

1 SB493  
2 131535-1  
3 By Senator Orr  
4 RFD: Finance and Taxation Education  
5 First Read: 24-MAY-11

8 SYNOPSIS: Certain tax abatements and tax credits  
9 otherwise allowable under state law could be  
10 disqualified, disallowed, or unduly delayed simply  
11 as the result of the unforeseen destruction and  
12 economic disruptions caused by the recent tornado  
13 outbreak on April 15 and April 27, 2011. This bill  
14 would insure these devastating events would not  
15 alter the outcome of otherwise viable economic  
16 decisions and plans.

17  
18 A BILL

19 TO BE ENTITLED

20 AN ACT

21  
22 To establish the Tornado Recovery Tax Incentive  
23 Protection Act of 2011; to protect the granting and extension  
24 of economic benefits that became impacted and disrupted by the  
25 recent tornado outbreaks on April 15 and April 27, 2011, due  
26 to property damage and unexpected deadline delays during the  
27 qualification processes.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall be known as the "Tornado Recovery Tax Incentive Protection Act of 2011."

Section 2. (a) Tax abatements that may otherwise be granted pursuant to Chapter 9B, Title 40 of the Code of Alabama 1975, shall not be subject to disqualification solely because the underlying transactions or property relate to the repair or replacement of property damaged in the devastating tornado outbreaks of April 15 and April 27, 2011, and not to new construction. This expansion of Alabama's abatement law applies to transactions entered into or property acquired before December 31, 2012. Ad valorem tax abatements in existence on April 15 or April 27, 2011, shall not be disallowed due to an interruption of a qualifying business activity at the site lasting through October 1, 2011, and directly attributable to the tornados of April 15 and April 27, 2011.

(b) The wage and employee requirements of the capital credit provided for in Title 40, Chapter 18, Article 7 of the Code of Alabama 1975, shall be tolled for a period of two years for any otherwise qualifying projects that were damaged by the tornados of April 15 and April 27, 2011.

Section 3. The provisions of this act are severable. If any part of this act is declared invalid or unconstitutional, that declaration shall not affect the part which remains.

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2 with this act are repealed.

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