

1 HB362  
2 189033-3  
3 By Representatives Tuggle, Johnson (R), Holmes (M), Brown,  
4 Beech, Wingo and Sells (Constitutional Amendment)  
5 RFD: State Government  
6 First Read: 01-FEB-18

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8 SYNOPSIS: Under existing law, property that has been  
9 acquired by the Forever Wild Land Trust is not  
10 subject to ad valorem taxation.

11 This bill proposes a constitutional  
12 amendment that would require the Forever Wild Land  
13 Trust to annually reimburse the amount of ad  
14 valorem tax revenue lost as a result of property  
15 previously subject to ad valorem tax being acquired  
16 by the Forever Wild Land Trust, which monies shall  
17 be paid to the county tax official in each county  
18 where the property has been acquired and  
19 distributed as other ad valorem tax proceeds unless  
20 the county opts out. The amount of reimbursement  
21 would be the amount as if the property was taxed at  
22 current use value of the property as forest  
23 property with good productivity. The bill would  
24 also provide that if funding for the Forever Wild  
25 Land Trust is not continued after September 30,  
26 2032, the Forever Wild Land Stewardship Account

1                   would receive up to \$1,000,000 from the Alabama  
2                   Trust Fund annually.

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4                                   A BILL  
5                                   TO BE ENTITLED  
6                                   AN ACT

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8                   Proposing an amendment to the Constitution of  
9                   Alabama of 1901, to require the Forever Wild Land Trust to  
10                  annually reimburse the amount of ad valorem tax revenue lost  
11                  for the previous tax year as a result of property previously  
12                  subject to ad valorem tax being acquired by the Forever Wild  
13                  Land Trust; to provide that reimbursed monies shall be paid to  
14                  the county tax official in each county where the property has  
15                  been acquired and distributed as other ad valorem tax proceeds  
16                  unless the county opts out; and to provide additional funds to  
17                  the Alabama Forever Wild Land Stewardship Fund if funding for  
18                  the Forever Wild Land Trust is not continued.

19                  BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

20                  Section 1. The following amendment to the  
21                  Constitution of Alabama of 1901, as amended, is proposed and  
22                  shall become valid as a part thereof when approved by a  
23                  majority of the qualified electors voting thereon and in  
24                  accordance with Sections 284, 285, and 287 of the Constitution  
25                  of Alabama of 1901, as amended:

26                                   PROPOSED AMENDMENT

1           (a) This amendment applies to each county of the  
2 state unless the county commission elects not to participate.  
3 A county may elect not to participate through a vote by the  
4 county commission on or before August 1 preceding the tax year  
5 for which reimbursement would be due under subsection (b). The  
6 county commission shall provide notice of the election to the  
7 Board of Trustees of the Forever Wild Land Trust on or before  
8 October 1 of the year in which the election is made.

9           (b) Beginning with the ad valorem tax year  
10 commencing after ratification of this amendment and continuing  
11 each year thereafter, in each year following a fiscal year in  
12 which the Forever Wild Land Trust received at least ten  
13 million dollars (\$10,000,000) pursuant to Amendment 860, the  
14 Forever Wild Land Trust shall reimburse the amount of ad  
15 valorem tax revenue lost for that tax year as a result of  
16 property previously subject to ad valorem tax being acquired  
17 by the Forever Wild Land Trust. Payment shall be made from  
18 monies received pursuant to Amendment 860 of the Constitution  
19 of Alabama of 1901 or otherwise. The amount due to be paid  
20 each year shall be determined by the county tax official in  
21 each county where the property has been acquired by the  
22 Forever Wild Land Trust and shall be in an amount equal to the  
23 amount of ad valorem tax revenue lost in the affected county  
24 for the current ad valorem tax year only on property in the  
25 county that has been acquired by the Forever Wild Land Trust.  
26 This provision applies to property acquired by the Alabama  
27 Forever Wild Land Trust prior to or after ratification of this

1 amendment but shall not require payment of any taxes lost  
2 before the ad valorem tax year commencing after ratification  
3 of this amendment.

4 (c) The amount to be reimbursed each year shall be  
5 the amount of ad valorem tax that would have been assessed for  
6 the current use value of the property as forest property with  
7 good productivity if the property had not been acquired by the  
8 Forever Wild Land Trust. The county tax official in a county  
9 where property has been acquired by the Forever Wild Land  
10 Trust shall determine and report in writing the amount of ad  
11 valorem taxes that would have been assessed on the property on  
12 October 1 of the reporting year if the property had not been  
13 acquired by the Forever Wild Land Trust. The county tax  
14 official shall submit the written report to the Board of  
15 Trustees of the Forever Wild Land Trust on or before October 1  
16 of each year setting out the amount to be reimbursed to the  
17 county by the board.

18 (d) The monies paid from the Forever Wild Land Trust  
19 for lost ad valorem tax as a result of the acquisition of  
20 property previously subject to ad valorem tax shall be a first  
21 priority payment made by the Forever Wild Land Trust each  
22 applicable year. The payments shall be distributed to the  
23 county tax official in each county where payment is due on or  
24 before December 31 of that year. The county tax official shall  
25 distribute monies paid as lost ad valorem tax pursuant to this  
26 amendment in the same manner as other ad valorem tax proceeds

1 are distributed pursuant to this constitution or the general  
2 laws of the state.

3 (e) If a constitutional amendment is not ratified to  
4 continue funding of Forever Wild past September 30, 2032, the  
5 Forever Wild Land Stewardship Account shall receive annually  
6 one percent of the total of 33 percent of the oil and gas  
7 capital payments paid into the Alabama Trust Fund for the  
8 fiscal year ending one year prior to the beginning of the  
9 fiscal year for which the distribution is being made and five  
10 percent of the average market value of invested assets of the  
11 Alabama Trust Fund at the end of three fiscal years ending  
12 one, two, and three years prior to the beginning for which the  
13 distribution is being made, not to exceed one million dollars  
14 (\$1,000,000).

15 (f) Notwithstanding Amendment 543 to the  
16 Constitution of Alabama of 1901, the proceeds from the sale of  
17 any timber on property acquired by the Forever Wild Land Trust  
18 shall be deposited into the Forever Wild Land Stewardship  
19 Account, unless the prior owner has retained timber rights.

20 (g) The Legislature shall have the right and power  
21 to enact laws supplemental hereto and in furtherance of the  
22 purposes and objectives hereof, provided that such laws are  
23 not inconsistent with the provisions of this amendment,  
24 Amendment 543, or Amendment 860 of the Constitution of Alabama  
25 of 1901.

26 Section 2. An election upon the proposed amendment  
27 shall be held in accordance with Sections 284 and 285 of the

1 Constitution of Alabama of 1901, now appearing as Sections 284  
2 and 285 of the Official Recompilation of the Constitution of  
3 Alabama of 1901, as amended, and the election laws of this  
4 state.

5 Section 3. The appropriate election official shall  
6 assign a ballot number for the proposed constitutional  
7 amendment on the election ballot and shall set forth the  
8 following description of the substance or subject matter of  
9 the proposed constitutional amendment:

10 "Proposing an amendment to the Constitution of  
11 Alabama of 1901, to require the Forever Wild Land Trust to  
12 annually reimburse the amount of ad valorem tax revenue lost  
13 as a result of property previously subject to ad valorem tax  
14 being acquired by the Forever Wild Land Trust, which monies  
15 shall be paid to the county tax official in each county  
16 wherein property has been acquired and distributed as other ad  
17 valorem tax proceeds unless the county opts out, and to  
18 provide additional funds to the Alabama Forever Wild  
19 Stewardship Fund if funding for Forever Wild is not continued  
20 beyond fiscal year 2032.

21 "Proposed by Act \_\_\_\_\_."

22 This description shall be followed by the following  
23 language:

24 "Yes ( ) No ( )."