

1 HB410
2 126073-1
3 By Representatives Rogers, Robinson (O), Scott and Moore (M)
4 RFD: Ways and Means Education
5 First Read: 31-MAR-11

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8 SYNOPSIS: Under existing law, the principal residence
9 and 160 acres adjacent thereto of any person who is
10 totally disabled or who is 65 years of age or older
11 having a net annual taxable income of \$7,500 shown
12 on the latest federal income tax return or an
13 affidavit in lieu of the federal income tax return
14 is exempt from ad valorem taxes.

15 This bill would increase the net annual
16 taxable income to \$30,000.

17 This bill would provide for the increase to
18 be phased-in every five years in the amount of
19 \$7,500.

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21 A BILL
22 TO BE ENTITLED
23 AN ACT

24
25 To amend Section 40-9-21 of the Code of Alabama
26 1975, relating to ad valorem tax exemptions; to increase the

1 annual taxable income amount; and to provide for the increase
2 to be phased-in every five years.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Section 40-9-21 of the Code of Alabama
5 1975, is amended to read as follows:

6 "§40-9-21.

7 "(a) In addition to the persons and property exempt
8 from ad valorem taxation as prescribed in Section 40-9-1, the
9 following shall also be exempt from ad valorem taxation: the
10 principal residence and 160 acres adjacent thereto of any
11 person who is totally disabled or who is 65 years of age or
12 older having a net annual taxable income of ~~\$7,500~~ thirty
13 thousand dollars (\$30,000) or less, as shown on such person's
14 and spouse's latest United States income tax return. In the
15 event that such person and spouse are not required to file a
16 United States income tax return, then an affidavit indicating
17 that the net taxable income of such person and spouse for the
18 preceding taxable year was ~~\$7,500~~ thirty thousand dollars
19 (\$30,000) or less shall be sufficient proof. Proof of age
20 shall be furnished when the exemption provided herein is
21 claimed. Proof of total disability may be, but shall not be
22 limited to, the written certification of such total disability
23 by any two physicians licensed to practice in this state. In
24 order to qualify for exemption under this section, such
25 principal residence must be a single-family residence owned
26 and occupied by a person qualifying under this section.

1 "(b) The additional twenty two-thousand five hundred
2 dollars (\$22,500) of taxable income exempted from ad valorem
3 taxation in subsection (a) provided pursuant to this act shall
4 be phased-in in the amount of seven thousand five hundred
5 dollars (\$7,500) for each of the following tax years:

6 "(1) The tax year ending September 30, 2012.

7 "(2) The tax year ending September 30, 2017.

8 "(3) The tax year ending September 30, 2022."

9 Section 2. This act shall become effective on the
10 first day of the third month following its passage and
11 approval by the Governor, or its otherwise becoming law.