

1 HB52
2 146187-2
3 By Representative Beech
4 RFD: County and Municipal Government
5 First Read: 05-FEB-13
6 PFD: 01/24/2013

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8 SYNOPSIS: Under existing law, prior to the enactment
9 of Act 2012-313, persons permanently and totally
10 disabled were exempt from all state and local ad
11 valorem taxes.

12 Act 2012-313 established a threshold
13 requirement that persons permanently and totally
14 disabled residing in a household with taxable
15 income of less than \$12,000 qualify for certain
16 homestead exemptions.

17 This bill would remove the income limitation
18 for persons permanently and totally disabled to
19 receive these certain homestead exemptions.

20 This bill would provide that the provisions
21 of this act would be retroactive to August 1, 2012,
22 the effective date of Act 2012-313.

23
24 A BILL
25 TO BE ENTITLED
26 AN ACT
27

1 Relating to ad valorem tax exemptions on homesteads
2 and principal residences; to amend Section 40-9-21 of the Code
3 of Alabama 1975, as last amended by Act 2012-313, 2012 Regular
4 Session, relating to homestead exemptions and exemptions on
5 principal residences, to restore the exemption for persons
6 permanently or totally disabled; and to provide for the
7 retroactive application of the above provisions and for the
8 implementation of this act.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. Section 40-9-21 of the Code of Alabama
11 1975, as last amended by Act 2012-313, House Bill 120 of the
12 2012 Regular Session, is amended to read as follows:

13 "§40-9-21.

14 "(a) In addition to the persons and property exempt
15 from ad valorem taxation as prescribed in Section 40-9-1, the
16 principal residence and 160 acres adjacent thereto shall be
17 exempt from ad valorem taxation for any of the following:

18 "(1) Any resident of this state who is retired
19 because he or she is permanently and totally disabled. or

20 "(2) Any resident of this state who is 65 years of
21 age or older, provided the net annual taxable income ~~for~~ of
22 the person claiming the exemption and that of his or her
23 spouse is twelve thousand dollars (\$12,000) or less, as shown
24 on such person's and spouse's latest United States income tax
25 return or some other appropriate evidence acceptable to the
26 department. In the event that such person and spouse are not
27 required to file a United States income tax return, then an

1 affidavit indicating that the net taxable income of such
2 person and spouse for the preceding taxable year was twelve
3 thousand dollars (\$12,000) or less shall be sufficient proof.
4 Proof of age shall be required for an exemption claimed by
5 residents over the age of 65.

6 "(b) Proof of total disability may be, but shall not
7 be limited to, the written certification of such total
8 disability by any two physicians licensed to practice in this
9 state. Any person who is drawing any pension or annuity from
10 the armed services or a company or governmental agency because
11 he or she is permanently and totally disabled shall
12 automatically be granted a certificate of permanent and total
13 disability by the department.

14 "(c) In order to qualify for an exemption under this
15 section, such principal residence must be a single-family
16 residence owned and occupied by a person qualifying under this
17 section.

18 "~~(b)~~ (d) The department shall by rule establish the
19 criteria and proof required for an exemption based upon a
20 person being permanently and totally disabled and shall issue
21 certificates of disability to any person that meets such
22 criteria and provides the required proof. Any person who is
23 drawing any pension or annuity from the armed services, a
24 private company, or any governmental agency because he or she
25 is permanently and totally disabled shall automatically be
26 granted a certificate of permanent and total disability by the
27 department."

1 Section 2. (a) The provisions of Section 1 of this
2 act are retroactive to August 1, 2012, and shall apply to the
3 tax year beginning October 1, 2012.

4 (b) Any persons claiming an exemption under Section
5 40-9-21, Code of Alabama 1975, as amended by this act, for the
6 tax year beginning October 1, 2012, may claim any exemption
7 prior to August 1, 2013.

8 Section 3. This act shall become effective
9 immediately following its passage and approval by the
10 Governor, or its otherwise becoming law.