



Lauderdale County Commission Lauderdale County Board of Education



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District 1 Commissioner

Roger Garner
District 1 Commissioner

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District 2 Commissioner

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District 2 Commissioner

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Member BOE

Daniel Patterson
Member BOE

Jon Hatton
Superintendent

October 7, 2020

FOR IMMEDIATE RELEASE

County and Schools Share Tax Revenue

FLORENCE, AL—The commitment to educating our children in Lauderdale County is at the forefront of a recent Resolution passed by the Lauderdale County Commission and a Resolution adopted by the Lauderdale County Board of Education, which addresses the tax the Commission receives from Internet sales. The Board of Education has publicly “thanked” the County Commissioners for their decision and for the additional funds to be spent in Lauderdale County classrooms and schools.

“It is a further commitment to providing our schools with what our students need,” said Jon Hatton, Lauderdale County Superintendent. “We want our students to leave our schools with the skills and knowledge to be successful as adults.”

Four percent of the sales tax collected in Lauderdale County goes to the State. One-half percent goes to SEDA, and one percent goes to the County Board of Education. “The Commission receives no sales tax, but we do receive a portion of the tax collected from Internet sales,” said Danny Pettus, Chairman of the County Commission. “The Commission is pleased to give our local schools what they would have received, if the sales took place in our brick and mortar stores.”

Enacted in 2015 by the Alabama State Legislature, the [Act 2015-448](#), entitled the “Simplified Seller Use Tax Remittance Act (SSUT),” allows eligible sellers to participate in a program to collect, report, and remit a flat eight percent (8%) sellers use tax on all Internet sales made into Alabama. In practical terms, the

tax is collected from Internet online purchases from sellers who conduct sales of tangible personal property or services to buyers in Alabama, who have no physical business location inside the State.

The two governing bodies in their respective Resolutions have agreed to enter into a Memorandum of Understanding (MOU) that would direct 25 percent of the SSUT funds sent by the State of Alabama to the Lauderdale County General Fund to be given by the Commission to the Board of Education.

The Commission will begin remitting 25 percent of monies to the County School Board once the SSUT funds for October 2020 are received by the County. If the same level of SSUT taxes is collected for the remaining four months of 2020, it is expected that the revenue would be in a range of \$30,000 to \$32,000 a month.

The Resolution by the Commission and the MOU entered into with the Board of Education through its Superintendent does not contractually bind or obligate the County for future years, but according to the County Resolution, "...said distribution shall continue until the County by proper resolution invalidates and rescinds this Memorandum of Understanding." By entering into the MOU, it is a renewed commitment to public education in Lauderdale County to its students, families, and community stakeholders, by both governing bodies.

With all allocated public dollars, the School Board commits to our stakeholders that we spend the money most effectively and efficiently in educating our children. "We continue to look for ways to make our system more efficient, and to use all our resources wisely for our schools," said Mr. Hatton. "Our children are our greatest treasure, and we appreciate the County Commissioners for this additional investment in the education of all our students."

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