

1 SB400
2 138770-1
3 By Senators Reed and Allen
4 RFD: Finance and Taxation General Fund
5 First Read: 15-MAR-12

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8 SYNOPSIS: This bill would allow tax abatement
9 incentive protection for properties that would
10 otherwise be disqualified when required to relocate
11 because of a tornado or other natural disaster.

12
13 A BILL
14 TO BE ENTITLED
15 AN ACT
16

17 To amend Act 2011-709 of the 2011 Regular Session,
18 now appearing as Section 40-9B-13, Code of Alabama 1975, to
19 provide further protection of tax abatements in the event of
20 tornados or other natural disasters; and to provide
21 retroactive effect.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. Act 2011-709 of the 2011 Regular Session,
24 now appearing as Section 40-9B-13, Code of Alabama 1975, is
25 amended to read as follows:

26 "§40-9B-13.

1 "(a) This section shall be known as the Tornado
2 Recovery Tax Incentive Protection Act of 2011.

3 "(b) Tax abatements that may otherwise be granted
4 pursuant to this chapter shall not be subject to
5 disqualification solely because the underlying transactions or
6 property relate to the repair or replacement of property
7 damaged in the devastating tornado outbreaks of April 15 and
8 April 27, 2011, and not to new construction. This expansion of
9 Alabama's abatement law applies to transactions entered into
10 or property acquired before December 31, 2012. Ad valorem tax
11 abatements in existence on April 15 or April 27, 2011, shall
12 not be disallowed due to an interruption of a qualifying
13 business activity at the site lasting through October 1, 2011,
14 and directly attributable to the tornados of April 15 and
15 April 27, 2011.

16 "(c) Tax abatements that have been previously
17 granted pursuant to this chapter shall not be subject to
18 disqualification due to repair, replacement, or relocation
19 within the same qualifying jurisdiction as a result of natural
20 disaster or other catastrophic event beyond the control of the
21 taxpayer. In the event that an entity is required to relocate
22 due to natural disaster or other catastrophic event, that
23 entity shall be granted a transfer of the previously granted
24 abatement for existing or replacement property for the
25 remaining period of abatement for applicable state, county,
26 and city property taxes that remain in effect subsequent to
27 relocation."

1 Section 2. The provisions of this act are severable.
2 If any part of this act is declared invalid or
3 unconstitutional, that declaration shall not affect the part
4 which remains.

5 Section 3. All laws or parts of laws which conflict
6 with this act are repealed.

7 Section 4. This act shall become retroactively
8 effective on April 15, 2011, following its passage and
9 approval by the Governor, or its otherwise becoming law.