

State of Alabama Department of Revenue

(www.revenue.alabama.gov) 50 North Ripley Street Montgomery, Alabama 36132

June 12, 2015

MICHAEL E. MASON Assistant Commissioner JOE W. GARRETT, JR.

Deputy Commissioner **CURTIS E. STEWART** Deputy Commissioner

<u>M E M O R A N D U M</u>

2015-12

- TO: License Plate Issuing Officials County Programmers/System Vendors
- FROM: Sherry Helms, Registration Unit St H Motor Vehicle Division
- SUBJECT: Legislation Effective June 2015

During the regular session of the 2015 legislature, Act 2015-349 and Act 2015-499 were signed into law by Governor Bentley and became effective immediately. This memorandum outlines the provisions of the Acts. As the effective date approaches for other Acts, separate memoranda will be distributed.

Effective Date: June 5, 2015

Act 2015-349	Subject: Tax Exemption for Regional Care Organizations
New Code Section:	TBD

Provisions

- This act exempts Regional Care Organizations, defined in Section 22-6-150, from payment of all state, county, and municipal license fees.
- > This would include:
 - Any business privilege or license tax levied.
 - Motor vehicle license fees (similar to organizations exempt from taxes under 40-9-13)
- Section 22-6-150 defines Regional Care Organization as an organization of health care providers that contracts with the Medicaid Agency to provide a comprehensive package of Medicaid benefits to Medicaid beneficiaries in a defined region of the state and that meets the requirements set forth in the article.
- A link to the list of qualified Regional Care Organizations (11) will be available from the Motor Vehicle Division website from the Quick Links area of the home page.
- Licensing officials' offices should maintain evidence of exemption with the registration documents.
- Exemption does not extend to the individual health care providers who are members of the regional care organization.

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Effective Date: June 12, 2015

Act 2015-499Subject: Changes to Limits for F4 PlatesAmended Code Sections:40-12-240 and 40-12-248

Provisions

- > Amends 40-12-240 to provide a definition of farmer:
 - An individual, partnership, cooperative corporation or other entity actively engaged in agriculture or agricultural activities as the same are circumscribed and defined in paragraphs a. and b. of Section 41-14-51(1).
- Amends 40-12-248 to provide that a farm license plate may be issued for four (4) truck tractors owned and used by the farmer for transporting farm products or the personal property of the farmer for use on his or her farm.
- The reduced annual license tax and registration fee is not available for truck tractors used on a for hire basis.

If you have any questions regarding this matter, please contact the Motor Vehicle Division at: <u>tags@revenue.alabama.gov</u> or (334) 242-9006.