

1 HB615
2 130913-1
3 By Representatives Robinson (O), Colston, Moore (M), Rogers
4 and Scott
5 RFD: Ways and Means General Fund
6 First Read: 05-MAY-11

2
3
4
5
6
7
8 SYNOPSIS: This bill would provide that the
9 classification of property as residential property
10 for ad valorem tax purposes would not be affected
11 for two years if the property is damaged by a
12 natural disaster such as a tornado.

13
14 A BILL
15 TO BE ENTITLED
16 AN ACT

17
18 To amend Section 40-8-1, Code of Alabama 1975,
19 relating to classification of property for ad valorem tax
20 purposes, to provide that the classification of property as
21 residential property would not be affected under certain
22 conditions when the property is damaged by a natural disaster.
23 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

24 Section 1. Section 40-8-1, Code of Alabama 1975, is
25 amended to read as follows:

26 "§40-8-1.

1 "(a) On and after October 1, 1978, with respect to
2 ad valorem taxes levied by the state, and, unless otherwise
3 provided, with respect to ad valorem taxes levied by a county,
4 municipality, or other taxing authority other than the state,
5 all taxable property shall be divided into the following
6 classes and no other and shall be assessed for ad valorem tax
7 purposes at the following ratios of assessed value to the fair
8 and reasonable market value of such property, or, as may be
9 provided by law, to the current use value of such property:

10 "CLASS I. All property of utilities used in the
11 business of such utilities, 30 percent.

12 "CLASS II. All property not otherwise classified, 20
13 percent.

14 "CLASS III. All agricultural, forest, and
15 residential property, and historic buildings and sites, 10
16 percent.

17 "CLASS IV. All private passenger automobiles and
18 motor trucks of the type commonly known as "pickups" or
19 "pickup trucks" owned and operated by an individual for
20 personal or private use and not for hire, rent, or
21 compensation, 15 percent.

22 "(b) As used herein, the following terms shall have
23 the following meanings, respectively, unless the context
24 clearly indicates otherwise:

25 "(1) AGRICULTURAL AND FOREST PROPERTY. All real
26 property used for raising, harvesting, and selling crops or
27 for the feeding, breeding, management, raising, sale of, or

1 the production of livestock, including beef cattle, sheep,
2 swine, horses, ponies, mules, poultry, fur-bearing animals,
3 honeybees, and fish, or for dairying and the sale of dairy
4 products, or for the growing and sale of timber and forest
5 products, or any other agricultural or horticultural use or
6 animal husbandry and any combination thereof.

7 "(2) HISTORIC BUILDINGS AND SITES. Regardless of the
8 use to which such property is put, all buildings or structures
9 (i) determined eligible by the state historic preservation
10 officer for listing on the National Register of Historic
11 Places; or (ii) located in a registered historic district and
12 certified by the United States Secretary of the Interior as
13 being of historic significance to the district.

14 "(3) PRIVATE PASSENGER AUTOMOBILES AND MOTOR TRUCKS
15 OF THE TYPE COMMONLY KNOWN AS "PICKUPS" OR "PICKUP TRUCKS"
16 OWNED AND OPERATED BY AN INDIVIDUAL FOR PERSONAL OR PRIVATE
17 USE AND NOT FOR HIRE, RENT, OR COMPENSATION. All private
18 passenger automobiles, as that term is defined in Sections
19 40-12-240, subdivision (12), and 40-12-241; and all motor
20 trucks of the type commonly known as "pickups" or "pickup
21 trucks," weighing not exceeding 8,000 pounds gross weight.

22 "(4) PROPERTY NOT OTHERWISE CLASSIFIED. All real and
23 personal property which does not fall within any one or more
24 of Classes I, III, and IV.

25 "(5) PROPERTY OF UTILITIES. All property assessed
26 for taxation by the Department of Revenue pursuant to the
27 provisions of Chapter 21 of this title; provided, that after

1 September 30, 1979, and only to the extent required by Title
2 III, §306 of Pub. L. 94-210 (the Railroad Revitalization and
3 Regulatory Reform Act of 1976, codified as 49 U.S.C. §26c),
4 "transportation property," as that term is defined in the
5 aforesaid statute, as heretofore or hereafter amended, or in
6 any subsequent statute of similar import, shall not be
7 assessed as Class I property and customer-owned coin-operated
8 telephone companies shall not be assessed as Class I property.

9 "(6) RESIDENTIAL PROPERTY. ~~Only real~~ Real property,
10 used by the owner thereof exclusively as the owner's
11 single-family dwelling. This includes an owner who resides on
12 the property and remains in possession of the property after
13 it is sold at a tax sale. Property classified as residential
14 property shall not lose its classification as residential
15 property for a period of 24 months if the property is not used
16 as the owner's single-family dwelling because the property is
17 not inhabitable or is otherwise under repair after being
18 damaged by a natural disaster such as a tornado or hurricane.

19 "(c) Wherever any statute provides for, limits, or
20 measures the power or authority of any county, municipality,
21 or other taxing authority to levy taxes, borrow money, or
22 incur indebtedness in relation to the assessment of property
23 therein for state taxes or for state and county taxes, such
24 provision shall mean as assessed for county or municipal
25 taxes.

26 "(d) The following property shall be exempted from
27 ad valorem taxation: The real and personal property of the

1 state, counties, and municipalities and real and personal
2 property devoted exclusively to religious, education, or
3 charitable purposes. The property of Masonic lodges, Knights
4 of Columbus homes, and union halls shall be exempt when used
5 exclusively for the purposes and business of such
6 organizations. All property now exempt by law shall continue
7 to be exempt from taxation until changed by law.

8 "(e) The Department of Revenue shall have authority
9 to promulgate rules and regulations for the uniform
10 identification and assessment of manufactured homes."

11 Section 2. All laws or parts of laws which conflict
12 with this act are repealed.

13 Section 3. This act shall become effective on the
14 first day of the third month following its passage and
15 approval by the Governor, or its otherwise becoming law.