

1 HB48  
2 155402-3  
3 By Representatives Lee and Henry  
4 RFD: Ways and Means Education  
5 First Read: 14-JAN-14  
6 PFD: 11/18/2013

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ENROLLED, An Act,

Relating to tax credit; to provide definitions; and to provide a tax credit for a private intrastate adoption or the adoption of a qualified foster child.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. As used in this act, the following terms shall have the following meanings:

(1) QUALIFIED FOSTER CHILD. Any individual who:

(a) is in the permanent legal custody of the Alabama Department of Human Resources; and/or

(b) is placed in a licensed or approved foster home by the Alabama Department of Human Resources for the purpose of adoption pursuant to an approved case plan.

(2) PRIVATE INTRASTATE ADOPTION. An adoption through a private agency in which the birth mother, the baby, and the adoptive parent(s) reside in Alabama.

(3) COMMISSIONER. The Commissioner of Revenue of the State of Alabama.

Section 2. A taxpayer shall be allowed a one time, refundable credit against the tax imposed by Section 40-18-2, Code of Alabama 1975, for a private intrastate adoption or the adoption of a qualified foster child. The amount of such credit shall be \$1,000.00 per child adopted through a private

1 intrastate adoption or qualified foster child to be claimed in  
2 the year in which the adoption becomes final.

3           Section 3. In addition to the \$1,000 tax credit  
4 provided herein, minors adopted after the effective date of  
5 this Act, who have attained their 14th birthday, and are  
6 adopted from the Alabama foster care system as administered by  
7 the Alabama Department of Human Resources ("DHR") are eligible  
8 for \$15,000 in Post-Secondary education assistance at any  
9 Alabama public institution of higher learning, college or  
10 university, any public two-year college, or any public trade  
11 or vocational school. This assistance shall be available for  
12 use by the adopted child from the date of finalized adoption  
13 up to the age of 26. Rules and Regulations governing this  
14 education assistance shall be promulgated by the Alabama  
15 Department of Human Resources and the Alabama Department of  
16 Revenue. Under Section 3, eligibility for \$15,000 in  
17 Post-Secondary education assistance shall become effective  
18 October 1, 2016.

19           Section 4. The commissioner shall be authorized to  
20 promulgate any rules and regulations necessary to implement  
21 and administer this section.

22           Section 5. The income tax credit pursuant to this  
23 act shall be effective January 1, 2014, for the 2014 taxable  
24 year and subsequent taxable years thereafter.

1                   Section 6. This act shall become effective  
2 immediately following its passage and approval by the  
3 Governor, or its otherwise becoming law except as set out in  
4 Section 3, which shall become effective October 1, 2016.  
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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 22-JAN-14 and was passed again as  
amended by Executive Amendment 03-APR-14.

Jeff Woodard  
Clerk

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|--------|-----------------------|--|
| Senate | <hr/> 01-APR-14 <hr/> | Passed                                       |
| Senate | 03-APR-14             | Passed, as amended by<br>Executive Amendment |
|        | <hr/>                 | Yeas 25, Nays 0, Ab-<br>stains 4             |