

1 SB85
2 216320-1
3 By Senators Elliott, Sessions and Williams
4 RFD: Finance and Taxation Education
5 First Read: 13-JAN-22

SYNOPSIS: This bill would establish an income tax credit for eligible taxpayers who pay toll fees to certain toll roads, bridges, or tunnels that are constructed with public funds.

A BILL
TO BE ENTITLED
AN ACT

Relating to taxation; to provide an income tax credit for eligible taxpayers who pay toll road or bridge fees to the Alabama Toll Road, Bridge, and Tunnel Authority, or to a concessionaire of the authority.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. As used in this chapter, the following terms shall have the following meanings:

(1) AUTHORITY. The Alabama Toll Road, Bridge, and Tunnel Authority, as defined in Section 23-2-142, Code of Alabama 1975.

1 (2) AUTHORITY PROJECT. Any type of transportation
2 project constructed or to be constructed on or after the
3 effective date of this act by or on behalf of the authority
4 using public funds of the state, including a project that is
5 leased to a concessionaire by the authority or the Department
6 of Transportation.

7 (3) TAXPAYER. Any person subject to a tax imposed by
8 Chapter 18 of Title 40, Code of Alabama 1975, or whose income
9 is, in whole or in part, subject to a tax imposed by Chapter
10 18 of Title 40, Code of Alabama 1975.

11 (4) TOLL ROAD AND BRIDGE FEES. Any fees prescribed
12 by the authority, or an authority concessionaire, for the use
13 of any toll road, bridge, causeway, or tunnel under the
14 jurisdiction or ownership of the authority, or the operational
15 management of an authority concessionaire.

16 Section 2. (a) An Alabama income tax credit is
17 established for taxpayers who pay toll road or bridge fees to
18 the authority or an authority concessionaire. The tax credit
19 shall equal the total amount of toll road or bridge fees an
20 eligible taxpayer pays in a tax year.

21 (b) The tax credit can only be claimed for tolls
22 associated with authority projects which are completed after
23 the effective date of this act. The entire tax credit may be
24 claimed by the taxpayer in the taxable year in which the toll
25 bridge fees are recognized. Where the taxes owed by the
26 eligible taxpayer are less than the tax credit, the eligible
27 taxpayer may be entitled to claim a refund for the difference.

1 The tax credit is not transferable. An eligible taxpayer
2 applying for the tax credit shall apply each year to receive
3 the credit.

4 (c) Tax credits granted to a partnership, a limited
5 liability company, an S-Corporation, a trust, or an estate,
6 shall be claimed at the entity level and shall not pass
7 through to the partners, members, or owners.

8 (d) There is created within the Education Trust Fund
9 a separate account named the Toll Authority Income Tax Credit
10 Account. The Commissioner of Revenue shall certify to the
11 state Comptroller the amount of income tax credits under this
12 section and the state Comptroller shall transfer into the Toll
13 Authority Income Tax Credit Account an amount from sales tax
14 revenues deposited into the Education Trust Fund that is
15 sufficient for the Department of Revenue to use for the income
16 tax credits for the applicable tax year. The Commissioner of
17 Revenue shall allocate the funds in the Toll Authority Income
18 Tax Credit Account pursuant to this section. The Legislature
19 shall provide by statute or otherwise for the replenishment of
20 the Education Trust Fund for the income tax credits provided
21 in this section from the state's share of Gulf of Mexico
22 Energy Security Act (GOMESA) revenues or any other revenue
23 source dedicated for that purpose.

24 (e) The Department of Revenue shall prescribe a form
25 to claim the tax credit issued under this act that provides
26 information to the department sufficient for the proper

1 administration of the tax credit. The Department of Revenue
2 shall adopt rules for the implementation of this act.

3 Section 3. This act shall become effective
4 immediately following its passage and approval by the
5 Governor, or its otherwise becoming law.