

*From Montgomery  
to Washington,  
ARA is there  
to benefit you!*

April, 8 2011

**CRR EXTRAS**

## End Internet Retailers' Sales Tax Advantage Now

### Tell Reps to Make Non-Collecting Internet Retailers Notify Customers That Alabama Sales Taxes Are Due

An Alabama House committee learned this week what you already know: each year Alabamians buy \$2 billion in merchandise via the Internet without paying Alabama sales taxes. As a result, retailers who aren't collecting the taxes enjoy as much as a **10 percent sales advantage over your store**. An ARA-supported bill is the first step toward addressing this issue vital to retailers in our state. The bill has the committee's support, now it goes to the full House.

Brick-and-mortar and online retailers based in Alabama or with stores in Alabama **HAVE TO** collect Alabama sales taxes, while certain out-of-state online retailers continue to **REFUSE TO** collect the taxes for our state, counties and cities. Nineteen years ago, the U.S. Supreme Court said those out-of-state retailers without a presence in our state didn't have to collect the taxes because at the time collection for multiple states, cities and counties was too complicated and the technology didn't exist to make it easy. The court threw the issue back to Congress to resolve, but after almost two decades, Congress hasn't acted. **You shouldn't have to wait any longer!** Seven other states already have taken the initiative to wipe out the remote retailers' no-tax advantage. Alabama needs to be next.



*Rep. Jamie Ison testifies about her bill.*

Despite Congress' inaction and select remote retailers' refusal to collect the taxes even though those retailers now have the technology to do so, **the taxes are still due. Alabama taxpayers are subject to audits and penalties for failure to remit the taxes to the state, county and local governments.** In fact, the Alabama Department of Revenue has sent more than 10,000 letters to Alabama taxpayers in an effort to capture sales taxes lost through out-of-state online sales. The letters continue to go out at a rate of about 1,000 a month.

[>> Read Revenue Dept. Letter](#)

### **BILL MAKES REMOTE RETAILER NOTIFY CONSUMER TAX DUE; COULD SEND BUSINESS BACK TO YOU**

Wednesday, the House State Government Committee unanimously

stay connected with ARA 



#### TOP ISSUES

[Modest Late Fee Increase](#)

[Immigration](#)

[1099 Repeal](#)

[Tort Reform](#)

[End Internet Sales Tax Advantage](#)

[Draft Beer](#)

[Perceived Corporate 'Loopholes'](#)

[Taxpayers Bill of Rights II](#)

[Double Health Insurance Deduction](#)

[Security Freeze](#)

[Double-Weighted Sales Factor](#)

[Brew Pub Retail Production](#)

[Commonsense Consumption](#)

[Smoking Ban / Cigarette Tax](#)

[Product Labeling](#)

[Speakers' Job Creation Commission](#)

[>> Read Earlier Issues of](#)

approved [HB 365](#) by [Rep. Jamie Ison, R-Mobile](#), which will inform Alabama taxpayers of their tax liability BEFORE they purchase the goods online, potentially driving some of that \$2 billion in lost sales back to Alabama-based retailers.

[>> Read more details of HB 365](#)

This bill does NOT apply to your store or your online store if you collect Alabama state and local sales taxes. It makes e-commerce fairer for ALL retailers.

**Urge your representative (listed at top) to vote 'Yes' on HB 365!**

Amazon and eBay lobbyists are working hard to kill this legislation. Please impress on your House member how important it is to end the remote retailers' no-tax advantage now.

**HINT:** *If you bought online in 2010 and didn't pay sales tax, include those purchases on your state income tax return next week to avoid being audited or penalized.*

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## ARA LEGISLATIVE AGENDA IN ACTION

### Senate Judiciary OKs All Tort Reform Bills House Judiciary Moves Two of Four Bills

The House and Senate Judiciary committees this week took up lawsuit reforms supported by the Alabama Civil Justice Reform Committee (ACJRC) and ARA. A standing-room-only crowd (pictured) watched the Senate Judiciary Committee approve all four, including a change in the expert witness rule, which the sponsor said didn't have the full support of all of the affected groups. The House Judiciary left the expert witness bill off its agenda entirely and carried over the bill that would lower the post-judgment interest to the federal standard. The entire package is intended to complete the state's tort reform efforts, which began in 1999.

### TORT REFORM BILLS

- [SB 184](#) by [Sen. Ben Brooks, R-Mobile](#) / [HB 251](#) by [Rep. Wes Long, R-Guntersville](#): Both committees approved this bill, which prohibits product liability suits against retailers, wholesalers and distributors unless those entities are also the manufacturer/designer, altered the product to make it harmful or the manufacturer cannot be identified. "*This prevents a retailer who sells a product in a closed package from being dragged along in (manufacturer defect) litigation,*"; Brooks told his committee. Both bills move to their respective chambers for consideration.
- [SB 212](#) by [Sen. Clay Scofield, R-Guntersville](#) / [HB 228](#) by [Rep. Ron Johnson, R-Sylacauga](#): Both committees approved this legislation, which prohibits forum shopping of wrongful death actions.
- [SB 187](#), also by Brooks, and [HB 239](#) by [Rep. Steve McMillan, R-Bay Minette](#): The Senate panel approved Brooks' bill, which requires Alabama to apply the federal expert witness rule. Alabama has not adopted the federal rule, even though in 1993 the U.S. Supreme Court mandated its adoption in all federal courts. Instead, Alabama continues to use a 1923 standard. The stricter federal standard for admitting expert

## HOUSE

- [HB 003](#)
- [HB 056](#)
- [HB 061](#)
- [HB 066](#)
- [HB 072](#)
- [HB 073](#)
- [HB 086 Sub](#)
- [HB 086 Amd](#)
- [HB 107](#)
- [HB 149](#)
- [HB 193](#)
- [HB 228](#)
- [HB 228 Amd](#)
- [HB 236](#)
- [HB 239](#)
- [HB 241](#)
- [HB 242](#)
- [HB 251](#)
- [HB 251 Amd](#)
- [HB 299](#)
- [HB 300](#)
- [HB 301](#)
- [HB 303](#)
- [HB 313](#)
- [HB 365](#)
- [HB 427](#)
- [HB 430](#)
- [HB 434](#)
- [HB 457](#)
- [HB 458](#)
- [HB 461](#)
- [HB 462](#)

## SENATE

- [SB 070](#)
- [SB 155](#)
- [SB 159](#)
- [SB 167](#)
- [SB 184](#)
- [SB 187](#)
- [SB 192](#)
- [SB 207](#)
- [SB 212](#)
- [SB 256](#)
- [SB 272](#)
- [SB 347](#)
- [SB 348](#)
- [SB 351](#)
- [SB 352](#)

testimony helps business as it ensures valid scientific and other technical expert testimony has a solid foundation and basis. **HB 239** was not considered.

- **[SB 207](#)** by **[Sen. Cam Ward, R-Alabaster](#)** / **[HB 236](#)** by **[Rep. Greg Canfield, R-Vestavia Hills](#)**: Currently, if an Alabama defendant loses a lawsuit and chooses to appeal, he pays 12 percent post-judgment interest on the amount the court or jury awarded the plaintiff, creating a significant financial deterrent to appealing an unjust verdict. This bill ties the post-judgment interest rate to the one-year Treasury bill (currently less than 1 percent), the system currently being used in federal courts. The Senate bill is ready for Senate consideration. The House bill was carried over.

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## No Time for ARA-Supported Late Fee Increase House Could Consider the Bill on Thursday

The Alabama House of Representatives spent all day Tuesday debating **[immigration](#)** and didn't get to the second bill on its calendar, **[HB 3](#)** by **[Rep. Craig Ford, D-Gadsden](#)**. Ford's bill ties the minimum late fee retailers and other businesses can charge on delinquent credit transactions under the Mini-Code to the amount allowed under the Alabama Small Loan Act. **ARA is working to get the bill on the special order for Thursday**. Your association and the Alabama Consumer Finance Association have sought this modest \$8 increase since 2007. The Senate companion, **[SB 70](#)** by **[Sen. Gerald Dial, R-Lineville](#)**, awaits consideration by the full Senate. Ask your representative to **vote "Yes" on HB 3** to correct the inequity between the Mini-Code and Small Loan Act.

**[>> Read more about Late Fee Fairness](#)**

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## Public Hearing Set for Taxpayers' Bill of Rights II

**[HB 427](#)**, the Alabama Taxpayers' Bill of Rights II by **[Rep. Paul DeMarco, R-Homewood](#)**, which centralizes and makes the state's tax appeal process independent of the taxing governments, will be the subject of a public hearing at 1:30 p.m. Wednesday, The Business Associations' Tax Coalition, a 30-member business trade association group that ARA President Rick Brown chairs, sent a letter this week endorsing the legislation to House members. The Senate companion is **[SB 347](#)** by **[Sen. Ben Brooks, R-Mobile](#)**. It was assigned to the Senate Judiciary Committee this week.

**[>> Learn more about the Taxpayer Bill of Rights II](#)**

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## House Approves Security Freeze Legislation Bill Senate Will Consider Contains ARA Changes

The House this week on a vote of 96-0-1 approved **[HB 313](#)** by **[Rep. DuWayne Bridges, R-Valley](#)**, which regulates Alabama residents' power to put a security freeze on their credit report. This freeze would prohibit a credit reporting agency from releasing a credit report or score to a third party without the explicit consent of the consumer. The legislation sets up methods by which a consumer can have the freeze lifted in under 15 minutes, should he/she wish to apply for credit. The bill incorporates ARA requested changes and provides

- **[SB 363](#)**
- **[SB 372](#)**

## FEDERAL

- **[H.R. 4](#)**

### IN THE NEWS

**[E-commerce steps on the gas](#)**

**[No state taxes on Amazon? Maybe not for long, Florida panel says](#)**

**[Alabama Democrats ready to "rumble" to close corporate tax loopholes](#)**

**[Democrats introduce legislative agenda](#)**

**[AEA backs push to close business tax loopholes](#)**

**[Bentley keeping promise to close tax loopholes](#)**

**[Alabama Senate panel approves immigration bill](#)**

**[Top Tuscaloosa law officials uneasy over proposed immigration bill](#)**

**[Alabama House passes Arizona-style immigration](#)**

**[Illegal immigration: Bill would require worker's residency to be verified](#)**

**[Immigration bill could be expensive 'message'](#)**

**[Alabama immigration bill is brought to you by, well, a British Invasion](#)**

**[Smoking ban, cigarette tax bills unlikely to move](#)**

**[Northport Sunday sales bill passes both chambers unanimously](#)**

**[Ban on texting while driving is halfway](#)**

free credit freezes for senior citizens.

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## Senate Carries Over Health Insurance Deduction

Tuesday, [Sen. Greg Reed, R-Jasper](#), asked the Alabama Senate to carry over [HB 61](#) by [Rep. April Weaver, R-Brierfield](#). The Senate presiding officer could call up the bill, which raises the income tax deduction employers and employees can claim on health insurance premiums from 150 percent to 200 percent, at anytime for final approval. Reed is the author of the Senate companion, [SB 159](#), which is also ready for Senate consideration.

[>> Read Increase Health Insurance Deduction for Small Business](#)

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## TAXES

### Governor, Democrats Launch Assault on "Loopholes" Bypasses Legislature to Raise Taxes on Business

Rather than proposing legislation, the Alabama Department of Revenue at the bidding of Gov. Robert Bentley has proposed repealing the gross income regulation in order to generate some \$30 million next year from Alabama partnerships and closely held medium-size Alabama corporations that operate in multiple states. ARA opposes making tax law through regulation, rather than legislation. The public comment period on this change runs through May 6 with a public hearing set for May 5. ARA will comment, but please send your comments to the department as well.

Meanwhile, Democrats are backing a package of 12 bills they contend will close the loopholes and raise an estimated \$228 million, including [SB 348](#) by [Sen. Linda Coleman, D-Birmingham](#), and [HB 241](#) by [Rep. John Knight, D-Montgomery](#), which provide that gross income for Alabama resident individuals includes an owner's entire allocable share of income from a pass-through entity. The other bills include limiting the deductions for federal income tax paid and dropping the sales tax for food and over-the-counter drugs ([HB 242](#) / [SB 363](#)); limiting the Alabama corporate income deduction to three percent of qualifying income ([HB 299](#)); decoupling Alabama from the federal depreciation schedule, cutting the rate to 50 percent ([HB 300](#) / [SB 352](#)); and unitary combined reporting ([HB 301](#) / [SB 351](#)).

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### Love Proposes Double-Weighted Sales Factor

This week, [Rep. Jay Love, R-Montgomery](#), introduced HB 434, a bill to double the weight given to the sales portion of income when multi-state corporations compute net income tax. This bill also proposes to amend the sales factor so that sales of services and other sales of intangible property are sourced to Alabama if the taxpayer's market for the sales is in Alabama. Multi-state corporations doing business inside and outside of Alabama source their income based on a three-factor formula: property, payroll and sales. ARA is monitoring this legislation. [Please provide any input you have on this bill to ARA President Rick Brown](#). The bill has been assigned to the House Ways and Means Education Committee.

[through the Legislature](#)

[Alabama House passes bill to allow Alabamians potential vote toward challenge of federal health care overhaul](#)

[Rep. Hill: State lawmakers doing 'everything possible' to fight federal health care overhaul](#)

[Alabama Senate approves General Fund budget](#)

[Alabama Senate panel OKs Bentley's first operating budget but full Senate likely to make changes](#)

[Alabama House panel approves ed budget, which goes to full House for debate next week](#)

[Birmingham pharmacy linked to IV contamination asks judge to loosen restraining order](#)

[State won't let Alabama pharmacy reopen](#)

[Turn on the cameras: Time to fix law's problems](#)

[PSC approves Alabama Power price break for jobs](#)

[Birmingham area business owners tell Commission on Job Creation they need relief from regulations](#)

[Bentley forms coastal insurance commission; special legislative session on issue planned](#)

[Brighton City Council raises sales tax to total of 10 percent](#)

[Helena considering sales tax increase to fund land for high school](#)

[Alabama tax collections for education show little change from last year](#)

[Tax revenue up in Shoals](#)

## IMMIGRATION

### House OKs Somewhat Improved Immigration Bill

After six hours of debate Tuesday, the Alabama House voted 73-28 vote to approve a substituted and amended version of [HB 56](#), an Arizona-style immigration bill by [Rep. Mickey Hammon, R-Decatur](#), which still contains provisions that could be detrimental to retailers. The bill now goes to the Senate for consideration.

Over the sponsor's objections, the House did add an amendment advocated by the [Alabama Employers for Immigration Reform](#), a business group that includes ARA, which removed the portion of the bill that held an employer liable for the wrongful actions of contractors or subcontractors. Because [HB 56](#) requires all employers to verify the legal status of new employees through the federal E-Verify program, enforcement through subcontractor liability is unwarranted. Thanks to [Rep. Mike Hill, R-Columbiana](#), for offering the ALEIR amendment, which the House approved 81-6 with one abstention. Hammon tried to table the amendment, but his motion failed 29-49 with two abstentions.

The House also voted to provide employers with 25 or fewer employees with an alternative method of verification, another ALEIR amendment. The bill now gives Industrial Relations 90 days after enactment to set up a telephone verification system. All other employers will be required to use the federal E-Verify program beginning Jan. 1, 2012, under the bill. The amendment by [Rep. Steve McMillan, R-Bay Minette](#), was adopted 88-1 with two abstentions.

Other provisions that remain in the bill to which ALEIR and ARA object would:

- create an unlevel playing field for businesses based on the county in which they operate. The bill gives local law enforcement arresting and investigatory authority. Enforcement should be uniform across the state and vested in a single state agency, specifically the Department of Industrial Relations.
- subject an individual to criminal liability if a passenger in their vehicle is not in the country legally, and the owner of the vehicle "*recklessly disregards the fact*" that the person is an unauthorized alien. Use of a "*reckless disregard*"
- standard may subject individuals to potential criminal liability based on their failure to inquire as to each passenger's immigration status. Thanks to [Rep. Richard Lindsey, D-Roanoke](#), for trying to amend the bill. His amendment was tabled by a vote of 55-35.

ARA will continue to work to amend the bill to address retailers' concerns. Contact your lawmakers TODAY and ask them to support the ALEIR amendments. While ARA and the Alabama business community do not condone hiring illegal workers, it is vital that any immigration reforms not create an undue burden for Alabama businesses.

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### Committee Hears Testimony on Immigration Bill

Thursday, the Senate Job Creation and Economic Development

[U.S. Senate finally votes to repeal 1099](#)

[Senate votes to repeal health-care law's 1099 tax-reporting provision](#)

[USA Today endorses swipe fee reform, opposes delay](#)

*For more stories concerning legislative action and news of interest to retailers, go to [In the News](#)*

#### ARA CONTACTS

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Dir. of Public Relations

[Brett Johnson](#)  
Member Relations Mgr.

#### LEGISLATIVE CONTACTS

To contact members of the Alabama Legislature:

**WRITE:**

Alabama State House  
11 South Union Street  
Montgomery, AL 36130

**CALL:**

HOUSE: (334) 242-7600  
SENATE: (334) 242-7800

**E-MAIL:**

Most representatives can be reached through the House e-mail system by using the following format:

[firstname.lastname@alhouse.org](#)

Those without e-mail addresses can be reached through the general e-mail address:

Committee voted 9-1 for a substitute version of [SB 256](#) by [Sen. Scott Beason, R-Gardendale](#). The bill now goes to the full Senate. Unlike Hammon's legislation, Beason's bill doesn't require employers to check employees' legal status through the federal E-Verify system.

[house3@alhouse.org](mailto:house3@alhouse.org)

There is no general e-mail address for senators. [Click here](#) for a roster of the state senators with their complete contact information.

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## ALCOHOL AND TOBACCO

### Alcohol Bills Set to Become Law Sunday Sales, Draft Beer Referendums Await Signature

The Alabama Senate gave final approval this week to three alcohol referendum bills. Wednesday, the Senate approved [HB 72](#) and [HB 73](#), both by [Rep. Steve Clouse, R-Ozark](#), which authorize Daleville and Ozark to call referendums to allow draft beer sales at the next general election. Thursday, the Senate unanimously approved [HB 66](#) by [Rep. Alan Harper, D-Aliceville](#), which calls for a Sunday alcohol sales referendum in Northport. This bill, a near mirror of neighboring Tuscaloosa's Sunday sales law overwhelmingly approved in a Feb. 22 referendum, gives the Northport council 30 days to schedule a referendum. All three bills need Gov. Robert Bentley's signature before any referendums can be scheduled.

Several other draft beer bills were introduced this week including:

- [HB 458](#) by [Rep. Dan Williams, R-Athens](#), which authorizes the Athens City Council to vote on allowing draft beer sales in Athens.
- [HB 430](#) by [Rep. Bill Roberts, R-Jasper](#), which would authorize draft beer sales by properly licensed businesses in Jasper.
- [HB 462](#) by [Rep. Alan Boothe, D-Troy](#), which redefines "draft or keg beer." The bill has been assigned to the House Economic Development and Tourism Committee.

#### LINKS GO TO CONTACT INFO:

The link to each lawmaker mentioned in this publication goes to their individual websites, which have contact information. You can also find out whose legislative district you live or work in under [Find Your Lawmaker](#) in the [Political Affairs](#) section of [alabamaretail.org](http://alabamaretail.org).



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### Senate OKs Brew Pub Retail Production Bill House Panel Approves Its Version

Tuesday, the full Senate approved [SB 192](#) by [Sen. Bill Holtzclaw, R-Madison](#), on a vote of 24-5, sending it to the House Economic Development and Tourism Committee. The next day, that committee approved a substituted and amended version of the House companion, [HB 86](#) by [Rep. Joe Hubbard, D-Montgomery](#). The legislation allows brew pubs to produce an unlimited amount of beer and sell it on premise or to a distributor.

For committee assignments and clerk contacts for the Alabama Legislature, see [ARA's 2011 Legislative Roster](#).

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### Tobacco Legislation Appears Again Tax on Cigarettes and Statewide Smoking Ban Introduced

Two bills related to smoking were introduced this week:

- [Sen. Vivian Figures, D-Mobile](#), a longtime proponent of banning smoking statewide, this week introduced [SB 372](#), the companion bill to [HB 149](#) by [Rep. Mary Sue McClurkin, R-Indian Springs](#). The bills prohibit smoking in any workplace, public building or place and any closed-off area within a private club.



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The legislation also requires businesses to post smoking signage. The House Health Committee carried over McClurkin's bill several weeks ago. Figures' has been assigned to the Senate Health Committee.

- For the fourth year, [Rep. Patricia Todd, D-Birmingham](#), has introduced a bill to more than double taxes on a pack of cigarettes. [HB 457](#) would raise the state tax on cigarettes from 42.5 cents per pack to \$1.42.5 cents per pack. ARA continues to support comprehensive tax reform over patchwork tax policy.

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## FOOD SERVICE

### Senate Health OKs Commonsense Consumption Act

Wednesday, the Senate Health Committee unanimously approved the Commonsense Consumption Act, [SB 167](#) by [Sen. Gerald Allen, R-Tuscaloosa](#), which protects retailers from civil action by those who claim the food products sold by the retailer made them obese. ARA supports this bill, which now awaits consideration by the full Senate. The House companion, [HB 193](#) by [Mike Jones, R-Andalusia](#), awaits consideration by the House Judiciary Committee.

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### Bill: Damaged or Missing Label; No Sale

This week, [Rep. Harry Shiver, R-Bay Minette](#), introduced [HB 461](#), which would ban obscuring, removing, or otherwise rendering illegible any product information on food or beverage labels and prohibit storing, transporting or selling any food or beverage without a label or with a label that has been obscured, removed or otherwise rendered illegible. Violators would face a \$500 fine and up to six months in jail. Two hundred or more unlabeled food or beverage items or that number with damaged labels would be punishable by a fine of \$5,000 and up to six months in prison. The bill has been assigned to the House Agriculture and Forestry Committee.

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## PHARMACY

### Senate OKs Re-labeling, Storing for Residential Care

Tuesday, the Alabama Senate voted 31-0 for [SB 155](#) by [Sen. Billy Beasley, D-Clayton](#), which authorizes the Alabama Board of Pharmacy to establish protocols that would permit retail pharmacies to re-label and store prescription drugs not classified as controlled substances for residential care patients who live in a facility that does not have an on-site pharmacy. It now goes to the House Health Committee. The House has approved the companion legislation, [HB 107](#) by [Rep. Ron Johnson, R-Sylacauga](#), and it was assigned this week to the Senate Health Committee.

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### Prescription Exemption Awaits Either Chamber Action

Wednesday, the Senate Finance and Taxation General Fund Committee unanimously approved [SB 272](#) by [Sen. Billy Beasley, D-Clayton](#), which would exempt prescriptions from business licenses taxes based on gross receipts. It now awaits action by the entire Senate. The House companion, [HB 303](#) by [Rep. Ron Johnson, R-](#)

## Save Thousands

ARA constantly strives to increase the Value its members received from membership. Many members have been using our low-cost workers' comp program for years, but were asking for more. In January, we announced more savings. ARA members now have access to:

### Cost-Saving Credit Card Processing:

Through a partnership with Huntsville-based **CHECKredi**, ARA members get rates normally reserved for only the largest stores.

### Discounted Inbound and Outbound Shipping:

Through our arrangement with **PartnerShip** ARA members can save up to 27% on FedEx services and up to 70% on other shipping needs.

### Budget Friendly Email Marketing

**Constant Contact** brings ARA members cutting edge e-mail marketing technology for as low as \$15 a month; members save up to 25%

### [Find Out More Today](#)

[Sylacauga](#), awaits House consideration.

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## JOBS

### Jobs Commission Seeks Comments Submit Your Ideas before Friday, April 15



*House Speaker Mike Hubbard*

The Speaker's Commission on Job Creation Commission will present its job growth recommendations to the Alabama Legislature and Gov. Robert Bentley on Friday, April 15. [House Speaker Mike Hubbard, R-Auburn](#), said the commission's report will be used to help state lawmakers draft legislation during the current regular session to help

small businesses create jobs.

If you haven't provided your input yet to the commission, email your job creation ideas and recommendations to [ALjobscommission@gmail.com](mailto:ALjobscommission@gmail.com) or join the conversation on [Facebook](#).

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## NEXT LEGISLATIVE DAY

The **House will meet at 1 p.m. Tuesday, April 12, 2011**, for the 13th meeting day of the 2011 regular session.  
**The Senate meets at 3 p.m .**

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## FEDERAL

### U.S. Senate Gives Final OK to 1099 Repeal Much Needed Fix Now in Obama's Hands

The U.S. Senate voted Tuesday to repeal the onerous 1099 tax reporting requirements in last year's health care law. Had that provision of the health care law gone into effect, starting in 2012, businesses would have had to file a Form 1099 with the Internal Revenue Service whenever they made a cash or check payment totaling \$600 or more to a vendor in a single year. Federal law has long required a Form 1099 when a business pays \$600 a year or more to an individual or unincorporated business for services, but the new provision would have extended the requirement to include payments to corporations and to include purchases of tangible goods in addition to services.



*U.S. Sen. Jeff Sessions and ARA Board Member Darrell Bourne during dinner last week.*

A contingent of Alabama Retail Association members, who traveled to Washington, D.C. last week, asked Alabama's senators, Richard



Shelby and Jeff Sessions, to vote for [H.R. 4](#), which passed on a bipartisan vote of 87-12. Both of Alabama's senators voted for the repeal of the 1099 requirements.

President Barack Obama now has his first opportunity to sign or veto a bill repealing a piece of his signature law. He's expected to sign it despite concern about how to replace the money the provision would have raised.

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The *Capitol Retail Report* is another **Benefit from the Value** of [Alabama Retail Association](#) membership. For more benefits, go to [www.alabamaretail.org](http://www.alabamaretail.org)