

1 SB49
2 188388-1
3 By Senator Pittman
4 RFD: Finance and Taxation Education
5 First Read: 09-JAN-18
6 PFD: 01/05/2018

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8 SYNOPSIS: Under existing law, municipalities have been
9 authorized to create Neighborhood Infrastructure
10 Authorities to manage, coordinate, and collect
11 voluntary assessments from homeowners and business
12 owners to participate in neighborhood
13 revitalization projects. Income tax credits have
14 been available in the amount of 10 percent of any
15 assessments paid not to exceed \$1,000 in any tax
16 year for a period not exceeding 10 years. The
17 provision for new credits expired December 31,
18 2015.

19 This bill would authorize new income tax
20 credits until 2022 unless further extended by the
21 Legislature.
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23 A BILL
24 TO BE ENTITLED
25 AN ACT
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1 To amend Sections 11-71-11 and 11-71-12 of the Code
2 of Alabama 1975, relating to Neighborhood Infrastructure
3 Authorities authorized to be created by municipalities for
4 homeowners and businesses to participate in neighborhood
5 revitalization projects; to authorize new income tax credits
6 until 2022 unless further extended by the Legislature.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. Sections 11-71-11 and 11-71-12 of the
9 Code of Alabama 1975, are amended to read as follows:

10 "§11-71-11.

11 "(a) Each homeowner and business assessed pursuant
12 to this chapter, beginning in the 2012 tax year until the 2015
13 tax year, shall be eligible for an income tax credit of 10
14 percent of the amount of assessment paid, not to exceed one
15 thousand dollars (\$1,000) credit in any tax year, for a period
16 not exceeding 10 successive tax years.

17 "(b) Each homeowner and business assessed pursuant
18 to this chapter, beginning in the 2018 tax year until the tax
19 year 2022, shall be eligible for an income tax credit of 10
20 percent of the amount of assessment paid, not to exceed one
21 thousand dollars (\$1,000) credit in any tax year, for a period
22 not exceeding 10 successive tax years.

23 "(c) Each local neighborhood infrastructure
24 authority created after the effective date of the act adding
25 this subsection shall provide the Department of Revenue a copy
26 of its articles of incorporation and the municipality's
27 approval of the authority and a list of the members of the

1 authority by December 31 of the year the authority
2 incorporates and is approved by the municipality.

3 "§11-71-12.

4 "~~This~~ The authority for new tax credits under this
5 chapter shall automatically expire ~~December 31, 2015,~~ as
6 provided in Section 11-71-11 unless specifically extended by
7 an act of the Legislature; however, all authorities in
8 existence as of December 31, ~~2015~~ 2022, shall continue in
9 existence until all existing projects of the authority are
10 completed and the authority seeks dissolution."

11 Section 2. This act shall become effective
12 immediately following its passage and approval by the
13 Governor, or its otherwise becoming law.