

1 SB26
2 125804-1
3 By Senator Ward
4 RFD: Finance and Taxation Education
5 First Read: 01-MAR-11
6 PFD: 02/09/2011

2
3
4
5
6
7
8 SYNOPSIS: Under existing law, certain income is
9 exempt from the payment of state income taxes.

10 This bill would exempt all income derived by
11 military personnel who maintain Alabama residency,
12 and who are on active duty deployed outside of the
13 State of Alabama from payment of state income
14 taxes.

15
16 A BILL
17 TO BE ENTITLED
18 AN ACT

19
20 To provide a state income tax exemption for military
21 personnel who maintain Alabama residency, and who are on
22 active duty deployed outside of the State of Alabama from
23 payment of state income taxes.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. (a) For purposes of this act, the term
26 "military personnel" means any person who maintains Alabama

1 residency and who is on active duty deployed outside of the
2 State of Alabama in the Armed Forces of the United States.

3 (b) Notwithstanding Section 40-18-3, Code of Alabama
4 1975, all income received by military personnel as
5 compensation for active duty service is exempt from state
6 income taxes.

7 (c) The Commissioner of the Department of Revenue
8 shall promulgate and implement rules necessary to carry out
9 this section.

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