

# COURT REPORT

**November 2025**



## Matter of Interest

**Editor's Note:** Court Report does not typically include court cases at the circuit court level but given the gravity and potential implications of the issue presented, we do so here.

- **Simplified Sellers Use Tax Program**

***City of Tuscaloosa v. Vernon Barnett*, 03-CV-2025-901301, Circuit Court of Montgomery County, Alabama (Aug. 12, 2025)**

Earlier in August 2025, several plaintiffs, including a local school system, sued the Commissioner of the Alabama Department of Revenue challenging the legality of the state's Simplified Sellers Use Tax (SSUT) program. Under the SSUT program, remote merchants are afforded the option to collect and remit a flat 8% sales tax instead of traditional state and local sales taxes. Given the varying amounts of distribution from these taxes, the plaintiffs claim that by allowing remote merchants the choice to collect SSUT rather than traditional state and local sales taxes results in the loss of millions of dollars for Alabama schools and municipalities.

The plaintiffs asserted in their complaint that the SSUT program violates the Alabama Constitution because it delegates taxing authority to private entities when providing them with the alternative to collect SSUT in lieu of traditional sales tax. The plaintiffs also alleged the Commissioner improperly classified certain remote merchants as "eligible sellers" and "marketplace facilitators", and mistakenly qualified them for SSUT program participation. Among the relief sought, the plaintiffs have asked the court to compel the Commissioner to disqualify ineligible SSUT participants, require disqualified entities to collect traditional taxes and declare that the SSUT opt-in provision is unconstitutional. This matter is scheduled for a hearing in January 2026.

**- Angel Moreno is Staff Attorney  
for the Alabama Association of School Boards**