

1 SB393
2 138656-1
3 By Senators Smith, Holley, Beason, Holtzclaw, Glover, McGill,
4 Brewbaker, Sanford, Ward, Whatley, Allen, Marsh, Smitherman,
5 Ross, Orr, Pittman, Reed, Blackwell, Waggoner, Figures, Irons,
6 Beasley, Fielding, Dunn, Sanders, Coleman, Singleton, Taylor,
7 Dial, Bedford, Williams, Scofield, Bussman, Keahey, and Brooks
8 RFD: Finance and Taxation Education
9 First Read: 15-MAR-12

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8 SYNOPSIS: Under existing law, there is no income tax
9 exemption for certain persons killed in military
10 action and for spouses of members of the Armed
11 Forces killed in action.

12 This bill would provide income tax exemption
13 for members of the Armed Forces who were killed in
14 action and were a resident of this state at the
15 time of their death; an income tax exemption for
16 spouses of members of the Armed Forces killed in
17 action; and would prescribe the procedure for
18 granting of the exemption; and would provide for
19 retroactive effect.

20
21 A BILL
22 TO BE ENTITLED
23 AN ACT

24
25 Relating to members of the Armed Forces killed in
26 action and their family members; to provide an income tax
27 exemption for members of the Armed Forces who were killed in

1 action and were a resident of this state at the time of their
2 death; to provide an income tax exemption for spouses of
3 members of the Armed Forces killed in action; to prescribe the
4 procedure for granting of the exemption; and to provide for
5 retroactive effect.

6 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

7 Section 1. This act shall be known and may be cited
8 as the Jason Barfield Act.

9 Section 2. (a) Any payment made by the United States
10 Department of Defense as a result of the death of a member of
11 the Armed Forces of the United States who has been killed in
12 action in a United States Department of Defense designated
13 combat zone and was a resident of the State of Alabama at the
14 time of his or her death shall be exempt from Alabama income
15 tax during the taxable year in which the individual is
16 declared deceased by the Armed Forces. Any income earned by
17 the spouse of a member of the Armed Forces of the United
18 States who has been killed in action in a United States
19 Department of Defense designated combat zone shall be exempt
20 from Alabama income tax during the taxable year in which the
21 individual is declared deceased by the Armed Forces.

22 (b) In any case where income tax has been paid upon
23 any income exempt pursuant to subsection (a), the tax monies
24 shall be refunded to the person or personal representative of
25 the person. The refund shall be made by the Department of
26 Revenue.

1 (c) This act shall have retroactive effect to
2 January 1, 2011.

3 (d) The provisions of this section shall be
4 liberally construed to accomplish its purpose and the statute
5 of limitations with respect to refunds of income taxes shall
6 not apply to taxpayers covered by this section.

7 Section 3. This act is retroactively effective to
8 January 1, 2011.