on Wednesday, September 10, 2014, Room 1203, First Floor, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at ww.revenue.alabama.gov/rulehear.html.

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, September 10, 2014

CONTACT PERSON AT AGENCY:

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



Michael D. Gamble, Secretary
Alabama Department of Revenue

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810-4-1-07 Motor Bus Passenger Carrier Vehicles.

(1) The Property Tax Division of the Department of Revenue has established the following procedures to ensure the proper collection of a fee for the issuance of a special common carrier of passengers business operating license in lieu of property tax.

(2) Effective October 1, 2006 any motor bus passenger carrier vehicle owned or otherwise operated by a common carrier of passengers who are both based in and have principal operating facilities located within Alabama and are authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the Code of Alabama 1975, is exempt from the payment of property tax.

(3) Prior to the registration of any motor bus passenger carrier vehicle that is owned or otherwise operated by a common carrier of passengers who are both based in and have principal operating facilities located within Alabama and are authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the Code of Alabama 1975 a special common carrier of passengers business operating license must be obtained.

(4) A motor bus passenger carrier vehicle is defined as a motor bus that is operated as a common carrier of passengers that is regulated by the Public Service Commission and whose owner or operator has acquired a certificate of public convenience and necessity from the Public Service Commission.

(5) The special common carrier of passengers business operating license must be obtained annually and is a prerequisite to registration. "Annual Year" is defined as the period beginning December 1st through the following November 30th. No registration should be completed without sufficient evidence that the special common carrier of passengers business operating license has been obtained.

(6) Evidence that must be presented to obtain the license should include the following documentation or other evidence the license issuing official may require to substantiate the relevant facts. The documents and or evidence should include but is not limited to: operating authorization number issued by the Public Service Commission and a signed affidavit certifying the common carrier of passengers is both based in and have principal operating facilities located within Alabama.

(7) The license and affidavit will be designed and provided by the Property Tax Division. Both the license and affidavit will be contained on one form. A license/affidavit shall be issued for a bus each time the Special Motor Bus Passenger Carrier Business Operating License fee is paid. Each license/affidavit should include the date the license was issued and the expiration date. The expiration date field on the license/affidavit should contain the next renewal month and year.

(8) Once sufficient evidence is obtained from the common carrier, the county official responsible for the collection of ad valorem taxes on motor vehicles shall collect

the fee for the license. The fee is based on the age of the bus. The amount of each fee shall be \$620 for motor bus passenger carrier vehicles that are less than 10 years old and \$100 for motor bus passenger carrier vehicles that are 10 years old or older and are registered in the name of the common carrier of passengers that is authorized to operate in this state by the Public Service Commission pursuant to Chapter 3 Title 37 of the Code of Alabama 1975. The license fee cannot be prorated to be paid for any motor bus passenger carrier, either new or used, that may be acquired or first brought into and operated on the public streets or highways of this state shall be computed by the multiplication of one twelfth of the annual license fee by the number of calendar months remaining in the license year. The fee shall be paid to the county official responsible for the collection of ad valorem taxes on motor vehicles.

(9) The county licensing official shall retain as commission 2.5% of the business operating licensing fee. The commission shall be deposited into the general fund of the county. The remaining revenue shall be distributed as follows: 7.5% to the State General Fund; 56.5% to the Education Trust Fund; 36% to the general fund of the collecting county.

(10) In the event a motor bus passenger carrier vehicle is traded, sold, removed from Alabama, stolen without recovery, totally destroyed or transferred no credit voucher or receipt for credit can be granted.

(11) Zeros should be placed in the ad valorem start date field of ALVIS.

Author: Shelley Tice

Authority: Sections 40-2A-7(a)(5), 40-12-246.1 and 40-12-253(c) and Act 2006-632, Code of Alabama 1975

History: *Emergency Rule*: Filed September 29, 2006, effective October 1, 2006, expires January 28, 2007.

Permanent Rule: Filed November 8, 2006, effective December 13, 2006.