

1 HB449
2 210051-1
3 By Representatives Faulkner, Carns, Ingram, Wheeler,
4 Sanderford, Oliver, Whitt, Stringer, Isbell, Estes, Wood (D),
5 Wadsworth, Meadows, Pettus, Brown (K), Brown (C), Wingo,
6 Wilcox, McMillan, Kiel, Robertson, Treadaway, McCutcheon,
7 Hurst, Mooney, Faust, Drummond, Forte, Warren, Hollis,
8 Lawrence and Drake
9 RFD: State Government
10 First Read: 24-FEB-21

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8 SYNOPSIS: Under existing law, in the event the value
9 of a taxpayer's personal or real property is
10 increased by the county tax assessing official over
11 the assessed value as fixed for the next preceding
12 year, the taxpayer must be provided a notice
13 showing the revised value.

14 This bill would provide that the revised
15 valuation notice must be mailed to the taxpayer by
16 no later than May 1.

17 Under existing law, when an appeal is taken,
18 the taxpayer must pay the taxes due as fixed for
19 assessment for the preceding tax year before the
20 taxes become delinquent.

21 This bill would establish an extension of
22 time to pay taxes and file appeals to circuit court
23 when the Board of Equalization has not reached a
24 decision on the taxpayer's appeal on or before
25 November 30.

26 Also under existing law, when the work of
27 hearing objections against values fixed on taxable

1 property has been completed by the board of
2 equalization, the tax assessor must enter upon the
3 tax return lists the corrected values, if any
4 changes have been made.

5 This bill would also require the secretary
6 of the board to immediately send notice by mail to
7 each taxpayer notifying him or her of the board's
8 decision concerning the hearing of objections
9 against values fixed on taxable property.

10 This bill would also make nonsubstantive,
11 technical revisions to update the existing code
12 language to current style.

13
14 A BILL
15 TO BE ENTITLED
16 AN ACT

17
18 Relating to taxation; to amend Sections 40-2-18,
19 40-3-21, 40-3-25, and 40-7-25, Code of Alabama 1975, to
20 provide a date certain by which valuation notices must be
21 mailed by county assessing officials; to provide notice
22 requirements regarding certain decisions of the Board of
23 Equalization; to extend the time to pay taxes and file an
24 appeal regarding certain actions of the Board of Equalization;
25 and to make nonsubstantive, technical revisions to update the
26 existing code language to current style.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Sections 40-2-18, 40-3-21, 40-3-25, and
2 40-7-25, Code of Alabama 1975, are amended to read as follows:

3 "§40-2-18.

4 "(a) Whenever the work of revaluing and equalizing
5 any class or classes of property has been completed by order
6 of the Department of Revenue, as provided herein, and the
7 revised valuation has been entered on the tax return list, the
8 county board of equalization shall certify over their
9 signatures to the correctness thereof and shall deliver the
10 tax return list showing the assessment and revaluation to the
11 assessing official of the county as their report, and the
12 assessing official shall hold them in his or her office
13 subject to public inspection. The assessing official shall
14 then give notice by publication once a week for three
15 consecutive weeks in a newspaper published in the county, if
16 any are published in the county and, if no newspaper is
17 published in the county, by posting notices in at least three
18 public places in the county that the county board of
19 equalization has returned its report and that the same is open
20 to public inspection and that the board will convene at the
21 courthouse in the county on a day to be named and fixed in the
22 notice to correct any errors in the valuations.

23 "(b) (1) In the event the property of any taxpayer is
24 increased by the county board of equalization when revaluing
25 and equalizing assessments as provided in this section over
26 the assessed value as originally fixed by the board, the
27 taxpayer shall be furnished by mail or in person, with a

1 statement showing separately the revised value of his or her
2 personal property and his or her real property no later than
3 May 1, unless otherwise approved by the Department of Revenue,
4 and also that the taxpayer may file in writing with the
5 secretary of the county board of equalization, within 30
6 calendar days from the date of the notice, objections, if any
7 are made, to the revaluation made as herein provided, and that
8 the county board of equalization will sit on a day to be named
9 and fixed in the notice, when the complaining taxpayer, or his
10 or her agent or attorney may appear and produce evidence in
11 support of any objection as filed.

12 "(2) Notwithstanding the foregoing, failure to give
13 or receive the notice shall not invalidate any assessment and
14 the taxpayer shall have the right at any time before the taxes
15 become delinquent to appear before the county board of
16 equalization and have the assessment of his or her property
17 reopened, if satisfactory proof is made that the taxpayer or
18 his or her agent did not receive notice of the increase.

19 "(c) (1) It shall be the duty of the county board of
20 equalization to convene and sit at the courthouse in its
21 respective county on the day named and fixed in the notices
22 and to remain in session as long as may be necessary for the
23 purpose of hearing objections, if any, that have been filed in
24 writing against the revaluation or equalization so fixed by
25 the board., ~~and at the sitting the~~ The complaining property
26 owner may appear before the board in person or by agent or

1 attorney and produce evidence in support of objections to
2 assessment valuations as fixed on his or her property.

3 "(2) ~~Furthermore, it~~ It shall be the duty of the
4 county board of equalization to examine the complainant under
5 oath and to examine any other witnesses under oath, as to the
6 fair and reasonable market value of the property of the owner,
7 and, if it finds from the evidence the revaluation placed by
8 it on the property was not the amount specified by law on the
9 fair and reasonable market value of the property, then it
10 shall correct the valuations and enter the corrected value
11 upon the tax return on which the property is listed for
12 taxation, so that the return will show the amount specified by
13 law on the fair and reasonable market value, and the corrected
14 amount so entered by the board shall constitute the taxable
15 value of the property.

16 "(3) If the board shall find from all the evidence
17 that the revaluations placed by it on the property were the
18 amount specified by law on the fair and reasonable market
19 value, then the valuation thus made shall remain and stand as
20 the assessable value for taxation of the property. The revised
21 and corrected property valuation thus made shall be fixed as
22 the legal valuation of the property for the payment of the
23 taxes, and it shall be the duty of the taxpayer to pay his or
24 her taxes thereon accordingly.

25 "(d) (1) In the event the revaluation and
26 equalization provided for herein is made by the Department of
27 Revenue, the Department of Revenue shall certify to the

1 correctness of the revised tax assessments, and the newspaper
2 publication shall be made and notices given as when the board
3 of equalization revalues and equalizes property, that the
4 Department of Revenue will sit on the date fixed in the
5 notices to hear evidence in support of objections, if any,
6 filed in writing with the assessing official to revaluations
7 and equalizations made by it.

8 "(2) ~~At the sitting, the~~ The complaining property
9 owner may appear in person or by agent or attorney and produce
10 evidence in support of objections filed by him or her in
11 writing to any revaluation of his or her property. ~~And it~~
12 ~~shall be the duty of the~~ The Department of Revenue ~~to~~ shall
13 examine any other witnesses under oath as to the fair and
14 reasonable market value of the property of the owner. ~~and if~~
15 ~~it~~ If the department finds from the evidence that the
16 readjusted value placed by it on the property was not the
17 amount specified by law on the fair and reasonable market
18 value of the property, then it shall correct the valuations
19 and enter the corrected value upon the tax return on which the
20 property is listed, so that the return will show the amount
21 specified by law on the fair and reasonable market value, and
22 the corrected amount so entered by the Department of Revenue
23 shall constitute the taxable value of the property.

24 "(3) Notwithstanding the foregoing, if the
25 Department of Revenue finds from all the evidence that the
26 valuation placed by it on the property was the amount
27 specified by law on the reasonable market value, then the

1 valuations thus made shall remain and stand as the assessable
2 value for taxation of the property.

3 "(e) From the revaluation and equalization made as
4 herein provided, the taxpayer may appeal to the circuit court
5 in the manner as provided for appeal from the county board of
6 equalization.

7 "§40-3-21.

8 "When the work of hearing objections against values
9 fixed on taxable property shall have been completed by the
10 board of equalization, the ~~tax assessor~~ secretary of the board
11 shall immediately send notice by mail to each taxpayer with a
12 notification of the board's decision. The secretary of the
13 board shall enter upon the tax return lists the corrected
14 values, if any changes have been made therein, which changed
15 or altered value shall be the taxable value of the property or
16 properties, unless an appeal is taken as herein provided or
17 unless otherwise ordered by the Department of Revenue.

18 "§40-3-25.

19 "(a) All appeals from the rulings of the board of
20 equalization fixing the value of property shall be taken
21 within 30 calendar days of the date of the notice required
22 under Section 40-3-21 ~~after the final decision of said board~~
23 ~~fixing the assessed valuation as provided in this chapter.~~ The
24 taxpayer shall file a notice of ~~said~~ the appeal with the
25 secretary of the board of equalization and with the clerk of
26 the circuit court and shall file a bond to be filed with and
27 approved by the clerk of the circuit court, conditioned to pay

1 all costs, and the taxpayer or the state shall have the right
2 to demand a trial by jury by filing a written demand therefor
3 within 10 days after the appeal is taken.

4 "(b) When an appeal is taken, the taxpayer shall pay
5 the taxes due as fixed for assessment for the preceding tax
6 year before the same becomes delinquent; and, upon failure to
7 do so. In cases where the board of equalization has not issued
8 its final ruling fixing the assessed value of the property on
9 or before November 30, the taxpayer shall be granted 30
10 calendar days from the final decision to either pay the taxes
11 due without penalty or to file an appeal with the circuit
12 court and pay the taxes due as fixed for assessment for the
13 preceding tax year without penalty. Upon failure to pay the
14 taxes due as fixed for assessment for the preceding tax year,
15 the court upon motion ex mero motu must dismiss the appeal,
16 unless at the time of taking the appeal the taxpayer has
17 executed a supersedeas bond with sufficient sureties to be
18 approved by the clerk of the circuit court in double the
19 amount of taxes, payable to the State of Alabama, conditioned
20 to pay all taxes, interest, and costs due the state, county,
21 or any agency or subdivision thereof. ~~Such appeals~~

22 "(c) Appeals under this section shall be preferred
23 cases. If from all the evidence the court is of the opinion
24 that the valuation is either too high or too low, it shall
25 render a judgment fixing ~~such~~ the valuation as it may deem
26 fit. The circuit court shall so far as practicable hear ~~such~~
27 the appeals according to the general rules and procedure of

1 courts, but, when acting under this chapter or acquiring
2 jurisdiction as provided herein, it shall have no power to
3 enjoin or suspend the collection of any taxes due. It shall
4 decide all questions as to the legality of the assessment and
5 the valuation of the property. The original assessment sheet
6 or a certified copy, showing the assessment by the board of
7 equalization, shall be sufficient appearance by the state and
8 shall make out a prima facie case.

9 "(d) From the judgment of the circuit court, either
10 the state or the taxpayer may appeal directly to the Supreme
11 Court of Alabama within 42 days of the entry of ~~such~~ the
12 judgment. Upon ~~such~~ the filing of the appeal to the circuit
13 court or to the Supreme Court, the court shall ascertain and
14 determine by its judgment the amount of tax which was invalid
15 or which was excessive both as to the amount paid to the
16 state, counties, county boards of education, municipalities,
17 or other governmental agencies receiving any part of ~~such~~ the
18 taxes, and thereupon, upon presentation of a certified copy of
19 the judgment to the Comptroller, ~~it shall be the duty of the~~
20 Comptroller ~~to~~ shall draw his or her warrant on the State
21 Treasurer in favor of ~~such~~ the taxpayer for ~~such~~ an amount as
22 the judgment of the court shall ascertain and declare has been
23 erroneously paid to the state together with interest from the
24 date of payment, and ~~such~~ a warrant of the Comptroller shall
25 be paid out of any funds in the State Treasury as a current
26 obligation of the year in which ~~said~~ the refund is ordered.

1 "(e) Upon presentation of a certified copy of ~~such~~
2 the judgment to the county commission, or upon presentation of
3 a certified copy of ~~such~~ the judgment to a county board of
4 education or to the city council or other governing body of
5 any municipality, or upon presentation of a certified copy to
6 the governing body of any other agency of the state which may
7 have received any part of ~~said~~ the tax erroneously paid as
8 determined by the judgment, it shall be the duty of the county
9 commission or the county board of education or of the city
10 council or other governmental body of a municipality or of the
11 governmental body of any other agency receiving any part of
12 ~~such~~ the taxes to draw its warrants on the treasurer of ~~such~~
13 the county, school board, municipality, or other agency in
14 favor of the taxpayer for ~~such~~ the amount of ~~said~~ the tax as
15 may have been erroneously paid to ~~such~~ the county, school
16 board, municipality, or other agency, together with interest
17 from the date of payment, and ~~such~~ the amount shall constitute
18 a preferred claim of the current year in which ~~said~~ the refund
19 is ordered, and the respective treasurers ~~are hereby required~~
20 to shall refund ~~such~~ the amounts received by ~~said~~ the county,
21 school board, municipality, or other agency, with interest as
22 herein provided.

23 "(f) In the event the judgment of the court shall
24 fix an assessment greater than that upon which the taxes have
25 been paid on the assessment appealed from, the court shall fix
26 and determine the amount of ~~such~~ excess, and the taxpayer and
27 the sureties on ~~his~~ the taxpayer's appeal bond shall be

1 adjudged to pay taxes due by reason of ~~such~~ the increased
2 assessment with interest from the date of judgment, and the
3 lien and priorities of the state and counties or other
4 agencies shall apply to ~~such~~ the additional amount as in other
5 cases. The court, in fixing the assessment, shall order the
6 assessing authorities to apportion the same and the collecting
7 authorities to collect taxes thereon for the several taxing
8 subdivisions in the manner provided by law.

9 "§40-7-25.

10 "(a) (1) Except as provided in subdivision (2) or as
11 otherwise provided by law, the assessing official shall, from
12 information entered on the tax return list and from all other
13 information known to him or her, or which he or she may
14 procure, proceed to ascertain what, in his or her best
15 judgment, is a fair and reasonable market value of each item
16 of property returned by or listed to any taxpayer; ~~provided,~~
17 ~~that the~~.

18 "(2) The assessed value of any real estate or
19 improvements as fixed for taxation for the year next preceding
20 the then current tax year shall be prima facie the basis of
21 the value of the property for assessment for the current tax
22 year, and the property shall not be assessed for taxation at a
23 less valuation unless, upon evidence submitted to the county
24 board of equalization, as provided for herein, it is found
25 that the assessed valuation of the property reviewed should be
26 reduced.

1 "(b) The assessing official shall in separate
2 columns enter on the list the amount and value and the
3 deduction for exemption to which the taxpayer is entitled. The
4 assessing official shall also add to the list any item of
5 property subject to taxation owned by the taxpayer, or in
6 which he or she has any interest whatever and which he or she
7 had failed or omitted to place on the list; and the taxpayer
8 shall be given notice by the assessing official, by mail or in
9 person, of the items of property added to his or her
10 assessment list or items claimed as exempt which are
11 disallowed by the assessing official after the list has been
12 filed and before the assessing official has completed his or
13 her assessment, and the assessing official shall, upon demand,
14 furnish the taxpayer with a certified copy of his or her
15 assessment list so amended.

16 "(c) In the event the value of real or personal
17 property of any taxpayer is increased by the county board of
18 equalization, herein created, over the assessed value thereof
19 for the next preceding year, the taxpayer shall be furnished
20 by mail or in person, by the secretary of the county board of
21 equalization, with a statement showing separately the value of
22 his or her personal property and his or her real property, and
23 improvements thereon, no later than May 1, unless otherwise
24 provided by the Department of Revenue. The statement shall be
25 signed by the chair of the county board of equalization, and
26 the

1 "(d) The taxpayer may file in writing⁷ with the
2 secretary of the county board of equalization, within 30
3 calendar days of the date of the statement, objections to any
4 assessed valuation fixed as herein provided. Failure to give
5 or receive the notices required in this section shall not
6 invalidate the assessment. The taxpayer shall have the right
7 any time before the taxes become delinquent to appear before
8 the county board of equalization and have the assessment of
9 his or her property reopened, if satisfactory proof is made
10 that the taxpayer or his or her agent did not receive notice
11 of the increase.

12 "(e) The expense of postage incurred in carrying out
13 the provisions of this section shall be paid in equal
14 proportions by the county and state, upon a certified
15 statement thereof by the secretary of the county board of
16 equalization, filed with the court of county commissioners, or
17 the board or court of like jurisdiction and with the
18 Department of Finance."

19 Section 2. The Department of Revenue may adopt rules
20 for the implementation and administration of this act.

21 Section 3. This act shall become effective October
22 1, 2021, following its passage and approval by the Governor,
23 or its otherwise becoming law.