

HB226 INTRODUCED



1 HB226
2 26FGSKS-1
3 By Representatives Crawford, Shedd, Paramore, Stubbs, Starnes,
4 Easterbrook, Ingram, Whorton, Hulsey, Hammett, Robertson,
5 Butler, Harrison, Lomax, Lovvorn, Rehm, Wood (D)
6 RFD: Ways and Means Education
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SYNOPSIS:

Under existing law, the homesteads of certain individuals are exempt from ad valorem tax.

This bill would extend this exemption to the unremarried widow or widower of those individuals.

A BILL
TO BE ENTITLED
AN ACT

Relating to ad valorem tax; to amend Sections 40-9-19, 40-9-19.1, and 40-9-21, Code of Alabama 1975, regarding homestead exemptions; to allow the unremarried widow or widower of certain individuals to claim the exemption; and to make nonsubstantive, technical revisions to update the existing code language to current style.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 40-9-19, 40-9-19.1, and 40-9-21, 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 exempt from all state ad valorem taxes. ~~In no case shall the~~The exemption shall not apply to more than one ~~person~~individual or head of the family, nor shall the



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29 exemption exceed four thousand dollars (\$4,000) in assessed
30 value or 160 acres in area for any resident of this state who
31 is not over 65 years of age.

32 (2) The homesteads of a residents of this state shall
33 be exempt from all state ad valorem taxes if the individual
34 is;

35 a. over 65 years of age; ~~or who~~

36 b. ~~are~~ retired due to permanent and total disability,
37 regardless of age, ~~or who~~;

38 c. ~~are~~ blind as defined in Section 1-1-3, regardless of
39 age or whether ~~such person~~ the individual is retired; or

40 d. the unmarried widow or widower of a decedent
41 exempt pursuant to this subsection at his or her death, ~~shall~~
42 ~~be exempt from all state ad valorem taxes.~~

43 (3) The state Commissioner of Revenue may define and
44 specify the condition or state of health that makes ~~a person~~ an
45 individual "permanently and totally disabled" and may issue
46 certificates of disability to the ~~person~~ individual as he or
47 she may find meets such specifications. Any ~~person~~ individual
48 who is drawing any pension or annuity from the United States
49 Armed Forces ~~armed services~~ or a company or governmental agency
50 as being permanently and totally disabled shall automatically
51 be granted a certificate of permanent and total disability by
52 the ~~state~~ Commissioner of Revenue.

53 (b) For ~~tax years beginning on and after October 1,~~
54 ~~1981, for~~ residents of this state not over 65 years of age,
55 homesteads, as defined by the Constitution and laws of
56 Alabama, are exempt from all ad valorem property taxes levied,



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57 except countywide and school district ad valorem taxes levied
58 for school purposes, by any county of this state. ~~In no case~~
59 ~~shall the~~The exemption shall not apply to more than one ~~person~~
60 individual or head of the family, nor shall the exemption
61 exceed two thousand dollars (\$2,000) in assessed value or 160
62 acres in area for any resident of this state who is not over
63 65 years of age except as provided in subsection (c).

64 (c) ~~For tax years beginning on and after October 1,~~
65 ~~1981, the~~The governing body of any county, municipality, or
66 other local taxing authority may ~~at any time~~ grant by
67 resolution or ordinance an exemption from any levy of ad
68 valorem property taxes levied by ~~such the~~ county,
69 municipality, or other local taxing authority on homesteads,
70 as defined by the Constitution and laws of Alabama, of
71 residents of this state not over 65 years of age. In no case
72 shall ~~such the~~ exemption allowed in this section apply to more
73 than one ~~person~~ individual or head of the family, nor shall
74 the exemption, when added to any other homestead exemption
75 applicable to the same ad valorem tax levy, exceed four
76 thousand dollars (\$4,000) in assessed value or 160 acres in
77 area. Any homestead exemption granted pursuant to this
78 subsection ~~(e)~~ may be adjusted, rescinded, or reinstated at
79 any time by resolution or ordinance of the governing body of
80 the county, municipality, or other local taxing authority
81 granting such exemption. Any action authorized by this
82 subsection to be taken by a taxing authority, or the governing
83 body thereof, other than in the case of a municipality, shall
84 be taken by resolution of the governing body of the county in



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85 which ~~such~~ the taxing authority is located acting on behalf of
86 ~~such~~ the taxing authority; provided however, any action
87 authorized by this subsection to be taken by a taxing
88 authority, or the governing body thereof, which action shall
89 affect countywide or district ad valorem taxes levied solely
90 for the support of county or city school districts, shall be
91 taken by resolutions of the governing bodies and boards of the
92 school systems that are recipients of the proceeds of the ad
93 valorem tax ~~so~~ affected by ~~such~~ the action. This subsection
94 shall ~~in no way~~ not annul or reduce exemptions provided under
95 subsections (a), (b), and (d).

96 (d) (1) ~~For tax years beginning on and after October 1,~~
97 ~~1981, for~~ Homesteads, as defined in the Constitution and laws
98 of Alabama, of residents of this state are exempt from ad
99 valorem property taxes levied by any county of this state,
100 including ad valorem taxes levied for school districts, if the
101 individual is:

102 a. over 65 years of age ~~who have~~ and has an annual
103 adjusted gross income of ~~less than~~ twelve thousand dollars
104 (\$12,000) or less, as reflected on the most recent state
105 income tax return or some other appropriate evidence; ~~or who~~

106 b. ~~are~~ retired due to permanent and total disability,
107 regardless of age; ~~or who~~

108 c. ~~are~~ blind as defined in Section 1-1-3, regardless of
109 age or whether ~~such person~~ the individual is retired; or

110 d. the unremarried widow or widower of a decedent
111 exempt pursuant to this subsection at his or her death,
112 ~~homesteads, as defined in the Constitution and laws of~~



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113 ~~Alabama, are exempt from ad valorem property taxes levied by~~
114 ~~any county of this state, including such taxes levied for~~
115 ~~school districts.~~

116 (2) In no case shall the exemption exceed five thousand
117 dollars (\$5,000) in assessed value or 160 acres in area. With
118 respect to homesteads situated in more than one county, the
119 exemption shall be prorated between the counties in which the
120 homestead is situated in the proportion that the area of the
121 homestead in each county bears to the total area of the
122 homestead claimed for exemption.

123 (3) The Department of Revenue, by rule, may define and
124 specify the condition or state of health that makes ~~a person an~~
125 individual "permanently and totally disabled" and may issue
126 certificates of disability to any ~~person individual~~ that meets
127 ~~such the~~ specifications. Any ~~person individual~~ who is drawing
128 any pension or annuity from the ~~armed services~~ United States
129 Armed Forces, a private company, or any governmental agency
130 because he or she is permanently and totally disabled shall
131 automatically be granted a certificate of permanent and total
132 disability by the Department of Revenue.

133 (e) The grant of any homestead exemption provided under
134 this section shall not be allowed if such grant shall prevent
135 the payment of any bonded indebtedness secured by any tax to
136 which the homestead exemption would apply.

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



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141 "§40-9-19.1

142 (a) (1) The governing body of any municipality ~~may~~, upon
143 the request of the board of education of ~~such~~ the
144 municipality, may grant, by resolution, an exemption in whole
145 or in part from the increased portion of any ad valorem
146 property tax which has been increased pursuant to the
147 procedures specified in paragraph (f) of ~~Amendment No.~~
148 ~~373~~ Section 217 ~~to~~ of the Constitution of Alabama of ~~1901~~ 2022
149 for public school purposes, on the homesteads of a residents
150 of ~~such~~ the municipality who is:

151 a. over 65 years of age; ~~or who~~

152 b. ~~are~~ retired due to permanent and total disability,
153 regardless of age; ~~or who~~

154 c. ~~are~~ blind, as defined in Section 1-1-3, regardless of
155 age or whether ~~such person~~ the individual is retired; or

156 d. the unmarried widow or widower of a decedent
157 exempt pursuant to this section at his or her death.

158 (2) Any homestead exemption granted pursuant to this
159 section may be adjusted, rescinded or reinstated at any time
160 upon the request of the board of education of ~~such~~ the
161 municipality by resolution of the governing body of ~~such~~ the
162 municipality. Any request made by a board of education
163 regarding an exemption pursuant to this section shall be made
164 by a resolution adopted by ~~such~~ the board of education.

165 (b) The provisions of this section shall ~~in no way~~ not
166 annul or reduce exemptions provided under any other provisions
167 of the Constitution and laws of Alabama."

168 "§40-9-21



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169 (a) (1) In addition to the ~~persons~~ individuals and
170 property exempt from ad valorem taxation as prescribed in
171 Section 40-9-1, the following shall also be exempt from ad
172 valorem taxation: The principal residence and 160 acres
173 adjacent thereto of any ~~person~~ individual who is:

174 a. is permanently and totally disabled; ~~or who~~

175 b. is 65 years of age or older ~~having~~ and has a net
176 annual taxable income of twelve thousand dollars (\$12,000) or
177 less, as shown on such ~~person~~ individual's and spouse's latest
178 United States income tax return or some other appropriate
179 evidence acceptable to the department; or

180 c. the unremarried widow or widower of a decedent
181 exempt pursuant to this section at his or her death.

182 (2) a. In the event that such person and spouse are An
183 individual that is not required to file a United States income
184 tax return, ~~then~~ may file an affidavit indicating that the net
185 taxable income of ~~such person~~ the individual and spouse for the
186 preceding taxable year was twelve thousand dollars (\$12,000)
187 or less. This affidavit shall be sufficient proof for
188 paragraph (a) (1) b.

189 b. An individual shall furnish proof ~~Proof~~ of age ~~shall~~
190 ~~be furnished~~ when seeking an ~~the~~ exemption under paragraph
191 (a) (1) b. provided herein is claimed.

192 (3) On and after May 22, 2013, if If a permanently and
193 totally disabled ~~person~~ individual does not qualify for the
194 exemption under this section, and has not previously submitted
195 written certification of such permanent and total disability
196 by any two physicians licensed to practice in this state, he



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197 or she may submit as proof of permanent and total disability
198 affidavits from two physicians licensed to practice in this
199 state, provided that at least one of these physicians is
200 actively providing treatment directly related to the permanent
201 and total disability of the ~~person~~individual seeking the
202 exemption; provided, however, this requirement shall not apply
203 to any ~~person~~individual receiving the exemption on May 22,
204 2013.

205 (4) As provided under this section, any ~~person~~
206 individual who is drawing any pension or annuity from the
207 armed services or a company or governmental agency because he
208 or she is permanently and totally disabled shall automatically
209 be granted a certificate of permanent and total disability by
210 the department.

211 (5) ~~In order to~~To qualify for exemption under this
212 section, the property must be a single-family home owned and
213 occupied during the tax year as the principal residence of the
214 ~~person~~individual qualifying under this section.

215 (b) The ~~department~~Department of Revenue shall by rule
216 establish the criteria and proof required for an exemption in
217 this section based upon ~~aan~~ personindividual being
218 "permanently and totally disabled" and shall issue
219 certificates of disability to any ~~person~~individual that meets
220 such criteria and provides the required proof. The rule shall
221 provide that any ~~person~~individual who is drawing any pension
222 or annuity from the ~~armed services~~United States Armed Forces,
223 a private company, or any governmental agency because he or
224 she is permanently and totally disabled shall automatically be



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225 granted a certificate of permanent and total disability by the
226 department."

227 Section 2. The provisions of this act apply to tax
228 years beginning on or after January 1, 2026.

229 Section 3. The Department of Revenue may adopt rules to
230 implement this act.

231 Section 4. This act shall become effective on January
232 1, 2026.