

1 HB338  
2 199806-3  
3 By Representatives Faulkner, Garrett, Faust, Easterbrook,  
4 Baker, Lee, Clouse, Moore (M), Rogers, Collins, Shedd,  
5 Stadthagen, Scott, Ellis, Treadaway, Ball, Rich, Coleman,  
6 Ledbetter, Farley, Alexander, Sorrells, Dismukes, Wingo,  
7 Holmes, Mooney, Hill, Carns, Crawford, Lovvorn and Whitt  
8 RFD: State Government  
9 First Read: 03-APR-19

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ENROLLED, An Act,

Relating to homestead exemptions; to amend Sections 40-9-19 and 40-9-21.1, Code of Alabama 1975; to establish methods for a person to initially claim a homestead exemption.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 40-9-19 and 40-9-21.1, Code of Alabama 1975, are amended to read as follows:

"§40-9-19.

"(a) (1) Homesteads, as defined by the Constitution and laws of Alabama, are hereby exempted from all state ad valorem taxes. In no case shall the exemption herein made apply to more than one person, head of the family, nor shall the said exemption exceed \$4,000 in assessed value, nor 160 acres in area for any resident of this state who is not over 65 years of age.

"(2) The homesteads of residents of this state, over 65 years of age, or who are retired due to permanent and total disability, regardless of age, or who are blind as defined in Section 1-1-3, regardless of age or whether such person is retired, shall be exempt from all state ad valorem taxes.

"(3) The state Commissioner of Revenue is hereby empowered to define and specify the condition or state of health that makes a person "permanently and totally disabled" and may issue certificates of disability to such person as he

1 may find meets such specifications. Any person who is drawing  
2 any pension or annuity from the armed services or a company or  
3 governmental agency as being permanently and totally disabled  
4 shall automatically be granted a certificate of permanent and  
5 total disability by the state Commissioner of Revenue.

6 "(b) For tax years beginning on and after October 1,  
7 1981, for residents of this state not over 65 years of age,  
8 homesteads, as defined by the Constitution and laws of  
9 Alabama, are hereby exempted from all ad valorem property  
10 taxes levied, except countywide and school district ad valorem  
11 taxes levied for school purposes, by any county of this state.  
12 In no case shall such exemption herein made apply to more than  
13 one person, head of the family, nor shall the said exemption  
14 exceed \$2,000 in assessed value, nor 160 acres in area for any  
15 resident of this state who is not over 65 years of age except  
16 as provided in subsection (c) of this section.

17 "(c) For tax years beginning on and after October 1,  
18 1981, the governing body of any county, municipality or other  
19 local taxing authority may at any time grant by resolution or  
20 ordinance an exemption from any levy of ad valorem property  
21 taxes levied by such county, municipality or other local  
22 taxing authority on homesteads, as defined by the Constitution  
23 and laws of Alabama, of residents of this state not over 65  
24 years of age. In no case shall such exemption herein allowed  
25 apply to more than one person, head of the family, nor shall

1 said exemption, when added to any other homestead exemption  
2 applicable to the same ad valorem tax levy, exceed \$4,000 in  
3 assessed value, nor 160 acres in area. Any homestead exemption  
4 granted pursuant to this subsection (c) may be adjusted,  
5 rescinded or reinstated at any time by resolution or ordinance  
6 of the governing body of the county, municipality or other  
7 local taxing authority granting such exemption. Any action  
8 authorized by this subsection to be taken by a taxing  
9 authority, or the governing body thereof, shall, other than in  
10 the case of a municipality, be taken by resolution of the  
11 governing body of the county in which such taxing authority is  
12 located acting on behalf of such taxing authority; provided  
13 however, any action authorized by this subsection to be taken  
14 by a taxing authority, or the governing body thereof, which  
15 action shall affect countywide or district ad valorem taxes  
16 levied solely for the support of county or city school  
17 districts, shall be taken by resolutions of the governing  
18 bodies and boards of the school systems that are recipients of  
19 the proceeds of the ad valorem tax so affected by such action.  
20 The provisions of this subsection (c) shall in no way annul or  
21 reduce exemptions provided under subsections (a), (b), and (d)  
22 of this section.

23 "(d) For tax years beginning on and after October 1,  
24 1981, for residents of this state, over 65 years of age who  
25 have an annual adjusted gross income of less than \$12,000 as

1 reflected on the most recent state income tax return or some  
2 other appropriate evidence, or who are retired due to  
3 permanent and total disability, regardless of age, or who are  
4 blind as defined in Section 1-1-3, regardless of age or  
5 whether such person is retired, homesteads, as defined in the  
6 Constitution and laws of Alabama, are hereby exempted from ad  
7 valorem property taxes levied by any county of this state,  
8 including such taxes levied for school districts. In no case  
9 shall such exemption exceed \$5,000 in assessed value, nor 160  
10 acres in area. With respect to homesteads situated in more  
11 than one county, the exemption granted herein shall be  
12 prorated between the counties in which the homestead is  
13 situated in the proportion that the area of the homestead in  
14 each county bears to the total area of the homestead claimed  
15 for exemption.

16 "The Department of Revenue may by regulation define  
17 and specify the condition or state of health that makes a  
18 person "permanently and totally disabled" and may issue  
19 certificates of disability to any person that meets such  
20 specifications. Any person who is drawing any pension or  
21 annuity from the armed services, a private company or any  
22 governmental agency because he is permanently and totally  
23 disabled shall automatically be granted a certificate of  
24 permanent and total disability by the Department of Revenue.

1           "(e) The grant of any homestead exemption provided  
2 under the provisions of this section shall not be allowed if  
3 such grant shall prevent the payment of any bonded  
4 indebtedness secured by any tax to which the homestead  
5 exemption would apply.

6           "(f) Any homestead exemption under this section or  
7 Section 40-9-21 shall not be affected during any period the  
8 homestead is being repaired after being damaged by a natural  
9 disaster such as a tornado or hurricane.

10           "§40-9-21.1.

11           "(a) Effective January 1, 2020, any person who  
12 qualifies for the homestead exemption in Section  
13 40-9-19(a) (1), (b), and (c) shall initially claim the  
14 exemption in person or by a form affidavit provided by the  
15 Alabama Department of Revenue, and. any Any person who  
16 qualifies for the homestead exemption pursuant to subdivision  
17 (2) of subsection (a) of Section 40-9-19 and Section 40-9-21  
18 under any other provision of law shall initially claim the  
19 exemption in person.

20           "(b) Any law to the contrary notwithstanding, any  
21 person ~~who is permanently and totally disabled and who~~  
22 qualifies for the homestead exemptions in ~~Sections~~ Section  
23 40-9-19(a) (2) and (d) and Section 40-9-21 shall not be  
24 required to annually claim ~~such the~~ the exemptions after the  
25 initial qualification, but shall ~~be allowed to verify such~~

1 ~~condition~~ eligibility for the exemptions, as required by law,  
2 each year thereafter in person or by mail on a form affidavit  
3 to be provided by the tax assessor. ~~Also, any person over the~~  
4 ~~age of 65 who qualifies for the homestead exemptions under the~~  
5 ~~income limitations provided in Sections 40-9-19 and 40-9-21~~  
6 ~~shall after the initial qualification be allowed to verify~~  
7 ~~such eligibility each year by mail on a form affidavit to be~~  
8 ~~provided by the tax assessor."~~

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

