

1 SB395
2 125363-2
3 By Senators Brooks and Pittman
4 RFD: Rules
5 First Read: 14-APR-11

2
3
4
5
6
7
8 SYNOPSIS: Currently, homeowners are provided insurance
9 premium reductions for retrofitting their homes to
10 strengthen the structures in order to help resist
11 hurricane and other windstorm damages.

12 This bill would provide a state income tax
13 deduction to homeowners who retrofit their homes to
14 help resist such wind and storm damages. The
15 deduction would be the lesser of 25 percent of the
16 retrofitting costs or \$1,500.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT

21
22 Relating to homeowners who retrofit their homes to
23 help resist hurricane and windstorm damages pursuant to the
24 specifications in Section 2 of Act 2009-500, 2009 Regular
25 Session, now appearing as Section 27-31D-2, Code of Alabama
26 1975, of Chapter 31D, Title 37; to provide an income tax

1 deduction of the lesser of 25 percent of the costs of such
2 retrofitting or \$1,500.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. (a) An individual taxpayer is allowed a
5 deduction against personal income tax for costs incurred to
6 retrofit, as specified in Section 2 of Act 2009-500, 2009
7 Regular Session, now appearing as Section 27-31D-2, Code of
8 Alabama 1975, a structure qualifying as the taxpayer's legal
9 residence to make it more resistant to loss due to hurricane,
10 rising floodwater, or other catastrophic windstorm event.

11 (b) In order to qualify for the state income tax
12 deduction allowed pursuant to this section, costs must not
13 include ordinary repair or replacement of existing items, and
14 must be associated with those fortification measures defined
15 in Section 2 of Act 2009-500, designed to increase the
16 residence's resistance to hurricane, rising floodwater, or
17 catastrophic windstorm event damage.

18 (c) The tax deduction allowed pursuant to this
19 section for any taxable year beginning with the 2009 tax year
20 shall not exceed the lesser of the following:

21 (1) Twenty-five percent of the retrofitting cost
22 incurred.

23 (2) One thousand five hundred dollars (\$1,500).

24 (d) The cost of items that otherwise qualify for the
25 deduction that are purchased with any available grant funds
26 are not eligible for this deduction if the grants are not
27 included in the income of the taxpayer.

1 Section 2. This act shall become effective
2 immediately following its passage and approval by the
3 Governor, or its otherwise becoming law.