HB162

1M4R33Z-1

By Representative Lomax

RFD: Ways and Means General Fund

First Read: 14-Feb-24

SYNOPSIS:

Under existing law there is no limit on increases in the assessed value of real and personal property.

This bill would provide for a cap on increases on Class IV property tax assessments under certain conditions.

A BILL

TO BE ENTITLED

AN ACT

Relating to property taxes; to add a new section to the Code of Alabama 1975, to provide a cap on increases on Class IV property tax assessments under certain conditions.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. A new section is added to the Code of Alabama 1975, to read as follows:

(a) After each county-wide reappraisal, as provided by Article 2, Chapter 7, Title 40, Code of Alabama 1975, and the resulting assessed value of property for ad valorem tax purposes, the tax assessor shall compare the assessed value of Class IV property reappraised or reassessed to the prior year's assessed value. If the assessed value of the property

increased, then the tax assessor shall adjust the assessed value of the property to not more than a three percent increase in the assessed value of the property from the previous year's assessed value.

(b) The limitations provided for in subsection (a) shall not apply to a change in ownership of the property.

Section 2. This act shall become effective on October 1, 2024.