

HB240 INTRODUCED



1 HB240
2 B2CUQJ4-1
3 By Representatives Lovvorn, Blackshear, Garrett
4 RFD: Ways and Means Education
5 First Read: 11-Feb-25



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SYNOPSIS:

This bill would provide that any compensation earned by a student athlete for the use of their name, image, or likeness is not subject to state income tax.

This bill would also provide for retroactive effect.

A BILL
TO BE ENTITLED
AN ACT

Relating to income tax; to provide that compensation received by a student athlete for the use of their name, image, or likeness is not subject to state income tax; and to provide for retroactive effect.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) For purposes of this act, the following terms have the following meanings:

(1) NAME, IMAGE, OR LIKENESS. Any or all of those elements that, together, are known as the right of publicity.

(2) POSTSECONDARY EDUCATIONAL INSTITUTION. A public university or college in this state or an institution for higher education as defined in Section 16-8A-2, Code of Alabama 1975. This term does not include any Alabama Community



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29 College System institutions.

30 (3) STUDENT ATHLETE. A person who plays an
31 intercollegiate sport at a postsecondary educational
32 institution.

33 (b) Income received by a student athlete at a
34 postsecondary educational institution as compensation for the
35 use of his or her name, image, or likeness, to the extent such
36 income is included in the taxpayer's federal adjusted gross
37 income, is exempt from state income tax.

38 (c) The provisions of this act shall apply to tax years
39 beginning on or after January 1, 2025 through the tax year
40 ending December 31, 2027.

41 Section 2. This act shall become effective on October
42 1, 2025.