

1 HB310  
2 204979-1  
3 By Representatives Faulkner, Fridy, Rogers, Moore (M),  
4 Easterbrook, Carns, Hill, Wheeler, McCutcheon and Garrett  
5 RFD: State Government  
6 First Read: 20-FEB-20

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

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

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

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

Also under existing law, when the work of 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 objections against  
9 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 July 1, unless otherwise approved by the Department of  
4 Revenue, and also that the taxpayer may file in writing with  
5 the 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 complaining property owner  
9 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 July 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 writing<sup>7</sup> 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  
22      immediately following its passage and approval by the  
23      Governor, or its otherwise becoming law.