

Code of Alabama 1975
Title 40 – Revenue and Taxation

CHAPTER 16.

FINANCIAL INSTITUTION EXCISE TAX

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CHAPTER 16.

FINANCIAL INSTITUTION EXCISE TAX.

§ 40-16-1. Definitions.

For the purpose of this chapter, the following terms shall have the respective meanings ascribed to them by this section:

(1) Financial institution. Any person, firm, corporation and any legal entity whatsoever doing business in this state as a national banking association, bank, banking association, trust company, industrial or other loan company or building and loan association, and such term shall likewise include any other institution or person employing moneyed capital coming into competition with the business of national banks, and shall apply to such person or institution regardless of what business form and whether or not incorporated, whether of issue or not, and by whatsoever authority existing. The common parent corporation of a controlled group of corporations eligible to elect to file a consolidated excise tax return, in accordance with Section 40-16-3, shall be considered a financial institution if such parent corporation is a registered bank holding company as defined by the Bank Holding Company Act of 1956, as amended. As a financial institution, the common parent corporation will be governed by Sections 40-16-1 through 40-16-8 and exempt from all income taxes under Sections 40-18-1 through 40-18-85, with the exception that the credit for licenses or taxes as provided by Section 40-16-8 and the regulations issued or promulgated pursuant thereto by the

Department of Revenue will not apply to amounts of excise tax on financial institutions imposed hereby and paid by such parent corporation. Financial institution shall not mean or include individual citizens and fiduciaries acting in a representative capacity for individual citizens, not engaged in a banking, loan, investment or similar business, but merely making personal investments of personal or fiduciary funds in bonds, notes or other evidences of indebtedness and not made in competition with the business of national banks, nor shall such term apply to insurance companies or insurance associations merely making investments of reserves in bonds, notes or other evidences of indebtedness and not made in competition with the business of national banks.

(2) Net income. The net income for the taxable year, as in this title defined, arising from the business the privilege to engage in which is hereby taxed, computed by deducting from the gross income arising from such business, without any exclusions from or credit to such gross income, the total amount of the following deductions:

a. All the ordinary and necessary expenses paid or incurred during the year the income is received which is made the basis of the tax in carrying on the business, the privilege to engage in which is hereby taxed, including a reasonable allowance for salaries or other compensation for personal service actually rendered; also all contributions paid by a financial institution as employer to or under a stock bonus, pension, profit-sharing or annuity plan, or if

compensation is paid or accrued on account of any employee of any financial institution under the plan deferring the receipt of such compensation, such contributions or compensation shall be deductible, but only to the following extent:

1. In the taxable year when paid, if the contributions are paid into a pension trust and if such taxable year ends within or with a taxable year of the trust for which the trust is exempt under Section 40-18-25 in an amount determined as follows: (i) An amount not in excess of five percent of the compensation otherwise paid or accrued during the taxable year to all the employees under the trust, but such amount may be reduced for future years if found by the Commissioner of Revenue upon periodical examinations at not less than five year intervals to be more than the amount reasonably necessary to provide the remaining unfunded cost of past and current service credits of all employees under the plan, plus (ii) any excess over the amount allowable under clause (i) necessary to provide with respect to all of the employees under the trust the remaining unfunded cost of their past and current service credits distributed as a level amount, or a level percentage of compensation, over the remaining future service of each such employee, as determined under regulations prescribed by the Commissioner of Revenue, but if such remaining unfunded cost with respect to any three individuals is more than 50 percent of such remaining unfunded cost, the amount of such unfunded cost attributable to such individuals shall be distributed over a period of at least five taxable years, or

(iii) in lieu of the amounts allowable under (i) and (ii) above, an amount equal to the normal cost of the plan, as determined under regulations prescribed by the Commissioner of Revenue plus, if past service or other supplementary pension or annuity credits are provided by the plan, an amount not in excess of 10 percent of the cost which would be required to completely fund or purchase such pension or annuity credits as of the date when they are included in the plan, as determined under regulations prescribed by the Commissioner of Revenue; except, that in no case shall a deduction be allowed for any amount (other than the normal cost) paid in after such pension or annuity credits are completely funded or purchased, (iv) any amount paid in a taxable year in excess of the amount deductible in such year under the foregoing limitations shall be deductible in the succeeding taxable years in order of time to the extent of the difference between the amount paid and deductible in each such succeeding year and the maximum amount deductible for such year in accordance with the foregoing limitations.

2. In the taxable year when paid, in an amount determined in accordance with subparagraph 1 of this paragraph, if the contributions are paid toward the purchase of retirement annuities and such purchase is a part of a plan which meets the requirements of subsection (e) of Section 40-18-25, and if refunds of premiums, if any, are applied within the current taxable year or next succeeding taxable year towards the purchase of such retirement annuities.

3. In the taxable year when paid, if the contributions are paid into a stock bonus or profit-sharing trust, and if such taxable year ends within or with a taxable year of the trust with respect to which the trust is exempt under subsection (e) of Section 40-18-25, in an amount not in excess of 15 percent of the compensation otherwise paid or accrued during the taxable year to all employees under the stock bonus or profit-sharing plan. If in any taxable year beginning after the approval of this chapter by the Governor there is paid into the trust, or a similar trust then in effect, amounts less than the amounts deductible under the preceding sentence, the excess or, if no amount is paid, the amounts deductible shall be carried forward and be deductible when paid in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any such succeeding taxable year shall not exceed 15 percent of the compensation otherwise paid or accrued during such succeeding taxable year to the beneficiaries under the plan. In addition, any amount paid into the trust in a taxable year beginning after the approval of this chapter by the Governor in excess of the amount allowable with respect to such year under the preceding provisions of this subparagraph shall be deductible in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any one such succeeding taxable year together with the amount allowable under the first sentence of this subparagraph shall not exceed 15 percent of the compensation otherwise paid or accrued during such taxable year to the beneficiaries under the plan. The term stock bonus or profit-sharing trust, as used in this subparagraph, shall not include any trust designed to provide

benefits upon retirement and covering a period of years, if under the plan the amounts to be contributed by the employer can be determined actuarially as provided in subparagraph 1. If the contributions are made to two or more stock bonus or profit-sharing trusts, such trusts shall be considered a single trust for the purposes of applying the limitations of this subparagraph.

4. In the taxable year when paid, if the plan is not one included in subparagraphs 1, 2 or 3, if the employees' rights to or derived from such employer's contribution or such compensation are nonforfeitable at the time the contribution or compensation is paid.

5. For the purposes of subparagraphs 1, 2 and 3, a taxpayer on the accrual basis shall be deemed to have made a payment on the last day of the year of accrual if the payment is on account of such taxable year and is made within 60 days after the close of the taxable year of accrual.

6. If amounts are deductible under subparagraphs 1 and 3, or 2 and 3, or 1, 2 and 3, in connection with the two or more trusts, or one or more trusts and an annuity plan, the total amount deductible in a taxable year under such trusts and plans shall not exceed 25 percent of the compensation otherwise paid or accrued during the taxable year to the persons who are the beneficiaries of the trusts or plans. In addition, any amount paid into such trust or under such annuity plans in any taxable year in excess of the amount allowable with respect to such

year under the preceding provisions of this subparagraph shall be deductible in the succeeding taxable years in order of time, but the amount so deductible under this sentence in any one such succeeding taxable year, together with the amount allowable under the first sentence of this subparagraph, shall not exceed 30 percent of the compensation otherwise paid or accrued during such taxable years to the beneficiaries under the trusts or plans. This subparagraph shall not have the effect of reducing the amount otherwise deductible under subparagraphs 1, 2 and 3, if no employee is a beneficiary under more than one trust, or a trust and an annuity plan. If there is no plan but a method of employer contributions or compensation has the effect of a stock bonus, pension, profit-sharing, or annuity plan, or similar plan deferring the receipt of compensation, this paragraph shall apply as if there were such a plan. Also, all contributions or gifts made by financial institutions to a community chest or to recognized religious, charitable, scientific or educational institutions or agencies, or to institutions or agencies for the prevention of cruelty to children or animals, which are not operated for profit and no part of the net earnings of which inures to the benefit of any private stockholder or individual or contributions or gifts for vocational rehabilitation authorized by the United States Vocational Rehabilitation Act. The amount of such deduction shall not be, however, in excess of five percent of the financial institution's net income as computed without the benefit of this subsection. Such contributions or gifts shall be allowable as deductions only where made to a community chest or institution or agency recognized as such for the above purposes under rules and regulations prescribed by the Department of

Revenue. Traveling expenses, including a reasonable amount expended for meals and lodgings while away from home in the necessary business of such institutions; rentals or other payments required to be made as the condition to the continued use or possession for the purposes of such business, or property to which the taxpayer has not taken or is not taking title or in which the taxpayer has no equity, provided the amount and the reasonableness of all such expenditures shall be approved by the State Department of Revenue.

b. All interest paid or accrued within the taxable year on the indebtedness of said business. Also, all dividends paid or accrued within the taxable year on the shares of preferred stock held or owned by a reconstruction finance corporation or any other governmental agency;

c. Taxes actually paid within the year in which the income on which the tax is based was received, except the excise tax imposed by this chapter and taxes assessed against local benefits of a kind tending to increase the value of the property assessed;

d. Losses sustained and determined during the taxable year by the business and not compensated for by insurance or otherwise:

1. The basis for determining the amount of any loss or gain shall be the cost to the financial institution of the asset disposed of less the actual

depreciation sustained on physical asset and any reduction charged as an expense upon stocks, bonds or other securities in previous years.

2. No loss shall be allowable unless the property is actually disposed of and the loss thereby determined or an appraisal of the loss is made and allowed under the supervision of the Department of Revenue, except as hereinafter provided.

e. Debts ascertained to be worthless and charged off within the taxable year; provided, that a schedule of such debts shall be filed and the reasons supporting such claim for deduction be filed with the return; provided, further, that bad debts shall not include losses on stocks and bonds or a reduction in the market value of such stocks and bonds except where loss is determined by the sale of such securities; provided, that in the case of any financial institution required by law to be examined by state, federal or federal reserve bank examiners, such debts can be charged off and to such an amount or extent as required to be charged off by state, federal or federal reserve bank examiners.

Any reduction in the book value of any stocks or bonds carried on the books of any such financial institution required by any state, federal or federal reserve bank examiners shall be allowed as proper deductions by the state Department of Revenue. On the sale of any securities, the book value of which has been reduced on the requirement of such examiners, and the reduction so made claimed as a deduction, accomplishing a reduction of the tax paid, any excess of the sale price over said book value of such securities shall be reflected

as income and subject to the excise tax levied by this chapter. When in the opinion of state, federal or federal reserve bank examiners a debt is recoverable only in part and when a part of such debt is charged off by requirement of state, federal or federal reserve bank examiners, the Department of Revenue shall allow a deduction in an amount equal to the amount of such charge-off;

f. A reasonable allowance for the exhaustion, wear and tear of property used in the business, including a reasonable allowance for obsolescence. The basis for determining the amount of such depreciation deduction shall be the cost of such property, or, if acquired prior to October 15, 1935, the basis shall be the depreciated cost as of October 1, 1935;

g. The amount received as dividends from a corporation organized and existing under the laws of the State of Alabama and the amount received as dividends in liquidation paid from capital;

h. In the discretion of the Department of Revenue, in lieu of such deductions for losses or bad debts, a reasonable addition to reserves therefor and for extraordinary expenses;

i. In the case of savings and loan associations the amount paid out as dividends on the withdrawable shares thereof;

j. In computing the net income of credit unions for the purpose of the excise tax levied by this chapter, there shall, in addition to all other deductions allowed by law, be deducted the amount paid out as dividends on the withdrawable shares of such credit union; and

k. All financial institutions shall be allowed to carry back their net operating losses to apply as a deduction against prior income, and to deduct from succeeding years' income the excess loss, if any, that is not absorbed thereby. For purposes of this subdivision, the term net operating loss means the excess of allowable deductions over gross income. No net operating loss deduction (arising out of a net loss in an earlier or later year) shall be allowed in computing a net operating loss. Casualty losses and losses arising from theft, fraud and embezzlement, however, shall be deductible in computing the net operating loss. A net operating loss for a taxable year ending after the year 1952 may be carried back two years, then forward to the eight succeeding taxable years in chronological order; provided, that no part of the net operating loss which has been previously applied against income for one taxable year may be applied as a carryback or carryover to another taxable year. The net operating loss deduction allowed herein shall be the sum of the carrybacks and carryovers applicable to the taxable years. A successor financial institution shall be allowed to carry over and deduct from succeeding years' income, in the manner prescribed herein, the net operating loss of its predecessor. Refunds under the provisions of this subdivision shall be paid from the current year's receipts.

I. The amount of any aid or assistance, whether in the form of property, services or monies, provided to the State Industrial Development Authority pursuant to subsection (d) of Section 41-10-44.8 in order to induce an approved company to undertake a major project within the state.

(3) Taxable year. A full period of 12 consecutive months constituting the fiscal year or calendar year of each financial institution ended last prior to April 1, 1935, and thereafter ended last prior to April 1 of each year in which such tax is to be assessed. In the case of any business hereby taxed conducted only during a fractional period of any year, a return shall be made as herein provided and the tax computed as herein provided, and such tax as assessed shall be an excise for the privilege of doing business in this state for such fractional year.

(4) State tax year. The calendar year.

History

History: Acts 1978, No. 78-840; Acts 1993, 1st Ex. Sess., No. 93-852.

Annotations

Editor's note. - Acts 1999, 2nd Ex. Sess., No. 99-665, § 12: "In the event a constitutional amendment providing for an increase in the rate of the corporate income tax to at least 6.5% is ratified by the qualified electors of the state and proclaimed by the Governor as provided in sections 284 and 285 of the

Constitution of Alabama of 1901, and House Bill 2 introduced in the 1999 Second Special Session is enacted into law."

"The rate of the financial institution excise tax levied by chapter 16 of title 40 shall be increased to six and one-half percent for all taxable years beginning on or after January 1, 2001."

§ 40-16-2. Farm credit associations.

Production credit associations, incorporated pursuant to the provisions of the act of Congress known as the Farm Credit Act of 1933, are not foreign corporations, and any such association which may become taxable by the state shall be subject to the same taxation imposed upon national banks under the provisions of this chapter, and such associations shall be exempt from all other forms of income, privilege and license taxes imposed by the state.

§ 40-16-3. Returns - Consolidated filing.

(a) Every financial institution, as in this chapter defined, shall within the first 15 days of April in each year, make and file with the Department of Revenue a return, signed under the penalties of perjury by its cashier, treasurer or other authorized officer or employee, if a corporation, or by a person or authorized employee in charge of the conduct of the business to be taxed if an individual, firm, association or other legal entity, in such form as may be prescribed by the Department of Revenue, giving such detailed information as the Department of Revenue may in its opinion require to determine the net income of such financial institution for the taxable year, by the net income of which said excise tax is to be measured.

(b) Qualified corporate groups, as in this chapter defined, shall have the option to file one excise tax return on a consolidated basis or to file separate returns. Qualified corporate groups electing to file one excise tax return on a consolidated basis shall be assessed a fee of \$6,000 for the privilege of filing on a consolidated basis. Newly acquired corporations which have a potential separate return year as well as a consolidated year would have the option of filing a separate return including all of their income for that year or filing as part of the consolidated group for the entire taxable year. Newly created, controlled corporations would either file a separate return or as part of the consolidated return determined by the election of the corporate group for that year.

(c) In order for financial institution members of a controlled group to be eligible to elect to file on a consolidated basis, the members would have to meet the following two tests:

(1) Ownership test. Includable financial institutions will be connected through stock ownership with a common parent corporation, which financial institutions are includable corporations if:

a. Stock possessing at least 80 percent of the voting power of all classes of stock and at least 80 percent of each class of the nonvoting stock of each of the includable corporations (except the common parent corporation) is owned directly by one or more of the other includable corporations; and

b. The common parent owns directly stock possessing at least 80 percent of the voting power of all classes of stock and at least 80 percent of each class of the nonvoting stock of at least one of the other includable corporations.

(2) Filing test. In order to be eligible for this election, each member must be a financial institution as defined in Section 40-16-1 and be required to file an excise tax return.

(d) To the extent operating rules are required for the filing of a consolidated excise tax return, the consolidated return regulations of the Internal Revenue Code and the principles contained therein would be used as a guideline in the absence of clarifying regulations issued by the Department of Revenue.

(e) The Department of Revenue may make such reasonable rules and regulations as it may deem necessary to determine the businesses conducted and in the state which are subject to said excise tax and to determine the net

income of such businesses by which said tax is to be measured; provided, that any financial institution conducting a business both within and without the State of Alabama and coming within the provisions of this chapter shall be required to make a report to the Department of Revenue showing the amount of its income received from the business conducted by it within the State of Alabama and the expenses incurred by it in the conduct of its business within the State of Alabama. Failure to file any such return on or before the due date thereof in the absence of extension of time in writing for the filing thereof granted by the Department of Revenue shall subject the financial institution so failing to a penalty of 15 percent of the amount of tax assessed, which amount shall be assessed and collected as a part of the tax, and a like penalty of \$5 per day for each day's failure to file such return, which penalty shall be collected by civil action.

§ 40-16-4. (Effective for all taxable years beginning after December 31, 2000)

Generally.

(a) (1) Every such financial institution engaging in any of the following businesses

(i) Banking;

(ii) Conducting the business of a financial institution as defined in this chapter;

(iii) Conducting a credit card business through the issuance of credit cards to Alabama residents or businesses; or

(iv) Conducting a business employing moneyed capital coming into competition with the business of national banks shall pay to the state annually for each taxable year an excise tax measured by its net income allocated and apportioned for the taxable year at the rate of six and one-half percent of the net income.

(2) For purposes of the excise tax imposed by this chapter, any financial institution which has income from business activity that is taxable both within and without this state shall allocate and apportion its net income as provided in regulations which shall be prescribed by the Department of Revenue and which shall be substantially the same as the allocation and apportionment formula for financial institutions recommended from time to time by the Multistate Tax Commission, provided that such regulations shall not conflict with any provision of this chapter. The Department of Revenue shall proceed expeditiously to adopt

such regulations after the foregoing provisions of this subsection shall become law. Until such regulations are adopted and effective, the apportionment formula for financial institutions recommended by the Multistate Tax Commission shall be used to the extent not inconsistent with the provisions hereof.

(3) The amount of the excise tax shall not be in excess of any limit fixed thereon by any present or future federal statute relating to the taxation of national banks by this state. Under no circumstances will any dividends paid from a financial institution to the common parent corporation of a controlled group of corporations, as defined in Section 40-16-3, be subject to excise tax.

(b) The excise tax provided in this chapter shall be reported in the form to be prescribed by the Department of Revenue. The amount shown to be due by the taxpayer's return shall constitute and create a prima facie liability for the amount on which taxes shall be paid. Where the Department of Revenue determines that the amount due is different from that shown by the taxpayer's return or where no return is filed, the department may determine the correct amount due pursuant to the procedures set forth in Chapter 2A of this title.

§ 40-16-5. Date payable.

The excise tax hereby levied and to be assessed shall be payable on or before April 15 of the current state tax year and on the same date of each state tax year thereafter for the privilege of engaging in such business within this state during the current state tax year of the corporation. If the financial institution has received a written extension of time to file the excise tax return from the department, then one half of the estimated tax due shall be payable on April 15 and the remaining one-half, plus interest, shall be payable when the return is filed. The Department of Revenue may, in its discretion, extend the time for the payment of the tax either by general extension to all taxpayers liable therefor or by special extension to a particular taxpayer.

§ 40-16-6. (Effective for all taxable years beginning after December 31, 2000)

Payee - Appropriations.

(a) The remittance of the excise tax required shall be made to the Department of Revenue at Montgomery, Alabama, with checks payable to the State Treasurer of Alabama.

(b) The proceeds of the excise tax herein imposed by this chapter shall be, without delay, deposited into the state treasury to the credit of the Financial Institution Excise Tax Fund. The amount of money appropriated for each fiscal year by the legislature to the Department of Revenue with which to pay the salaries, the cost of operation, and the management of the department shall be deducted, as a first charge, from the taxes collected pursuant to Section 40-16-4; provided, that the expenditure of money so appropriated shall be budgeted and allotted pursuant to Article 4 of Chapter 4 of Title 41 and limited only to the amount appropriated with which to defray the expenses of operating the department for each fiscal year.

(c) The excess of the tax levied by this chapter computed using a rate of six and one-half percent and the tax computed using a rate of six percent shall be deposited in the General Fund. The balance of the tax collected, after the payment of refunds, pursuant to Section 40-16-4, shall, on September 1 in each year, be distributed as follows: On certificate of the Department of Revenue the comptroller shall draw a warrant on the State Treasurer payable to the county treasurer of each of the counties in which the financial institutions are located for an amount equal to one fourth of the tax received from the institutions located in

that county, after deducting the proportionate part of the expenses incurred in the administration of this chapter. On similar certificate the comptroller shall draw his a warrant on the State Treasurer in favor of the treasurer of each of the municipalities in which such the financial institutions are located for an amount equal to one half of the tax received from the institutions located in those municipalities, after deducting the proportionate part of the expenses incurred in the administration of this chapter. The amount remaining in the financial institution excise tax fund, after the payment of the expenses as heretofore in this chapter provided, and after the distribution to the counties and municipalities of their proportionate part of the tax, shall be deposited into the general fund of the State of Alabama.

(d) Any financial institution which conducts its business in more than one municipality or in more than one county in this state shall, in making the return required by this chapter, report in detail the percentage of its total business in the state conducted in each municipality and in such county, and the portions of tax paid by each such financial institution due to be distributed to the municipality and county shall be distributed pro rata according to the percentage reported to the municipalities and counties where a business is conducted instead of solely to the one where the principal place of business of a financial institution is located in this state.

(e) A financial institution that does not maintain an office in Alabama, but is subject to the tax imposed by Section 40-16-4, is deemed not to be located in any particular county or municipality of the State. Any taxes collected from that

institution, after payment of refunds, and after deduction for a proportionate part of the expense incurred in the administration of this chapter, shall be deposited into the State General Fund on or before September 1 of each year.

(f) No municipality or county within the state may levy or assess any excise tax for the privilege of engaging in a business in addition to that levied and distributed to it as herein provided, except license taxes. However, license taxes on banks shall not be levied in excess of those which may be legally levied pursuant to Section 11-51-130, provided however, that the license authorized by subdivisions (1) to (12), inclusive, of subsection (a) of Section 11-51-130 may be levied only by the municipality where the bank has its principal place of business.

§ 40-16-7.

Repealed: Acts 1992, No. 92-186.

§ 40-16-8. Exemptions.

All moneyed capital employed in the business the privilege of engaging in which is hereby taxed and the shares of all financial institutions, as in this chapter defined, shall be exempted from assessment and payment of ad valorem taxes, except the moneyed capital and shares of any business hereby taxed which fails to make and file the returns required by this chapter and to pay the tax levied by this chapter as and when in this chapter provided. The real estate owned by every such financial institution shall not be exempted. If any other tax other than the privilege tax levied by Article 2 of the Business Privilege Tax levied by this Act, whether on property (other than ad valorem taxes on real estate), income, business or any element thereof, except license taxes not in excess of those heretofore legally levied and in effect, at any time after July 10, 1935, has been, or is at any time hereafter levied by this state or by any political subdivision of this state on any financial institution as in this chapter defined, the amount of such other tax due by such institution shall be credited on account of the tax payable pursuant to the provisions of this chapter."

History

History: Acts 1999, 2nd Ex. Sess., No. 99-665.

Annotations

Effective date. - Acts 1999, 2nd Ex. Sess., No. 99-665, § 13: "(a) Except as provided in subsection (b), this act shall be effective for all taxable years or periods beginning after December 31, 1999.

1999, 2nd Ex. Sess., amendments. In the third sentence, inserted "other than the privilege tax levied by Article 2 of the Business Privilege Tax levied by this Act," inserted "at any time after July 10, 1935, has been, or," inserted "at any time" and deleted "provided, that no other tax levied by this title shall be credited against the excise tax herein levied" at the end.

Cross references. -This law is referred to in: §§ 40-16-1.

Alabama Law Review. - Tax reform issues in Alabama. 43 Ala. L. Rev. 541 (1992).

Selected issues in drafting the tax reform commission's income tax reform legislation. 43 Ala. L. Rev. 655 (1992).

CASE NOTES

Construction with other law

"Other tax"

Construction with other law.

-- This section exempts from the financial institution exemption provided in section 40-14-70, any business which fails to make and file the returns required by chapter 14. State v. Ross Grady Ins. Agency, Inc. 266 So. 2d 787 (1972).

-- Former Title 51, section 431 - general coal severance taxing act - which provided source and objects of expenditure of proceeds of tax, in operation with section 105 of the Alabama Constitution, did not render void local act which provided same source but different objects of expenditure of proceeds of tax. Drummond Co. v. Boswell 346 So. 2d 955 (Ala. 1977).

"Other tax".

-- The expression "other tax" as used in this section includes within its meaning levies either for regulatory purposes or for revenue. *State v. Commercial Loan Co.* 38 So. 2d 571 (1948).