

# HB491 INTRODUCED



1 AL8ISQ-1  
2 By Representative Faulkner  
3 RFD: County and Municipal Government  
4 First Read: 17-May-23  
5 2023 Regular Session



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SYNOPSIS:

Under existing law, in the event the value of a taxpayer's personal or real property is increased by the county tax assessing official over the assessed value as fixed for the next preceding year, the taxpayer must be provided a notice showing the revised value.

This bill would provide that the revised valuation notice must be mailed to the taxpayer by no later than July 1.

Under existing law, when an appeal is taken, the taxpayer must pay the taxes due as fixed for assessment for the preceding tax year before the taxes become delinquent.

This bill would establish an extension of time to pay taxes and file appeals to circuit court when the Board of Equalization has not reached a decision on the taxpayer's appeal on or before November 30.

Also under existing law, when the work of hearing objections against values fixed on taxable property has been completed by the board of equalization, the tax assessor must enter upon the tax return lists the corrected values, if any changes have been made.

This bill would also require the secretary of



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29 the board to immediately send notice by mail to each  
30 taxpayer notifying him or her of the board's decision  
31 concerning the hearing objections against values fixed  
32 on taxable property.

33 This bill would also make nonsubstantive,  
34 technical revisions to update the existing code  
35 language to current style.

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A BILL

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TO BE ENTITLED

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AN ACT

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42 Relating to taxation; to amend Sections 40-2-18,  
43 40-3-21, 40-3-25, and 40-7-25, Code of Alabama 1975, to  
44 provide a date certain by which valuation notices must be  
45 mailed by county assessing officials; to provide notice  
46 requirements regarding certain decisions of the Board of  
47 Equalization; to extend the time to pay taxes and file an  
48 appeal regarding certain actions of the Board of Equalization;  
49 and to make nonsubstantive, technical revisions to update the  
50 existing code language to current style.

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BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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Section 1. Sections 40-2-18, 40-3-21, 40-3-25, and

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40-7-25, Code of Alabama 1975, are amended to read as follows:

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"§40-2-18

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(a) Whenever the work of revaluing and equalizing any

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class or classes of property has been completed by order of



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57 the Department of Revenue, as provided herein, and the revised  
58 valuation has been entered on the tax return list, the county  
59 board of equalization shall certify over their signatures to  
60 the correctness thereof and shall deliver the tax return list  
61 showing the assessment and revaluation to the assessing  
62 official of the county as their report, and the assessing  
63 official shall hold them in his or her office subject to  
64 public inspection. The assessing official shall then give  
65 notice by publication once a week for three consecutive weeks  
66 in a newspaper published in the county, if any are published  
67 in the county and, if no newspaper is published in the county,  
68 by posting notices in at least three public places in the  
69 county that the county board of equalization has returned its  
70 report and that the same is open to public inspection and that  
71 the board will convene at the courthouse in the county on a  
72 day to be named and fixed in the notice to correct any errors  
73 in the valuations.

74 (b) (1) In the event the property of any taxpayer is  
75 increased by the county board of equalization when revaluing  
76 and equalizing assessments as provided in this section over  
77 the assessed value as originally fixed by the board, the  
78 taxpayer shall be furnished by mail or in person, with a  
79 statement showing separately the revised value of his or her  
80 personal property and his or her real property no later than  
81 July 1, unless otherwise approved by the Department of  
82 Revenue, and also that the taxpayer may file in writing with  
83 the secretary of the county board of equalization, within 30  
84 calendar days from the date of the notice, objections, if any



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85 are made, to the revaluation made as herein provided, and that  
86 the county board of equalization will sit on a day to be named  
87 and fixed in the notice, when the complaining taxpayer, his or  
88 her agent or attorney may appear and produce evidence in  
89 support of any objection as filed.

90 (2) Notwithstanding the foregoing, failure to give or  
91 receive the notice shall not invalidate any assessment and the  
92 taxpayer shall have the right at any time before the taxes  
93 become delinquent to appear before the county board of  
94 equalization and have the assessment of his or her property  
95 reopened, if satisfactory proof is made that the taxpayer or  
96 his or her agent did not receive notice of the increase.

97 (c) (1) It shall be the duty of the county board of  
98 equalization to convene and sit at the courthouse in its  
99 respective county on the day named and fixed in the notices  
100 and to remain in session as long as may be necessary for the  
101 purpose of hearing objections, if any, that have been filed in  
102 writing against the revaluation or equalization so fixed by  
103 the board; ~~and at the sitting the.~~ The complaining property  
104 owner may appear before the board in person or by agent or  
105 attorney and produce evidence in support of objections to  
106 assessment valuations as fixed on his or her property.

107 ~~Furthermore, it~~

108 (2) It shall be the duty of the county board of  
109 equalization to examine the complainant under oath and to  
110 examine any other witnesses under oath, as to the fair and  
111 reasonable market value of the property of the owner, and, if  
112 it finds from the evidence the revaluation placed by it on the



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113 property was not the amount specified by law on the fair and  
114 reasonable market value of the property, then it shall correct  
115 the valuations and enter the corrected value upon the tax  
116 return on which the property is listed for taxation, so that  
117 the return will show the amount specified by law on the fair  
118 and reasonable market value, and the corrected amount so  
119 entered by the board shall constitute the taxable value of the  
120 property.

121 (3) If the board ~~shall find~~ finds from all the evidence  
122 that the revaluations placed by it on the property were the  
123 amount specified by law on the fair and reasonable market  
124 value, then the valuation thus made shall remain and stand as  
125 the assessable value for taxation of the property. The revised  
126 and corrected property valuation thus made shall be fixed as  
127 the legal valuation of the property for the payment of the  
128 taxes, and it shall be the duty of the taxpayer to pay his or  
129 her taxes thereon accordingly.

130 (d) (1) In the event the revaluation and equalization  
131 provided for herein is made by the Department of Revenue, the  
132 Department of Revenue shall certify to the correctness of the  
133 revised tax assessments, and the newspaper publication shall  
134 be made and notices given as when the board of equalization  
135 revalues and equalizes property, that the Department of  
136 Revenue will sit on the date fixed in the notices to hear  
137 evidence in support of objections, if any, filed in writing  
138 with the assessing official to revaluations and equalizations  
139 made by it. ~~At the sitting, the~~

140 (2) The complaining property owner may appear in person



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141 or by agent or attorney and produce evidence in support of  
142 objections filed by him or her in writing to any revaluation  
143 of his or her property. ~~And it shall be the duty of the~~The  
144 Department of Revenue ~~to~~ shall examine any other witnesses  
145 under oath as to the fair and reasonable market value of the  
146 property of the owner. ~~and if it~~ If the department finds from  
147 the evidence that the readjusted value placed by it on the  
148 property was not the amount specified by law on the fair and  
149 reasonable market value of the property, then it shall correct  
150 the valuations and enter the corrected value upon the tax  
151 return on which the property is listed, so that the return  
152 will show the amount specified by law on the fair and  
153 reasonable market value, and the corrected amount so entered  
154 by the Department of Revenue shall constitute the taxable  
155 value of the property.

156 (3) Notwithstanding the foregoing, if the Department of  
157 Revenue finds from all the evidence that the valuation placed  
158 by it on the property was the amount specified by law on the  
159 reasonable market value, then the valuations thus made shall  
160 remain and stand as the assessable value for taxation of the  
161 property.

162 (e) From the revaluation and equalization made as  
163 herein provided, the taxpayer may appeal to the circuit court  
164 in the manner as provided for appeal from the county board of  
165 equalization."

166 "§40-3-21

167 When the work of hearing objections against values  
168 fixed on taxable property ~~shall have~~ has been completed by the



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169 board of equalization, the ~~tax assessor~~ secretary of the board  
170 shall immediately send notice by mail to each taxpayer with a  
171 notification of the board's decision. The secretary of the  
172 board shall enter upon the tax return lists the corrected  
173 values, if any changes have been made therein, which changed  
174 or altered value shall be the taxable value of the property or  
175 properties, unless an appeal is taken as herein provided or  
176 unless otherwise ordered by the Department of Revenue."

177 "§40-3-25

178 (a) All appeals from the rulings of the board of  
179 equalization fixing the value of property shall be taken  
180 within 30 calendar days ~~after the final decision of said board~~  
181 ~~fixing the assessed valuation as provided in this chapter of~~  
182 the date of the notice required under Section 40-3-21. The  
183 taxpayer shall file notice of ~~said the~~ appeal with the  
184 secretary of the board of equalization and with the clerk of  
185 the circuit court and shall file bond to be filed with and  
186 approved by the clerk of the circuit court, conditioned to pay  
187 all costs, and the taxpayer or the state shall have the right  
188 to demand a trial by jury by filing a written demand therefor  
189 within 10 days after the appeal is taken.

190 (b) When an appeal is taken, the taxpayer shall pay the  
191 taxes due as fixed for assessment for the preceding tax year  
192 before the same becomes delinquent; ~~and, upon failure to do~~  
193 ~~so~~. In cases where the board of equalization has not issued  
194 its final ruling fixing the assessed value of the property on  
195 or before November 30, the taxpayer shall be granted 30  
196 calendar days from the final decision to either pay the taxes





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197 due without penalty or to file an appeal with the circuit  
198 court and pay the taxes due as fixed for assessment for the  
199 preceding tax year without penalty. Upon failure to pay the  
200 taxes due as fixed for assessment for the preceding tax year,  
201 the court upon motion ex mero motu must dismiss the appeal,  
202 unless at the time of taking the appeal the taxpayer has  
203 executed a supersedeas bond with sufficient sureties to be  
204 approved by the clerk of the circuit court in double the  
205 amount of taxes, payable to the State of Alabama, conditioned  
206 to pay all taxes, interest, and costs due the state, county,  
207 or any agency or subdivision thereof. ~~Such appeals~~

208 (c) Appeals under this section shall be preferred  
209 cases. If from all the evidence the court is of the opinion  
210 that the valuation is either too high or too low, it shall  
211 render a judgment fixing ~~such~~ the valuation as it may deem  
212 fit. The circuit court shall so far as practicable hear ~~such~~  
213 the appeals according to the general rules and procedure of  
214 courts, but, when acting under this chapter or acquiring  
215 jurisdiction as provided herein, it shall have no power to  
216 enjoin or suspend the collection of any taxes due. It shall  
217 decide all questions as to the legality of the assessment and  
218 the valuation of the property. The original assessment sheet  
219 or a certified copy, showing the assessment by the board of  
220 equalization, shall be sufficient appearance by the state and  
221 shall make out a prima facie case.

222 (d) From the judgment of the circuit court, either the  
223 state or the taxpayer may appeal directly to the Supreme Court  
224 of Alabama within 42 days of the entry of ~~such~~ the judgment.



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225 Upon ~~such~~ the filing of the appeal to the circuit court or to  
226 the Supreme Court, the court shall ascertain and determine by  
227 its judgment the amount of tax which was invalid or which was  
228 excessive both as to the amount paid to the state, counties,  
229 county boards of education, municipalities, or other  
230 governmental agencies receiving any part of ~~such~~ the taxes,  
231 ~~and thereupon, upon.~~ Upon presentation of a certified copy of  
232 the judgment to the Comptroller, ~~it shall be the duty of~~ the  
233 Comptroller ~~to~~ shall draw ~~his~~ a warrant on the State Treasurer  
234 in favor of ~~such~~ the taxpayer for ~~such an~~ the amount ~~as~~  
235 determined by the judgment of the court ~~shall ascertain and~~  
236 ~~declare has~~ to have been erroneously paid to the state  
237 together with interest from the date of payment, and ~~such~~ a  
238 warrant of the Comptroller shall be paid out of any funds in  
239 the State Treasury as a current obligation of the year in  
240 which ~~said~~ the refund is ordered.

241 (e) Upon presentation of a certified copy of ~~such~~ the  
242 judgment to the county commission, or upon presentation of a  
243 certified copy of ~~such~~ the judgment to a county board of  
244 education or to the city council or other governing body of  
245 any municipality, or upon presentation of a certified copy to  
246 the governing body of any other agency of the state which may  
247 have received any part of ~~said~~ the tax erroneously paid as  
248 determined by the judgment, it shall be the duty of the county  
249 commission or the county board of education or of the city  
250 council or other governmental body of a municipality or of the  
251 governmental body of any other agency receiving any part of  
252 ~~such~~ the taxes to draw its warrants on the treasurer of ~~such~~



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253 the county, school board, municipality, or other agency in  
254 favor of the taxpayer for ~~such~~ the amount of ~~said~~ the tax as  
255 may have been erroneously paid to ~~such~~ the county, school  
256 board, municipality, or other agency, together with interest  
257 from the date of payment, and ~~such~~ the amount shall constitute  
258 a preferred claim of the current year in which ~~said~~ the refund  
259 is ordered, and the respective treasurers ~~are hereby required~~  
260 ~~to~~ shall refund ~~such~~ the amounts received by ~~said~~ the county,  
261 school board, municipality, or other agency, with interest as  
262 herein provided.

263 (f) In the event the judgment of the court shall fix an  
264 assessment greater than that upon which the taxes have been  
265 paid on the assessment appealed from, the court shall fix and  
266 determine the amount of ~~such~~ excess, and the taxpayer and the  
267 sureties on ~~his~~ the taxpayer's appeal bond shall be adjudged  
268 to pay taxes due by reason of ~~such~~ the increased assessment  
269 with interest from the date of judgment, and the lien and  
270 priorities of the state and counties or other agencies shall  
271 apply to ~~such~~ the additional amount as in other cases. The  
272 court, in fixing the assessment, shall order the assessing  
273 authorities to apportion the same and the collecting  
274 authorities to collect taxes thereon for the several taxing  
275 subdivisions in the manner provided by law."

276 "§40-7-25

277 (a) (1) Except as provided in subdivision (2) or as  
278 otherwise provided by law, the assessing official ~~shall~~, from  
279 information entered on the tax return list and from all other  
280 information known to him or her, ~~r~~ or which he or she may



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281 procure, shall proceed to ascertain what, in his or her best  
282 judgment, is a fair and reasonable market value of each item  
283 of property returned by or listed to any taxpayer; ~~provided,~~  
284 ~~that the.~~

285 (2) The assessed value of any real estate or  
286 improvements as fixed for taxation for the year next preceding  
287 the then current tax year shall be prima facie the basis of  
288 the value of the property for assessment for the current tax  
289 year, and the property shall not be assessed for taxation at a  
290 less valuation unless, upon evidence submitted to the county  
291 board of equalization, as provided for herein, it is found  
292 that the assessed valuation of the property reviewed should be  
293 reduced.

294 (b) The assessing official shall in separate columns  
295 enter on the list the amount and value and the deduction for  
296 exemption to which the taxpayer is entitled. The assessing  
297 official shall also add to the list any item of property  
298 subject to taxation owned by the taxpayer, or in which he or  
299 she has any interest whatever and which he or she had failed  
300 or omitted to place on the list; and the taxpayer shall be  
301 given notice by the assessing official, by mail or in person,  
302 of the items of property added to his or her assessment list  
303 or items claimed as exempt which are disallowed by the  
304 assessing official after the list has been filed and before  
305 the assessing official has completed his or her assessment,  
306 and the assessing official shall, upon demand, furnish the  
307 taxpayer with a certified copy of his or her assessment list  
308 so amended.



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309           (c) In the event the value of real or personal property  
310 of any taxpayer is increased by the county board of  
311 equalization, herein created, over the assessed value thereof  
312 for the next preceding year, the taxpayer shall be furnished  
313 by mail or in person, by the secretary of the county board of  
314 equalization, with a statement showing separately the value of  
315 his or her personal property and his or her real property, and  
316 improvements thereon, no later than July 1, unless otherwise  
317 provided by the Department of Revenue. The statement shall be  
318 signed by the chair of the county board of equalization ~~and~~  
319 ~~the~~.

320           (d) The taxpayer may file in writing, with the  
321 secretary of the county board of equalization, within 30  
322 calendar days of the date of the statement, objections to any  
323 assessed valuation fixed as herein provided. Failure to give  
324 or receive the notices required in this section shall not  
325 invalidate the assessment. The taxpayer shall have the right  
326 any time before the taxes become delinquent to appear before  
327 the county board of equalization and have the assessment of  
328 his or her property reopened, if satisfactory proof is made  
329 that the taxpayer or his or her agent did not receive notice  
330 of the increase.

331           (e) The expense of postage incurred in carrying out the  
332 provisions of this section shall be paid in equal proportions  
333 by the county and state, upon a certified statement thereof by  
334 the secretary of the county board of equalization, filed with  
335 the court of county commissioners, or the board or court of  
336 like jurisdiction and with the Department of Finance."



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337           Section 2. The Department of Revenue may adopt rules  
338 for the implementation and administration of this act.

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