



FISCAL NOTE

House Bill 401

Committee: Ways and Means General Fund Sponsor: Representative Kelvin Datcher
 Analyst: Riley Aaron Date: 02/10/2026

House Bill 401 as introduced would, beginning in Fiscal Year 2027: (1) increase the mortgage record tax from \$0.15 for each \$100 of indebtedness, under current law, to \$0.30 for each \$100 of indebtedness; and (2) revise the distribution of mortgage record tax proceeds as shown below, which would increase mortgage record tax collections by the following estimated amounts to the following entities:

| Fund/Entity | Current Distribution | New Distribution | Amount |
|----------------------------|-----------------------------|-------------------------|---------------------|
| Alabama Housing Trust Fund | - | 25% | \$31,900,000 |
| County Treasuries | 33% | 33% | \$21,900,000 |
| State General Fund | 67% | 37% | \$6,800,000 |
| Probate Judges | - | 5% | \$3,200,000 |
| TOTAL | 100% | 100% | \$63,700,000 |