

HB73 ENROLLED



1 HB73

2 FYV8C55-3

3 By Representatives Pettus, Crawford, Reynolds, Shaver,
4 Stringer, Moore (P), Shirey, Brown, Fidler, Lipscomb, Givens,
5 Daniels, Simpson, Shedd, Lee, Harrison, Ingram, Lovvorn,
6 Hulsey, Oliver, Rigsby, Ledbetter, Collins

7 RFD: Ways and Means General Fund

8 First Read: 06-Feb-24

9 PFD: 30-Jan-24



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1 Enrolled, An Act,

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3 Relating to ad valorem taxation; to limit the assessed
4 value of certain real property for ad valorem tax purposes,
5 with exceptions.

6 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

7 Section 1. (a) After each county-wide reappraisal, as
8 provided by Article 2, Chapter 7, Title 40, Code of Alabama
9 1975, and the resulting assessed value of property for ad
10 valorem tax purposes, the tax assessor shall annually compare
11 the assessed value of each real property reappraised or
12 reassessed to the prior year's assessed value. If the assessed
13 value of the property increased, then the tax assessor shall
14 adjust the assessed value of the property pursuant to this
15 section.

16 (b) (1) Class III properties, as defined in Section
17 40-8-1, Code of Alabama 1975, shall be limited to not more
18 than a seven percent increase in the assessed value of the
19 property from the previous year's assessed value.

20 (2) Class II properties, as defined in Section 40-8-1,
21 Code of Alabama 1975, shall be limited to not more than a
22 seven percent increase in the assessed value of the property
23 from the previous year's assessed value.

24 (c) The limitations provided for in subsection (b)
25 shall not apply to:

26 (1) Real property that has never been assessed.

27 (2) Additions or improvements to real property,
28 including new construction. This shall not include repairs to



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29 or ordinary maintenance of an existing structure or the
30 grounds of the property.

31 (3) Change to the classification of the property.

32 (4) Change in ownership of the property, except for any
33 of the following:

34 a. Transfers between spouse or family members for no or
35 nominal consideration, including upon death of owner.

36 b. Transfers due to redemption after foreclosure of a
37 mortgage, tax sale, or tax lien.

38 (5) Property located in a tax increment district
39 created pursuant to Chapter 99 of Title 11.

40 (d) The limitations provided for in subsection (b)
41 shall be effective October 1, 2024 and shall continue through
42 the fiscal year beginning October 1, 2027.

43 Section 2. This act shall become effective on October
44 1, 2024.



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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 09-Apr-24, as amended.

John Treadwell
Clerk

Senate	08-May-24	Amended and Passed
House	08-May-24	Concurred in Senate Amendment