

ALABAMA REVENUE DEPARTMENT
ADMINISTRATIVE CODE

CHAPTER 810-4-5
AD VALOREM ASSESSMENT PROCEDURES

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(1) PURPOSE - This rule is issued pursuant to authority contained in Alabama Act 2011-544 for the purpose of establishing guidelines and procedures for the uniform implementation of paragraphs (a) through (d) of the Homeowners and Storm Victims Protection Act of 2011.

(2) DEFINITIONS - For the purpose of this rule, the following terms shall have the following meaning:

(a) Single-Family Dwelling - A single unit structure providing independent residential living facilities for a single family consisting of one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

(b) Fully-Developed Underlying Lot - A lot or parcel of land owned by a qualifying home builder, whether located in a rural or urban area or in a recorded and platted subdivision, upon which a completed or partially completed single-family dwelling rests.

(c) Documentary Evidence - Shall include:

1. A current and valid license issued by the Alabama Homebuilders Licensure Board. Documentary evidence of the date construction begins. (building permit, approval for temporary utility pole, waste water disposal permit issued by the County Health Department)

(d) Effective Date - This rule shall be applied to qualifying properties beginning with the ad valorem tax lien date October 1, 2011.

(e) Home Builder - A person or firm holding a valid and current license issued by the Alabama Homebuilders Licensure Board or who is otherwise authorized by the Board to construct single-family homes under the provisions of Sections 34-14A-5 and 34-14A-6, Code of Ala. 1975. License must be current, valid and active as of October 1 of each year for which application for reclassification is applied. Exemptions from the licensing provisions include:

1. General contractors holding a current and valid license, issued prior to January 1, 1992, under the provisions of Sections 34-8-1 through 34-8-27, Code of Ala. 1975 and

2. Owners of property, when authorized by the Alabama Homebuilders Licensure Board, to act as their own contractor, providing all material supervision themselves, when constructing single-family residences on such property for the occupancy or use of such owners and not offered for sale.

(f) Maximum Reclassification Period - For single-family dwellings and the fully-developed underlying lot the maximum reclassification period shall not exceed a period of 24 months from the October 1 lien date following the date the owner home builder applies for the reclassification and files the required documentary evidence if application is made prior to the October 1 lien date. If application is made after the October 1 lien date but on or before December 31, the 24 month maximum reclassification period shall begin on the October 1 lien date preceding the application and filing of the required documentary evidence. Under no circumstance shall the maximum reclassification period span more than two October 1 lien dates.

(3) TAX SALE PROPERTY - Single family dwellings and the fully-developed underlying lots which are sold at a tax sale for delinquent taxes and assessed in the tax sale purchaser's name as of an October 1 lien date do not qualify for reclassification.

(4) PROCEDURES - Single-family dwellings, completed or partially completed as of October 1, and the fully-developed underlying lot owned by a qualifying home builder shall constitute residential property and may be reclassified from Class II property to Class III property for property tax assessment purposes based on the property owner filing documentary evidence with the proper local tax assessing official. This reclassification shall not exceed the maximum reclassification period.

(a) The reclassification of single-family dwellings and the fully-developed underlying lot authorized by this Act shall terminate when one of the following occurs:

1. The reclassification has been in place for the maximum reclassification period.
2. The owner no longer holds a valid license or authorization from the Home Builders Licensure Board.
3. The sale, transfer, or any other action or inaction resulting in the single-family dwelling and the fully-developed underlying lot no longer being owned by a licensed home builder.
4. The use of the property has converted to a use that no longer meets the definition of single-family dwelling as defined in this rule.

(5) APPLICATION PROCESS- The owner of a qualifying single-family dwelling and the underlying lot must apply for reclassification with the local assessing official in the county where the property is located. The owner must file a completed Form ADV-44, including the proper supporting documentary evidence. Application may be made at any time the property for which application is being made meets all requirements and qualifies for reclassification. The reclassification will be applied as provided in paragraph (f) of this rule.

Author: Will Martin

Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-2-11, 40-8-1(6).

History: New Rule: Filed May 4, 2012; effective June 8, 2012.

810-4-5-.02

Implementation Of The Homeowners And Storm Victims Protection Act Of 2011 - Fully-Developed Lots.

(1) PURPOSE - This rule is issued pursuant to authority contained in Alabama Act 2011-544 for the purpose of establishing guidelines and procedures for the uniform implementation of paragraph (e) of the Homeowners and Storm Victims Protection Act of 2011.

(2) DEFINITIONS - For the purpose of this rule, the following terms shall have the following meaning:

(a) Fully-Developed Lot - A lot or parcel of land, located within a platted and recorded subdivision as of the effective date of Act 2011-544, September 1, 2011 and having all available utilities in place, fully complying with the subdivision regulations applying to the subdivision (if applicable), owned by the person or firm originally platting the subdivision or a person or firm authorized by the Alabama

Homebuilders Licensure Board to construct single-family homes, and ready for construction of a single-family dwelling.

(b) Documentary Evidence - Shall include:

1. A current and valid license issued by the Alabama Homebuilders Licensure Board or proof of ownership by the person or firm originally platting the subdivision. License must be current, valid and active as of October 1 of each year for which application for reclassification is applied.
2. Documentary evidence that the subdivision meets all subdivision regulations and has been approved by the appropriate governmental agency(s).
3. Documentary evidence of the date the subdivision was platted and recorded and the lots were fully-developed.

(c) Effective Date - This rule shall be applied to qualifying properties beginning with the ad valorem tax lien date October 1, 2011.

(d) Home Builder - A person or firm holding a valid and current license issued by the Alabama Homebuilders Licensure Board or who is otherwise authorized by the Board to construct single-family homes under the provisions of Sections 34-14A-5 and 34-14A-6, Code of Ala. 1975. License must be current, valid and active as of October 1 of each year for which application for reclassification is applied. Exemptions from the licensing provisions include:

1. General contractors holding a current and valid license, issued prior to January 1, 1992, under the provisions of Sections 34-8-1 through 34-8-27, Code of Ala. 1975 and
2. Owners of property, when authorized by the Alabama Homebuilders Licensure Board, to act as their own contractor, providing all material supervision themselves, when constructing single-family residences on such property for the occupancy or use of such owners and not offered for sale.

(e) Maximum Reclassification Period - For fully-developed lots the maximum reclassification period shall be limited to the Tax Years 2012 (lien date October 1, 2011) and 2013 (lien date October 1, 2012). In order for the reclassification to apply to Tax Year 2012 the application and required documentary evidence must be made on or before December 31, 2011. In order for the reclassification to apply to Tax Year 2013 the application and required documentary evidence must be made on or before December 31, 2012. Lots that are fully-developed

after the effective date of this Act, September 1, 2011, do not qualify for reclassification.

(3) PROCEDURES - Fully-developed lots located within a platted and recorded subdivision as of September 1, 2011, having all available utilities in place, fully complying with the subdivision regulations applying to the subdivision (if applicable), owned by the person or firm originally platting the subdivision or a home builder, and ready for construction of a single-family dwelling may be reclassified from Class II property to Class III property for property tax assessment purposes based on the property owner filing documentary evidence with the proper local tax assessing official. The reclassification of qualifying fully-developed lots shall be limited to the maximum reclassification period. Lots that are or become fully-developed after the effective date of this Act, September 1, 2011, do not qualify for reclassification. Fully-developed lots which are sold at a tax sale for delinquent taxes and assessed in the tax sale purchaser's name as of an October 1 lien date do not qualify for reclassification.

(a) The reclassification of fully-developed lots authorized by this Act shall terminate when one of the following occurs:

1. The reclassification has been in place for the maximum reclassification period.
2. The fully-developed lot is no longer owned by the person or firm originally platting the subdivision or home builder.

(a) If ownership of a qualified fully-developed lot that has been reclassified from Class II property to Class III property transfers from the person or firm originally platting the subdivision to a home builder, the reclassification will remain in effect for the remainder of the maximum reclassification period. After ownership transfers, the home builder will be required to apply for the remainder of the maximum reclassification period.

(4) APPLICATION PROCESS - The owner of a qualifying fully-developed lot must apply for reclassification with the local assessing official in the county where the property is located. The owner must file a completed Form ADV-45, including the proper supporting documentary evidence. Application may be made at any time the property for which application is being made meets all requirements and qualifies for reclassification. The reclassification will be applied as provided in paragraph (e) of this rule.

Author: Will Martin

Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-2-11, 40-8-1(6).

History: New Rule: Filed May 4, 2012; effective June 8, 2012.

810-4-5-A

Appendix A Forms.

APPENDIX A

Attachment 810-4-5-.01

Form ADV-44

Homeowners and Storm Victims Protection Act of 2011**Application for Reclassification****Single-Family Dwelling and Underlying Lot**

Owner's Name: _____

Mailing Address: _____

Homebuilders License Number: _____ Expiration Date: _____

Parcel ID: _____

Subdivision: _____

Date Construction Began: _____

Documentary Evidence: (A copy of all documentary evidence must be submitted with this application)

☐

Building Permit or

☐

Temporary Power Permit

☐

On-site Sewage Disposal Permit

☐

Other _____

☐

Certificate of Occupancy

Date Application Filed and Approved: _____

Date Reclassification applied: October 1, _____

For single-family dwellings and the fully-developed underlying lot the maximum reclassification period shall not exceed a period of 24 months from the October 1 lien date following the date of application if application is made prior to the October 1 lien date, unless terminated earlier. If application is made after the October 1 lien date but on or before December 31, the maximum reclassification period shall begin on the October 1 lien date preceding application.

I hereby affirm that to the best of my knowledge and belief this information including any accompanying statements, permits, and other information is true and complete and I am eligible for the for the reclassification requested herein.

Signature_____
Date**Author:** Will Martin**Statutory Authority:** Code of Ala. 1975, §§40-2A-7(a)(5), 40-2-11, 40-8-1(6).

History: **New Rule:** Filed May 4, 2012; effective June 8, 2012.

Attachment 810-4-5-.02

Form ADV-45

Homeowners and Storm Victims Protection Act of 2011**Application for Reclassification**

Fully-Developed Lot

Owner's Name: _____

Mailing Address: _____

Homebuilder's License Number: _____ Expiration Date _____

Parcel ID: _____

(Multiple parcels may be listed on Page 2 of the Application)

Subdivision: _____

Documentary Evidence: (A copy of all documentary evidence must be submitted with this application)

☐

Book and Page Number of Recorded Subdivision Plat

☐

Proof of compliance with subdivision regulations.

Date Application Filed and Approved: _____

Date Reclassification applied: October 1, _____

For fully-developed lots the maximum reclassification period shall be limited to the Tax Years 2012 (lien date October 1, 2011) and 2013 (lien date October 1, 2012), unless terminated earlier. In order for the reclassification to apply to Tax Year 2012 the application must be made on or before December 31, 2011. In order for the reclassification to apply to Tax Year 2013 the application must be made on or before December 31, 2012. Lots that are fully-developed after the effective date of this Act, September 1, 2011, do not qualify for reclassification.

I hereby affirm that to the best of my knowledge and belief this information including any accompanying statements, permits, and other information is true and complete and I am eligible for the reclassification requested herein.

Signature_____
Date

Form ADV-45

Homeowners and Storm Victims Protection Act of 2011

Application for Reclassification

Fully-Developed Lot

Additional Parcels:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Author: Will Martin

Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-2-11, 40-8-1(6).

History: New Rule: Filed May 4, 2012; effective June 8, 2012.