

1 HB521
2 167752-1
3 By Representative Fridy
4 RFD: Ways and Means Education
5 First Read: 21-APR-15

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8 SYNOPSIS: Under existing law, the personal residence
9 of a person who is 65 years of age or older and has
10 a net annual taxable income of \$12,000 or less is
11 exempt from ad valorem taxation.

12 This bill would provide that a person who
13 will attain the age of 65 between October 1 and
14 December 31 of a tax year is eligible for the ad
15 valorem tax exemption for that year.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT

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21 Relating to ad valorem taxes; to amend Section
22 40-9-21, Code of Alabama 1975, to provide that a person who
23 will attain the age of 65 between October 1 and December 31 of
24 a tax year is eligible for an ad valorem tax exemption for
25 that year if he or she earns less than \$12,000 annually.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Section 40-9-21, Code of Alabama 1975, is
2 amended to read as follows:

3 "§40-9-21.

4 "(a) In addition to the persons and property exempt
5 from ad valorem taxation as prescribed in Section 40-9-1, the
6 following shall also be exempt from ad valorem taxation: The
7 principal residence and 160 acres adjacent thereto of any
8 person who is permanently and totally disabled or who is 65
9 years of age or older having a net annual taxable income of
10 twelve thousand dollars (\$12,000) or less, as shown on such
11 person's and spouse's latest United States income tax return
12 or some other appropriate evidence acceptable to the
13 department. In the event that such person and spouse are not
14 required to file a United States income tax return, then an
15 affidavit indicating that the net taxable income of such
16 person and spouse for the preceding taxable year was twelve
17 thousand dollars (\$12,000) or less shall be sufficient proof.
18 Proof of age shall be furnished when the exemption provided
19 herein is claimed. On and after May 22, 2013, if a permanently
20 and totally disabled person does not qualify for the exemption
21 under this section, and has not previously submitted written
22 certification of such permanent and total disability by any
23 two physicians licensed to practice in this state, he or she
24 may submit as proof of permanent and total disability
25 affidavits from two physicians licensed to practice in this
26 state, provided that at least one of these physicians is
27 actively providing treatment directly related to the permanent

1 and total disability of the person seeking the exemption;
2 provided, however, this requirement shall not apply to any
3 person receiving the exemption on May 22, 2013. As provided
4 under this section, any person who is drawing any pension or
5 annuity from the armed services or a company or governmental
6 agency because he or she is permanently and totally disabled
7 shall automatically be granted a certificate of permanent and
8 total disability by the department. In order to qualify for
9 exemption under this section, the property must be a
10 single-family home owned and occupied during the tax year as
11 the principal residence of the person qualifying under this
12 section. A person who will attain the age of 65 between
13 October 1 and December 31 of a tax year may, prior to the
14 beginning of that tax year, claim the exemption provided by
15 this section for that tax year.

16 "(b) The department shall by rule establish the
17 criteria and proof required for an exemption in this section
18 based upon a person being "permanently and totally disabled"
19 and shall issue certificates of disability to any person that
20 meets such criteria and provides the required proof. The rule
21 shall provide that any person who is drawing any pension or
22 annuity from the armed services, a private company, or any
23 governmental agency because he or she is permanently and
24 totally disabled shall automatically be granted a certificate
25 of permanent and total disability by the department."

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