



## FISCAL NOTE

### Senate Bill 265

Committee: Fiscal Responsibility and  
Economic Development

Sponsor: Senator Andrew Jones

Analyst: Mathieu Fuller

Date: 02/11/2026

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**Senate Bill 265** as introduced would increase potential sales tax receipts to the State General Fund, beginning in Fiscal Year 2027, by an undetermined amount dependent upon the amount of any state sales tax collected on construction related transactions for data processing centers, after the centers are placed into service, that otherwise would have been abated under current law. Under current law, certain state sales taxes that otherwise would be abated are unabated and deposited in the Alabama Development Fund, while all other state sales taxes collected after the expiration of the abatement are otherwise deposited in the Education Trust Fund.

This bill would also reduce potential ad valorem tax, mortgage and deed tax, and sales tax receipts to the State General Fund, Education Trust Fund, Alabama Historical Commission, and Veterans Assistance Fund and would reduce potential non-education ad valorem and sales tax receipts to local governments by an undetermined amount dependent on the amount of taxes that otherwise would be collected from data processing centers that locate or expand operations in the state after July 31, 2028 (the current sunset date for applying for these abatements) through July 31, 2032 (the new sunset date for applying for these abatements provided by this bill).

This bill would also decrease the maximum time period abatements that certain data processing centers may be authorized from 30 years, under current law, to 20 years, as provided by this bill.