

1 SB128  
2 172959-3  
3 By Senator Williams  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 03-FEB-16

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8 SYNOPSIS: Under existing law, the county board of  
9 equalization fixes the value of property returned  
10 or listed with the property tax assessing official.  
11 A taxpayer may generally appeal the valuation to  
12 the board. Thereafter, the board hears objections  
13 to assessments or valuations and the final decision  
14 of the board may be appealed to circuit court. The  
15 district attorney is required to represent the  
16 state and county in all appeals to the circuit  
17 court. The costs are paid from the budget of the  
18 county board of equalization.

19 This bill would require the county  
20 commission to secure legal counsel for the state  
21 and county when an appeal to the circuit court  
22 involves the valuation of real property for ad  
23 valorem tax assessment purposes. The bill would  
24 also provide that the legal expenses of the case  
25 would be included in the budget of the county board  
26 of equalization or legal counsel may be paid  
27 through a county self-insurance fund.

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2 A BILL  
3 TO BE ENTITLED  
4 AN ACT  
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6 Relating to property tax appeals from the board of  
7 equalization; to amend Section 40-3-26, Code of Alabama 1975,  
8 to provide that the county commission would be responsible for  
9 securing legal counsel for the state and county for an appeal  
10 to the circuit court when the appeal involves the valuation of  
11 property for the purpose of ad valorem tax assessment; and to  
12 further provide that the expenses of the case would be  
13 included in the county's equalization budget and paid as  
14 provided by a law or may be paid through a county  
15 self-insurance fund.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. Section 40-3-26, Code of Alabama 1975, is  
18 amended to read as follows:

19 "§40-3-26.

20 "(a) ~~The district attorneys, together with any~~  
21 ~~special counsel employed by the Department of Revenue, with~~  
22 ~~the approval of the Governor and Attorney General, shall~~  
23 ~~represent~~ county commission shall be responsible for securing  
24 legal counsel to represent the state and county in all  
25 property tax cases appealed to the circuit court in the  
26 county. The district attorneys and state and county officials  
27 are prohibited from representing taxpayers in any controversy

1 between such taxpayers and the state or county; provided, that  
2 they may appear where the value of their own property is in  
3 controversy. The county may retain legal counsel to handle a  
4 property tax appeal or, when available pursuant to coverage  
5 provided by a self-insurance fund created under Chapter 30 of  
6 Title 11, utilize legal counsel provided through that  
7 coverage. In each case where the county commission employs its  
8 own legal counsel for a property tax case appeal, the county  
9 commission, in consultation with the local tax official, shall  
10 adopt a resolution approving the employment of the counsel.  
11 All expenses incurred by the county commission in complying  
12 with this section shall be paid from the budget of the county  
13 board of equalization as provided in Section 40-7-68.

14 "(b) In addition to all other powers granted to the  
15 board of trustees of a self-insurance fund created pursuant to  
16 Chapter 30 of Title 11, the board of trustees of the fund may  
17 provide legal counsel for property tax cases appealed to the  
18 circuit court. Coverage, when available, shall be treated as a  
19 claim filed under Chapter 30."

20 Section 2. This act shall become effective on  
21 October 1, 2016, following its passage and approval by the  
22 Governor, or its otherwise becoming law.