

1 SB76  
2 188171-2  
3 By Senators Marsh, Williams, Shelnutt, Bussman, Holtzclaw,  
4 Stutts, Livingston, Allen, Reed, Glover, Blackwell, Albritton,  
5 Whatley, Dial, Brewbaker, Ward, Holley, Scofield, Chambliss  
6 and Waggoner  
7 RFD: Finance and Taxation Education  
8 First Read: 09-JAN-18

4 ENGROSSED  
5  
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7 A BILL  
8

9 TO BE ENTITLED  
10

11 AN ACT  
12

13 To amend Sections 40-18-15 and 40-18-19, Code of  
14 Alabama 1975, to expand the adjusted gross income range  
15 allowable for a maximum standard deduction; and to exempt  
16 certain foreign income from income taxes to the extent such  
17 income is exempt from federal income tax.

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19 Section 1. Sections 40-18-15 and 40-18-19, Code of  
20 Alabama 1975, are hereby amended as follows:

21 "§40-18-15.  
22

23 "(a) No deduction shall be allowed for any losses,  
24 expenses, or interest deferred or disallowed pursuant to 26  
U.S.C. § 267 or for any cost required to be capitalized in  
accordance with 26 U.S.C. § 263A; otherwise, there shall be  
allowed as deductions:

25 "(1) All ordinary and necessary expenses paid or  
26 incurred during the taxable year in carrying on any trade or  
27 business, as determined in accordance with 26 U.S.C. § 162.

"(2) Interest paid or accrued within the taxable year on indebtedness, limited to the amount allowable as an interest deduction for federal income tax purposes in the corresponding tax year or period pursuant to the provisions of 26 U.S.C. §§ 163, 264, and 265.

"(3) The following taxes paid or accrued within the taxable year:

"a. Income taxes, Federal Insurance Contribution Act taxes, taxes on self-employment income and estate and gift taxes imposed by authority of the United States or any possession of the United States.

"b. State and local, and foreign, occupational  
license taxes, and contributions to state unemployment funds.

"c. State and local, and foreign, real property taxes.

"d. State and local personal property taxes.

"e. The generation-skipping transfer (GST) tax imposed on income distributions by 26 U.S.C. § 2601.

"f. The taxes described in paragraphs c., d., and e. shall be deductible only to the extent that the taxes are deductible for federal income tax purposes under 26 U.S.C. § 164 (relating to taxes).

"g. In addition, there shall be allowed as a deduction, state and local, and foreign taxes, except income taxes, and taxes imposed by authority of the United States or any possession of the United States, which are paid or accrued within the taxable year in carrying on a trade or business or

1 an activity described in 26 U.S.C. § 212 (relating to expenses  
2 for the production of income).

3 "h. Notwithstanding paragraph g., any tax described  
4 in any paragraph preceding paragraph g. that is paid or  
5 accrued in connection with an acquisition or disposition of  
6 property shall be treated as part of the cost of the acquired  
7 property or, in the case of a disposition, as a reduction in  
8 the amount realized on the disposition of that property.

9 " (4) Losses sustained during the taxable year and  
10 not compensated for by insurance or otherwise if incurred in a  
11 trade or business, in accordance with 26 U.S.C. § 165(c)(1).

12 " (5) Losses sustained during the taxable year and  
13 not compensated for by insurance or otherwise, if incurred in  
14 any transaction entered into for profit, though not connected  
15 with the trade or business in accordance with 26 U.S.C. §  
16 165(c)(2); but, in the case of a taxpayer other than a  
17 resident of the state, only as to those transactions within  
18 the state.

19 " (6) Casualty and theft losses sustained during the  
20 taxable year of property not connected with the conduct of a  
21 trade or business or a transaction entered into for profit as  
22 determined in accordance with subsections (c)(3) and (h) of 26  
23 U.S.C. § 165. In the case of a nonresident, the deduction  
24 shall be allowed only for the losses arising from property  
25 located within the State of Alabama and the limitations in 26  
26 U.S.C. § 165 shall be applied with regard only to the  
27 taxpayer's Alabama adjusted gross income. No loss shall be

1 allowed if at the time of filing the return, the loss has been  
2 claimed on a federal estate tax return.

3 "(7) Losses from debts ascertained to be worthless  
4 and charged off during the taxable year of ascertainment, if  
5 sustained in the conduct of the regular trade or business of  
6 the taxpayer.

7 "(8) A reasonable allowance for the exhaustion, wear  
8 and tear of property from which any income is derived,  
9 including a reasonable allowance for obsolescence, in  
10 accordance with 26 U.S.C. §§ 167 and 168, and an allowance for  
11 the amortization of intangibles determined in accordance with  
12 26 U.S.C. § 197.

13 "(9) In the case of mines, oil, and gas wells, other  
14 natural deposits and timber, a reasonable allowance for  
15 depletion and for depreciation of improvements, according to  
16 the peculiar condition in each case based upon the cost,  
17 including the cost of development not otherwise deducted, such  
18 reasonable allowance in all cases to be made under rules and  
19 regulations to be prescribed by the Department of Revenue;  
20 and, in the case of leasehold interests, the deduction allowed  
21 by this section shall be equitably apportioned between the  
22 lessor and the lessee.

23 "(10) Charitable contributions to the extent allowed  
24 for federal income tax purposes under 26 U.S.C. § 170  
25 (relating to charitable contributions and gifts).

1                         "(11) The deduction allowed to the individual for  
2 federal income tax purposes by 26 U.S.C. § 219 (relating to  
3 retirement savings).

4                         "(12) The deduction allowed for federal income tax  
5 purposes by 26 U.S.C. § 404 (relating to qualified pension,  
6 profit sharing, stock bonus, and annuity plans).

7                         "(13) For each individual income taxpayer, medical  
8 and dental expenses, including amounts paid for medicine and  
9 drugs and amounts paid for accident and health insurance, as  
10 determined in accordance with 26 U.S.C. § 213; provided,  
11 however, that the limitation of the deduction to the excess of  
12 those expenses over 7.5 percent of adjusted gross income as  
13 provided in 26 U.S.C. § 213 shall instead be limited to the  
14 excess of those expenses over 4.0 percent of adjusted gross  
15 income.

16                         "(14) For each individual income taxpayer, the  
17 deduction determined in accordance with 26 U.S.C. § 212 for  
18 all the ordinary and necessary expenses paid or incurred  
19 during the taxable year for the production or collection of  
20 income, or for the management, conservation, or maintenance of  
21 property held for the production of income, or in connection  
22 with the determination, collection, or refund of any tax.

23                         "(15) Any expense not exceeding \$1,000 actually  
24 incurred during the taxable year in constructing on his or her  
25 property a family radioactive fallout shelter, as approved and  
26 certified by the State Department of Emergency Management, and  
27 any amount not exceeding \$1,000 which he or she contributed

1                   during the taxable year toward the construction of a community  
2                   radioactive fallout shelter.

3                   "(16) A deduction from the taxpayer's adjusted gross  
4                   income for state income tax purposes of the total cost of  
5                   installation for conversion from gas or electricity to wood as  
6                   the primary energy source for heating their individual  
7                   domestic homes for the taxable year during which a conversion  
8                   was completed.

9                   "(17) Alimony and separate maintenance payments, the  
10                  amount deductible to be the same as the amount deductible for  
11                  federal income tax purposes under 26 U.S.C. § 215 (relating to  
12                  alimony payments).

13                  "(18) Moving expenses paid or incurred during the  
14                  taxable year as allowed under 26 U.S.C. § 217 (relating to  
15                  moving expenses). However, in applying 26 U.S.C. § 217, the  
16                  term "new principal place of work" means only places of work  
17                  located within the State of Alabama.

18                  "(19) Any expense not exceeding \$35,000 actually  
19                  incurred during the taxable year in removing from his or her  
20                  property any architectural or transportation barriers to  
21                  handicapped persons with nonambulatory and semiambulatory  
22                  disabilities; provided, however, that any improvements  
23                  resulting from that expense shall not be eligible to be  
24                  capitalized for depreciation.

25                  "(20) Notwithstanding subdivision (1), the deduction  
26                  for expenses of travel, entertainment, and meals shall be  
27                  determined in accordance with 26 U.S.C. § 274.

1                         "(21) The deduction allowed by 26 U.S.C. § 179  
2 (relating to expensing certain depreciable property), provided  
3 that no deduction shall be allowed under subdivision (8) for  
4 any amount allowed as a deduction under this subdivision.

5                         "(22) The deduction allowed by 26 U.S.C. § 195  
6 (relating to amortization of start-up expenditures), but in  
7 the case of a nonresident, only if the principal place of  
8 business of the business investigated, created, or acquired is  
9 located in the State of Alabama.

10                         "(23) The deduction allowed by subdivision (1), to  
11 the extent that it consists of unreimbursed employee business  
12 expenses, and the deduction allowed by subdivision (14) shall  
13 be allowed only to the extent that the aggregate of the  
14 deductions exceeds 2 percent of adjusted gross income.

15                         "(24) The reasonable medical and legal expenses paid  
16 or incurred by the taxpayer in connection with the adoption of  
17 a minor. For purposes of this subdivision, medical expenses  
18 shall include any medical and hospital expenses of the adoptee  
19 and the adoptee's biological mother which are incident to the  
20 adoptee's birth and subsequent medical care and which, in the  
21 case of the adoptee, are paid or incurred before the petition  
22 is granted.

23                         "(25) The amount of any aid or assistance, whether  
24 in the form of property, services, or monies, provided to the  
25 State Industrial Development Authority pursuant to Section  
26 41-10-44.8(d) in order to induce an approved company to  
27 undertake a major project within the state.

1                         "(26) The amount of premiums paid pursuant to a  
2 qualifying insurance contract for qualified long-term care  
3 coverage.

4                         "(27) The amount deductible by the taxpayer in  
5 accordance with 26 U.S.C. § 162(h).

6                         "(28) The amount, up to five thousand dollars  
7 (\$5,000) per annum, contributed subsequent to December 31,  
8 2007, to the Alabama Prepaid Affordable College Tuition  
9 Program or the Alabama College Education Savings Program as  
10 defined in Chapter 33C of Title 16. If the taxpayer makes a  
11 nonqualified withdrawal as defined by Section 529 of the  
12 Internal Revenue Code (26 U.S.C. 529), the amount of the  
13 nonqualified withdrawal, plus 10 percent of the amount  
14 withdrawn, shall be added back to the income of the  
15 contributing taxpayer in the year the nonqualified withdrawal  
16 was distributed.

17                         "(b) (1) In lieu of the deductions allowable to  
18 individual taxpayers, as provided in subdivision (1) of  
19 subsection (a) to the extent of unreimbursed employee business  
20 expenses, and as provided in subdivisions (2), (3), (5), (6),  
21 (10), (13), (14), (15), (16), (19), (22), and (26) of  
22 subsection (a), the taxpayer may elect to take the optional  
23 standard deduction of 20 percent of the adjusted gross income  
24 or \$2,000, whichever is the lesser. Taxpayers filing jointly  
25 as defined in Section 40-18-27 may elect to take the optional  
26 standard deduction of 20 percent of the adjusted gross income  
27 or \$4,000, whichever is the lesser.

"(2) For tax years beginning after December 31, 2006, the optional standard deduction shall be determined as follows:

"a. The standard deduction for married taxpayers filing jointly with adjusted gross income of \$20,000 or less shall be \$7,500. For married taxpayers filing jointly with adjusted gross income of greater than \$20,000, the standard deduction shall be reduced by \$175 for each \$500 of adjusted gross income in excess of \$20,000. Notwithstanding the preceding sentence, the standard deduction shall not be less than \$4,000 for married taxpayers filing jointly.

"b. The standard deduction for married taxpayers filing separate returns with adjusted gross income of \$10,000 or less shall be \$3,750. For married taxpayers filing separate returns with adjusted gross income of greater than \$10,000, the standard deduction shall be reduced by \$88 for each \$250 of adjusted gross income in excess of \$10,000. Notwithstanding the preceding sentence, the standard deduction shall not be less than \$2,000 for married taxpayers filing separate returns.

"c. The standard deduction for head of family  
taxpayers with adjusted gross income of \$20,000 or less shall  
be \$4,700. For head of family taxpayers with adjusted gross  
income of greater than \$20,000, the standard deduction shall  
be reduced by \$135 for each \$500 of adjusted gross income in  
excess of \$20,000. Notwithstanding the preceding sentence, the

1 standard deduction shall not be less than \$2,000 for head of  
2 family taxpayers.

3 "d. The standard deduction for single taxpayers with  
4 adjusted gross income of \$20,000 or less shall be \$2,500. For  
5 single taxpayers with adjusted gross income of greater than  
6 \$20,000, the standard deduction shall be reduced by \$25 for  
7 each \$500 of adjusted gross income in excess of \$20,000.

8 Notwithstanding the preceding sentence, the standard deduction  
9 shall not be less than \$2,000 for single taxpayers.

10 " (3) For tax years beginning after December 31, 2018,  
11 the optional standard deduction shall be determined as  
12 follows:

13 " a. The standard deduction for married taxpayers  
14 filng jointly with adjusted gross income of less than \$23,000  
15 shall be \$7,500. For married taxpayers filing jointly, the  
16 standard deduction shall be reduced further by \$175 for each  
17 \$500 of adjusted gross income in excess of \$23,000.

18 Notwithstanding the preceding sentence, the standard deduction  
19 shall not be less than \$4,000 for married taxpayers filing  
20 jointly.

21 " b. The standard deduction for married taxpayers  
22 filng separate returns with adjusted gross income of less  
23 than \$10,500 shall be \$3,750. For married taxpayers filing  
24 separate returns, the standard deduction shall be reduced  
25 further by \$88 for each \$250 of adjusted gross income in  
26 excess of \$10,500. Notwithstanding the preceding sentence, the

1 standard deduction shall not be less than \$2,000 for married  
2 taxpayers filing separate returns.

3 "c. The standard deduction for head of family  
4 taxpayers with adjusted gross income of less than \$23,000  
5 shall be \$4,700. For head of family taxpayers, the standard  
6 deduction shall be reduced further by \$135 for each \$500 of  
7 adjusted gross income in excess of \$23,000. Notwithstanding  
8 the preceding sentence, the standard deduction shall not be  
9 less than \$2,000 for head of family taxpayers.

10 "d. The standard deduction for single taxpayers with  
11 adjusted gross income of less than \$23,000 shall be \$2,500.  
12 For single taxpayers, the standard deduction shall be reduced  
13 further by \$25 for each \$500 of adjusted gross income in  
14 excess of \$23,000. Notwithstanding the preceding sentence, the  
15 standard deduction shall not be less than \$2,000 for single  
16 taxpayers.

17 " "(c) A deduction is allowable for the amount of  
18 federal income tax paid or accrued within the taxable year. In  
19 the case of a nonresident taxpayer, the amount of federal  
20 income tax deductible to Alabama shall be determined by the  
21 ratio that the amount of adjusted gross income received from  
22 sources within the State of Alabama bears to the amount of  
23 adjusted gross income received from sources within and outside  
24 the State of Alabama.

25 " "(d) If separate returns are filed by husband and  
26 wife and one spouse elects to claim the optional standard  
27 deduction, the other spouse must also claim the optional

1 standard deduction, unless, for the tax returns filed for the  
2 2014 and subsequent tax years, the spouses have lived apart  
3 for the entire year. In this case, each spouse may claim  
4 either the optional standard deduction or itemized deductions.  
5 Neither spouse may claim a deduction for expenses paid by the  
6 other spouse.

7 "(e) In the case of a nonresident individual:

8 "(1) The deductions allowed in subdivisions (1),  
9 (2), (3), (4), (5), (7), (8), (9), (11), (12), (19), (21),  
10 (23), and (25) of subsection (a) shall be allowed only to the  
11 extent that they are paid or incurred in carrying on a trade  
12 or business within the State of Alabama and the deduction  
13 allowed by Section 40-18-15.2 shall be allowed only to the  
14 extent it arose from a trade or business carried on in  
15 Alabama.

16 "(2) The deductions allowed by subdivisions (2),  
17 (3), (5), (8), (9), (14), and (19) of subsection (a) shall be  
18 allowed only to the extent arising from property located in  
19 Alabama or transactions producing income that is subject to  
20 tax in the State of Alabama.

21 "(3) The amount of the deductions allowed by  
22 subdivisions (2), (3), (6), (10), (13), (15), (16), (17),  
23 (19), (24), and (26) of subsection (a) (and not allowed by  
24 subdivisions (1) or (2) of this subsection), or by subsection  
25 (b) if the taxpayer elects the standard deduction, shall be  
26 limited to the amount determined by multiplying the total of  
27 such deductions by a fraction, the numerator of which is the

1 taxpayer's adjusted gross income determined using the rules  
2 provided in subdivisions (1) and (2) of this subsection and  
3 the denominator of which is the taxpayer's adjusted gross  
4 income determined under Section 40-18-14.2. The deduction  
5 allowed in subdivision (17) of subsection (a) shall not be  
6 subtracted in calculating either the numerator or denominator  
7 in the previous sentence.

8                 "(f) Nothing in this section shall allow any item to  
9 be deducted more than once."

10                 "§40-18-19.

11                 "(a) The following exemptions from income taxation  
12 shall be allowed to every individual resident taxpayer:

13                 "(1) Retirement allowances, pensions and annuities,  
14 or optional allowances, approved by the Board of Control of  
15 the Teachers' Retirement System of Alabama, which exempt  
16 status is set out in Section 16-25-23.

17                 "(2) Retirement allowances, pensions and annuities  
18 or optional allowances, approved by the Board of Control of  
19 the Employees' Retirement System of Alabama, which exempt  
20 status is set out in Section 36-27-28.

21                 "(3) The first eight thousand dollars (\$8,000) of  
22 any retirement compensation, retirement allowances, pensions  
23 and annuities, or optional allowances, received by any  
24 eligible firefighter, as defined in Sections 36-32-1 and  
25 36-32-2, or his or her designated beneficiary, from any  
26 firefighting agency established in the State of Alabama, but  
27 only if such retirement compensation, retirement allowances,

1 pensions and annuities, or optional allowances as are awarded  
2 as a result of fire protection services rendered. This  
3 subdivision shall become effective for the taxable years  
4 beginning January 1, 1987, and thereafter following its  
5 passage and approval by the Governor, or upon its otherwise  
6 becoming a law; provided, that for the taxable years beginning  
7 on or after January 1, 1991, all of the pension and retirement  
8 payments shall be exempt from taxation.

9 "(4) The first eight thousand dollars (\$8,000) of  
10 any retirement compensation, retirement allowances, pensions  
11 and annuities, or optional allowances received by any eligible  
12 peace officer, as defined in subsection (11) of Section  
13 36-21-60, or his or her designated beneficiary, from any  
14 police retirement system established in the State of Alabama,  
15 but only if the retirement compensation, retirement  
16 allowances, pensions and annuities, or optional allowances are  
17 awarded as a result of police services rendered. This  
18 subdivision shall become effective for taxable years beginning  
19 January 1, 1984, and thereafter; provided, that for the  
20 taxable years beginning on or after January 1, 1991, all of  
21 the pension and retirement payments shall be exempt from  
22 taxation.

23 "(5) Income received as annuities under the United  
24 States Retirement System from the United States Government  
25 Civil Service Retirement and Disability Fund including income  
26 received from the Tennessee Valley Authority's pension system,  
27 income received as annuities under the United States Foreign

1 Service Retirement and Disability Fund or income received from  
2 any other United States government retirement and disability  
3 fund.

4 "(6) Beginning January 1, 1991, all payments made on  
5 or after such date to a retiree or his designated beneficiary  
6 under a "defined benefit plan," as defined under Section  
7 414(j) of the Internal Revenue Code of 1986, as amended from  
8 time to time, to the extent such payment would be taxable for  
9 federal income tax purposes.

10 "(7) Net income realized by individuals and  
11 partnerships from time to time in the business of conducting a  
12 financial business employing moneyed capital coming into  
13 competition with the business of national banks, but only if  
14 such individuals and partnerships are subject to an excise tax  
15 imposed by this state on or with respect to such income.

16 "(8) In the case of a single person or a married  
17 person not living with husband or wife, a personal exemption  
18 of one thousand five hundred dollars (\$1,500) or, in the case  
19 of a head of a family or a married person living with husband  
20 or wife, a personal exemption of three thousand dollars  
21 (\$3,000), but a husband and wife living together shall receive  
22 only one personal exemption of three thousand dollars (\$3,000)  
23 against their aggregate income, and in case they make separate  
24 returns each must claim a personal exemption of one thousand  
25 five hundred dollars (\$1,500).

26 "(9) a. Three hundred dollars (\$300) for each  
27 person, other than husband or wife, dependent upon the

1 taxpayer, and over half of whose support, for the calendar  
2 year in which the taxable year for the taxpayer begins, was  
3 received from the taxpayer.

4 "b. For tax years beginning after December 31, 2006,  
5 for taxpayers with adjusted gross income equal to or less than  
6 \$20,000, one thousand dollars for each person other than  
7 husband or wife, dependent upon the taxpayer, and over half of  
8 whose support, for the calendar year in which the taxable year  
9 for the taxpayer begins, was received from the taxpayer.

10 "c. For tax years beginning after December 31, 2006,  
11 for taxpayers with adjusted gross income in excess of \$20,000  
12 and equal to or less than \$100,000, five hundred dollars for  
13 each person other than husband and wife, dependent upon the  
14 taxpayer, and over half of whose support, for the calendar  
15 year in which the taxable year for the taxpayer begins, was  
16 received from the taxpayer.

17 "For the purposes of this section, "dependent" shall  
18 mean: A son or daughter of the taxpayer or a descendant of  
19 either; a stepson or stepdaughter of the taxpayer; a brother,  
20 sister, stepbrother, or stepsister of the taxpayer; the father  
21 or mother of the taxpayer or an ancestor of either; a  
22 stepfather or stepmother of the taxpayer; a son or daughter of  
23 a brother or sister of the taxpayer; a brother or sister of  
24 the father or mother of the taxpayer; a son-in-law,  
25 daughter-in-law, father-in-law, mother-in-law, brother-in-law,  
26 or sister-in-law of the taxpayer. As used in this paragraph  
27 the terms "brother" and "sister" include a brother or sister

1 by the half blood. For the purpose of determining whether any  
2 of the foregoing relationships exist, a legally adopted child  
3 of a person shall be considered a child of such a person by  
4 blood.

5 "(10) Beginning January 1, 1998, all income,  
6 interest, dividends, gains, or benefits of any kind received  
7 from savings accounts or prepaid tuition contracts  
8 administered under Title 16, Chapter 33C, are exempt from all  
9 income taxation by the state and by all of its political  
10 subdivisions to the extent that the amounts remain on deposit  
11 in the PACT Trust Fund or the ACES Trust Fund, or are used to  
12 pay the designated beneficiary's qualified higher education  
13 expenses as defined in Section 529 of the Internal Revenue  
14 Code of 1986, as amended, or are refunded under such terms as  
15 would not carry a penalty under Section 529 of the Internal  
16 Revenue Code of 1986, as amended.

17 "(11) Beginning January 1, 2016, all income,  
18 interest, dividends, gains or benefits of any kind received  
19 from ABLE savings accounts administered under Title 16,  
20 Chapter 33C, are exempt from all income taxation by the state  
21 and by all of its political subdivisions to the extent that  
22 the amounts remain on deposit in the ABLE Trust Fund, or are  
23 used to pay the designated beneficiary's qualified disability  
24 expenses as defined in Section 529A of the Internal Revenue  
25 Code of 1986, as amended, or are refunded under such terms as  
26 would not carry a penalty under Section 529A of the Internal

1 Revenue Code of 1986, as amended, or other applicable federal  
2 law.

3 "(12) Beginning January 1, 2018, amounts received by  
4 an individual from sources within a foreign country or  
5 countries which constitute housing allowance, and earned  
6 income attributable to services performed by such individual  
7 received during the tax period are exempt from all income  
8 taxation by the state and by all of its political subdivisions  
9 to the extent such income is exempt from federal income tax  
10 pursuant to 26 U.S.C Section 911.

11                 "(b) Of the following personal exemptions allowed  
12 resident taxpayers, each nonresident individual taxpayer shall  
13 be allowed that proportion thereof that the adjusted gross  
14 income received by said nonresident individual taxpayer from  
15 sources within the State of Alabama bears to his or her  
16 adjusted gross income received from sources within and without  
17 the State of Alabama: In the case of a single person or a  
18 married person not living with husband or wife, a personal  
19 exemption of one thousand five hundred dollars (\$1,500) or, in  
20 the case of a head of a family or a married person living with  
21 husband or wife, a personal exemption of three thousand  
22 dollars (\$3,000), a husband and wife living together shall  
23 receive but one personal exemption of three thousand dollars  
24 (\$3,000) against their aggregate income; and, in case they  
25 make separate returns, each must claim a personal exemption of  
26 one thousand five hundred dollars (\$1,500); and the amount in  
27 subdivision (9) of subsection (a) for each person, other than

1                   husband or wife, dependent upon and receiving his chief  
2                   support from the taxpayer."

3                   Section 2. All laws or parts of laws which conflict  
4                   with this act are repealed.

5                   Section 3. This act shall become effective  
6                   immediately following its passage and approval by the  
7                   Governor, or its otherwise becoming law.

1

2

3 Senate

4 Read for the first time and referred to the Senate  
5 committee on Finance and Taxation Education .....

09-JAN-18

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7 Read for the second time and placed on the calen-  
8 dar.....

23-JAN-18

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10 Read for the first time.....

09-JAN-18

11

12 Read for the third time and passed as amended .....

25-JAN-18

13 Yeas 28  
14 Nays 0

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16

17 Patrick Harris,  
18 Secretary.  
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