

1 HB233
2 181394-1
3 By Representatives Faulkner, Rowe, Henry, Sanderford, Farley,
4 Ledbetter, Treadaway, Standridge, Drake and Moore (B)
5 RFD: Ways and Means Education
6 First Read: 14-FEB-17

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8 SYNOPSIS: Under existing law active duty members of
9 the U.S. Army, U.S. Navy, U.S. Air Force, U.S.
10 Marine Corps, or U.S. Coast Guard do not have an
11 option for deducting their active duty military pay
12 and allowances while stationed outside of the State
13 of Alabama.

14 This bill would grant a deduction to active
15 duty members of the U.S. Armed Forces on the
16 Alabama individual income tax return for active
17 duty military pay and allowances. The member shall
18 annually certify to the Department of Revenue their
19 current residence status.

20
21 A BILL
22 TO BE ENTITLED
23 AN ACT

24
25 To provide for a deduction on the Alabama individual
26 income tax return for active duty military pay and allowances

1 for residents stationed out of the state; to provide for the
2 Department of Revenue to promulgate rules.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. (a) Active duty Alabama residents not
5 currently residing in the state shall be allowed to deduct
6 military pay and allowances received by the taxpayer during
7 the taxable year for active duty service in the United States
8 Army, Air Force, Navy, Marine Corps, or Coast Guard which is
9 not otherwise allowable as a deduction or exclusion from
10 Alabama adjusted gross income for the taxable year. The
11 deduction may not be claimed for military pay and allowances
12 received by the taxpayer while the taxpayer is stationed in
13 this state.

14 (b) The taxpayer shall annually certify their
15 residence status to claim this deduction on forms provided by
16 the Department of Revenue.

17 Section 2. The Department of Revenue shall
18 promulgate rules necessary for the enforcement of this act.

19 Section 3. All laws or parts of laws which conflict
20 with this act are hereby repealed

21 Section 4. This act shall become effective for the
22 taxable years beginning after December 31, 2018, and following
23 its passage and approval by the Governor, or upon its
24 otherwise becoming law.