

**ALABAMA TAX TRIBUNAL**

ROCK CITY CONSTRUCTION  
COMPANY, LLC,

§

Taxpayer,

§

DOCKET NO. S. 24-0105-JP

v.

§

STATE OF ALABAMA  
DEPARTMENT OF REVENUE.

§

**FINAL ORDER**

This appeal involves the closure of a sales tax account. The Tax Tribunal entered a Preliminary Order on March 11, 2024, which informed the Taxpayer that it had 30 days from receipt of the Revenue Department’s Answer to file a reply to the Answer if it desired to do so. However, the Taxpayer did not file a reply. On August 7, 2024, the Tax Tribunal entered an Order Setting Case for Video Trial for 10:00 a.m., CT, on October 9, 2024. The trial was scheduled as a video trial for the convenience of the Taxpayer, which is located in Tennessee, and for the convenience of the Taxpayer’s representative, who is located in Chicago, Illinois.

The trial of this appeal was held on October 9, 2024. Ryan Corley represented the Alabama Department of Revenue, and Mary Bosch appeared as a witness and testified for the Revenue Department. Despite having been notified of the date and time of the trial, neither the Taxpayer nor a representative of the Taxpayer appeared for trial.

The Revenue Department initially granted the Taxpayer a sales tax license and opened the Taxpayer’s sales tax account in January of 2022. However, the Taxpayer never filed returns in Alabama, nor did the Taxpayer ever make any sales in Alabama. The

Revenue Department also stated at trial that the Taxpayer did not have a physical presence in Alabama—the Taxpayer only provided a Franklin, Tennessee, address. The Taxpayer’s Alabama sales tax account was ultimately closed by the Revenue Department in December 2023 because of the Taxpayer’s inactivity over an almost two-year period.

The Commissioner of the Revenue Department has the authority to suspend or revoke a license for reasonable cause. Ala. Code § 40-23-6.1(a). The Alabama Code specifically identifies “failure to engage in or continue to engage in business for which the license is issued” as a form of reasonable cause that would justify the Commissioner’s revocation of a license. Ala. Code § 40-23-6.1(a)(2). Here, the Taxpayer’s failure to ever make any sales or file any returns in Alabama is the epitome of a failure to engage in the business for which it was granted a sales tax license and account.

Therefore, the Revenue Department’s closing of the Taxpayer’s sales tax account is upheld.

This Final Order may be appealed to circuit court within 30 days, pursuant to Ala. Code § 40-2B-2(m).

Entered October 11, 2024.

/s/ Jeff Patterson  
JEFF PATTERSON  
Chief Judge  
Alabama Tax Tribunal

jp:thb

cc: Stephen Mosz  
Ryan N. Corley, Esq.