



HOUSE OF REPRESENTATIVES

April 7, 2015

MIKE HUBBARD
Speaker of the House

11 SOUTH UNION STREET
MONTGOMERY, ALABAMA 36130
334-242-7668

VIA E-MAIL

Department of Revenue
Julie P. Magee, Commissioner
50 North Ripley Street
Montgomery, AL 36132

Commissioner Magee:

We, the undersigned, as members of the Alabama Legislature, and also as members of the Alabama Joint Legislative Council, are writing to you to express our concern regarding the Alabama Department of Revenue's draft amendments to Alabama Administrative Code Rule 810-6-5-.09. The effect of the draft amendments would allow rental taxes under Ala. Code Section 40-12-222 to apply to "digital transmissions" by specifying that such transmissions, as well as related equipment and devices enabling such transmissions, fall under the current definition of tangible personal property under Ala. Code 40-12-220.

We have received concerns from several members of the legislature and other interested parties that the amendments may be overly expansive and may also be considered a new tax, in which case the Alabama Legislature would be the proper governmental body from which to make such a determination or enactment.

We are requesting that the Department of Revenue withdraw the proposed regulation for further analysis and discussion of the issue with the state legislature.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Hubbard".

Representative Mike Hubbard
Speaker of the House

A handwritten signature in black ink, appearing to read "Del Marsh".

Senator Del Marsh
Senate Speaker Pro Tempore

A handwritten signature in black ink, appearing to read "Victor Gaston".

Rep. Victor Gaston
House Speaker Pro Tempore

A handwritten signature in black ink, appearing to read "Jimmy Holley".

Senator Jimmy Holley
Chair, Joint Legislative Council