

## Addendum re: Certificates of Exemption

The 2021 Rebuild Alabama Summary of Bid Procedures was approved prior to the passage of Act 2021-372, which allows a Certificate of Exemption to be awarded for the construction of a highway, road or bridge project beginning on or after January 1, 2022.

An application with instructions for the Sales and Use Tax Certificate of Exemption can be accessed [here](#), or you may apply online by logging into your My Alabama Taxes account. When applying via your My Alabama Taxes account, click on the "Other Actions" tab and locate the "Apply for a Certificate of Exemption for a Government Entity Project" link. (The application process is the same for general contractors and subcontractors). Certificates of Exemption will be issued first to the county, second to the general contractor and third to the subcontractor.

**Engineers are encouraged to include a statement in their Bid Announcement, Annual Bid and Project-Specific Contract documents specifying which projects, if any, will be eligible for the Certificate of Exemption.** For your reference, the following is a suggested statement of declaration:

*This project (will/will not) be eligible for a Certificate of Exemption as provided by Act 2021-372.*



# Rebuild Alabama Act Summary of Bid Procedures



Two funds were created by counties in 2019 to account for new Rebuild Alabama revenues. The 25% portion of the new fuel tax levies under Rebuild Alabama shall be deposited into a new and separate fund called the **County Rebuild Alabama Fund (CRAF), fund number 220**. The federal exchange funds set out in the Rebuild Alabama Act that began Oct 1, 2019, shall be deposited into a new and separate account called the **Federal Aid Exchange Fund (FAEF), fund number 221**.

Pursuant to Act 2021-146, the established bidding procedures submitted by the Association of County Engineer of Alabama (ACEA) and approved by the Department of Examiners of Public Accounts (Examiners), may be used for any county road and bridge project otherwise subject to Chapter 2 of Title 39.

With counties required under the Rebuild Alabama Act to ensure that at least fifty percent (50%) of the **County Rebuild Alabama Funds (CRAFs)** be allocated for projects utilizing established bidding procedures submitted by the Association of County Engineers of Alabama (ACEA) and approved by the Department of Examiners of Public Accounts (Examiners), the ACEA proposes the following apply to the bidding of CRAFs, FAEFs and county road and bridge projects:

- Except as specifically provided in these procedures, all contracts paid for using public funds will comply with the Public Works Law (*Code of Alabama 1975, Title 39*) and the Competitive Bid Law (41-16-50), where applicable.
- The placement of the advertisement for bids and notice of completion on a central website, hosted by the Association of County Commissions of Alabama (ACCA), will satisfy all advertisement requirements for county road and bridge projects utilizing public funds.
- County road and bridge projects will be bid and let to contract according to the schedule and will utilize the sample documents included in this submittal.
- The ACCA will provide notice to ALDOT and the Alabama Roadbuilders Association of this method of advertising and of the sample documents to be used, in an effort to inform all contractors.
- County required reports will be on file for the Examiners to aid in the assurance on the proper expenditure of the funds. Reports will be retained in accordance with the County Record Disposition Authority.