

1 HB296
2 127571-1
3 By Representatives Davis, Faust, Baker, Shiver and McMillan
4 RFD: Ways and Means Education
5 First Read: 22-MAR-11

SYNOPSIS: Currently, homeowners are provided insurance premium reductions for retrofitting their homes to strengthen the structures in order to help resist hurricane and other windstorm damages.

This bill would provide a state income tax credit to homeowners who retrofit their homes to help resist such wind and storm damages. The credit would be the lesser of 25 percent of the retrofitting costs or \$1,500.

A BILL
TO BE ENTITLED
AN ACT

Relating to homeowners who retrofit their homes to help resist hurricane and windstorm damages pursuant certain specifications; to provide an income tax credit of the lesser of 25 percent of the costs of such retrofitting or \$1,500.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. (a) An individual taxpayer is allowed a
2 credit against personal income tax for costs incurred to
3 retrofit a structure qualifying as the legal residence of the
4 taxpayer, as specified in Section 27-31D-2, Code of Alabama
5 1975, to make it more resistant to loss due to hurricane,
6 rising floodwater, or other catastrophic windstorm event.

7 (b) In order to qualify for the state income tax
8 credit, costs may not include ordinary repair or replacement
9 of existing items, and shall be associated with those
10 fortification measures defined in Section 27-31D-2, designed
11 to increase the resistance of the residence to hurricane,
12 rising floodwater, or catastrophic windstorm event damage.

13 (c) The tax credit shall be available for any
14 taxable year beginning with the 2009 tax year and may not
15 exceed the lesser of the following:

16 (1) Twenty-five percent of the retrofitting cost
17 incurred.

18 (2) One thousand five hundred dollars (\$1,500).

19 (d) The cost of items that otherwise qualify for the
20 credit that are purchased with any available grant funds are
21 not eligible for this credit if the grants are not included in
22 the income of the taxpayer.

23 Section 2. This act shall become effective
24 immediately following its passage and approval by the
25 Governor, or its otherwise becoming law.