

1 HB8
2 196204-1
3 By Representatives Hanes, Holmes and Ledbetter
4 RFD: Ways and Means Education
5 First Read: 05-MAR-19
6 PFD: 01/10/2019

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8 SYNOPSIS: This bill would establish an income tax
9 credit for eligible taxpayers who incur costs for
10 the construction, acquisition, or installation of a
11 qualified storm shelter, as defined.

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13 A BILL
14 TO BE ENTITLED
15 AN ACT

16
17 Relating to taxation; to provide an income tax
18 credit for the construction, acquisition, or installation of a
19 qualified storm shelter.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. (a) As used in this act, the term
22 qualified storm shelter means a storm shelter or safe room to
23 which all of the following apply:

24 (1) The design is capable of withstanding an EF5
25 tornado.

1 (2) The shelter or room is placed in service as an
2 attachment to the taxpayer's primary residence and no other
3 qualified storm shelter is attached to the residence.

4 (3) The shelter or room meets or exceeds the most
5 recent Federal Emergency Management Agency minimum criteria
6 for the design, construction, and operation of residential
7 safe rooms.

8 (b) An Alabama income tax credit is established for
9 eligible taxpayers who incur costs for the construction,
10 acquisition, or installation of a qualified storm shelter. The
11 tax credit shall equal one-third of the total cost of the
12 construction, acquisition, and installation of the qualified
13 storm shelter, and shall be given each year for a period of
14 three years.

15 (c) The tax credit issued under this act may not
16 decrease a taxpayer's tax liability to less than zero. The tax
17 credit is not refundable or transferable. A taxpayer applying
18 for the tax credit shall apply each year to receive the credit
19 for the preceding calendar year.

20 (d) The Department of Revenue shall prescribe a form
21 to claim the tax credit issued under this act that provides
22 information to the department sufficient for the proper
23 administration of the tax credit. The form shall allow a
24 taxpayer to submit documentation that the costs for which the
25 taxpayer claims credit were incurred for the construction,
26 acquisition, or installation of a qualified storm shelter and

1 that the qualified storm shelter meets or exceeds the Federal
2 Emergency Management Agency minimum criteria for safety.

3 Section 2. This act shall become effective on the
4 first day of the third month following its passage and
5 approval by the Governor, or its otherwise becoming law.