

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
ADMINISTRATIVE CODE

CHAPTER 810-6-5

USE TAX LAW; CONTRACTORS GROSS RECEIPTS TAX; LODGINGS TAX; RENTAL
TAX; UTILITY TAXES; MISCELLANEOUS RULES

810-6-5-.22.01 Collection and Reporting Requirements for
Accommodations Intermediaries and
Accommodations Providers.

(1) Definitions.

(a) ACCOMMODATIONS INTERMEDIARY. Any person, firm, or corporation, other than an accommodations provider, that facilitates renting, furnishing, lodging, or accommodation transactions subject to the tax levied under §40-26-1, Code of Ala. 1975, and charges a room fee or an accommodations fee to the customer, which it retains as compensation for such facilitation. Facilitating transactions include brokering, coordinating, or in any other way arranging for the purchase of the right to use accommodations via a transaction directly, including via one or more payment processors, between a customer and an accommodations provider.

(b) ACCOMMODATIONS PROVIDER. Any person, firm, or corporation, engaging in the business of transactions subject to the tax levied under §40-26-1, Code of Ala. 1975, that has an active lodgings tax account with the department and collects and remits lodgings tax on the accommodations that are rented directly by the owner of the accommodation.

(c) HOTEL. Any public lodging establishment that is owned by a single entity or person; contains 15 or more individual sleeping room accommodations; offers rental units with daily or weekly rates; has a central office on the property with specified hours of operation; has a bathroom for each rental unit; is recognized

as a hotel in the community in which it is situated; and possesses a permit from the Alabama Department of Public Health to operate as a hotel.

(d) PROFESSIONAL PROPERTY MANAGEMENT COMPANY. A licensed real estate brokerage firm with a physical storefront location authorized and licensed under §34-27-30, Code of Ala. 1975, to engage in the business of property management services on behalf of property owners.

(e) ROOM CHARGE. The full retail price paid by the guest for an accommodation, including any accommodations fee and any other fees or charges. This includes the charge for the use or rental of personal property and services furnished in the room or accommodation.

(2) Collection and Remittance Requirements.

(a) Except as provided in paragraph (2)(b), the accommodations intermediary shall collect and remit the tax imposed by Chapter 26 of Title 40 for the facilitation of lodgings transactions subject to the tax levied under §40-26-1, Code of Ala. 1975, and parallel local levies, for transactions occurring on or after January 1, 2025. The tax shall be imposed on the room charge.

(b) When an accommodations intermediary facilitates the transaction on behalf of an accommodations provider, the taxes collected may be remitted to the accommodations provider, when there is an executed written agreement or contract specifying the responsible party for remitting such taxes.

(3) Annual Informational Report.

(a) Every accommodations intermediary and accommodations provider shall annually submit a report to the department that includes information for accommodations that were rented or furnished during the previous year. The annual informational

report must be filed electronically by April 20 of the calendar year succeeding the year for which the annual informational report is provided. The first annual informational report is due no later than April 20, 2026.

(b) The annual informational report must include the following information for the previous calendar year:

1. The classification of either accommodations intermediary or accommodations provider.

2. The physical address of each accommodation that was rented or furnished greater than 14 days.

3. If any of the reported accommodations are made pursuant to an executed written agreement or contract specifying the responsible party for remitting the lodgings taxes, indicate which accommodation(s) this includes and who the responsible party is for remitting the lodgings taxes on these transactions.

(4) Exemptions from Annual Informational Report. The following entities shall be exempt from the annual informational report described in paragraph (3):

(a) Professional property management companies that either collect and remit the tax levied under §40-26-1, Code of Ala. 1975, or manage properties leased for a month or more as the principal residence of the tenant.

(b) Hotels that collect and remit the tax levied under §40-26-1, Code of Ala. 1975.

(c) A destination marketing organization whose primary purpose is the promotion of tourism and receives funding from taxes collected and remitted pursuant to §40-26-1, Code of Ala. 1975.

(d) Providers of accommodations defined under §40-26-1(d), Code of Ala. 1975, such as marine slips, tent camping, and RV parks, that collect and remit the tax levied under §40-26-1, Code of Ala. 1975.

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Statutory Authority: §§ 34-27-30, 40-2A-7(a)(5), 40-2A-11, 40-23-1, 40-26-1, and 40-26-1.1, Code of Ala.1975

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