

## HB555 INTRODUCED



1 HB555

2 NRHWITT-1

3 By Representatives Hall, Lawrence, McClammy, Morris, Hassell,  
4 Bracy, Tillman, Jackson, Travis, Lands, Gray, Forte, Chestnut,  
5 Warren

6 RFD: Ways and Means Education

7 First Read: 09-Apr-25



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SYNOPSIS:

This bill creates the Single Parent Support Tax Credit, which establishes a state income tax credit for certain single parent taxpayers.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to income tax; to create the Single Parent Support Tax Credit; to provide a state income tax credit to certain single parents; and to provide for the Department of Revenue to implement this act.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall be known as the Single Parent Support Tax Credit Act.

Section 2. The Legislature finds and declares that single parents often face significant financial challenges associated with rearing a child. State laws mandating pregnancy outcomes increase the financial burden on individuals with limited options. However, tax credits offer direct financial relief, helping to improve outcomes for both parents and children by easing some of the economic pressures they face.



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29           Section 3. (a) For the purpose of this act the term  
30 "single parent" means an individual who is unmarried, not  
31 cohabiting with a partner, and has legal and physical custody  
32 of a child.

33           (b) (1) For tax years beginning on or after January 1,  
34 2026, and ending December 31, 2030, a single parent who  
35 carried a pregnancy to term may claim an income tax credit of  
36 five thousand dollars (\$5,000) for each tax year of the first  
37 five years of the child's life.

38           (2) If the eligible single parent's income tax  
39 liability is less than the credit amount, the difference shall  
40 be issued to the parent as a refund.

41           (3) No tax credit provided by this section may be  
42 transferred or sold to another taxpayer.

43           (c) The single parent income tax credit shall be  
44 limited to an aggregate amount of five million dollars  
45 (\$5,000,000) each tax year.

46           (d) Prior to claiming a credit under this act, a single  
47 parent shall submit to the Department of Revenue all of the  
48 following:

49           (1) Medical documentation.

50           (2) State law documentation.

51           (3) Any other verifiable evidence the department  
52 requests.

53           Section 4. (a) The Department of Revenue shall adopt  
54 rules to implement and administer this act, including, but not  
55 limited to:

56           (1) Implementing a streamlined process for the



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57 application of the credit, including a portal to submit the  
58 required documentation; and

59 (2) Creating a public awareness campaign to inform  
60 eligible individuals about the availability of the tax credit.

61 (b) The department shall review all applications for  
62 the credit to verify compliance with the eligibility criteria  
63 set forth in this act.

64 (c) Any fraudulent claims made in connection with the  
65 application shall be subject to a five hundred dollar (\$500)  
66 fine.

67 Section 5. Prior to each regular session of the  
68 Legislature, the Department of Revenue shall provide the  
69 Legislature with a report on the credit's fiscal impact and  
70 recommend adjustment to the credit amount or eligibility  
71 criteria.

72 Section 6. The provisions of this act are severable.  
73 If any part of this act is declared invalid or  
74 unconstitutional, that declaration shall not affect the part  
75 which remains.

76 Section 7. This act shall become effective on October  
77 1, 2025.