APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 810

Department or Agency: Alabama Department of Revenue

Rule No.: 810-17-1-.04

Rule Title: Rural Hospital Investment Board

Intended Action: New

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?	No
Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?	No
Is there another, less restrictive method of regulation available that could adequately protect the public?	No
Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved?	No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule?	NA
Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?	Yes
Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule?	No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer: Heather Lowe

Heather Lowe

Date: Friday, July 17, 2026

REC'D & FILED
JUL 17, 2026
LEGISLATIVE SVC AGENCY

APA-2

ALABAMA DEPARTMENT OF REVENUE

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Revenue

RULE NO. & TITLE: 810-17-1-.04 Rural Hospital Investment Board

INTENDED ACTION: New

SUBSTANCE OF PROPOSED ACTION:
This rule is being promulgated based on the passage of Act 2026-34 relating to the Rural Hospital Investment Program Board.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:
A public hearing will be conducted at 1:30 P.M. on Tuesday, September 8, 2026, via web conference. To participate in the upcoming web-conference public hearing please contact the Tax Policy and Governmental Affairs Division at Taxpolicy@revenue.alabama.gov or 334-242-1380 to obtain the appropriate sign-in information for a specific public hearing date. Copies of the rule(s) can be obtained at http://www.revenue.alabama.gov/tax-policy/.

All interested parties may present their views in writing to Cameran Clark, Secretary of the Alabama Department of Revenue, 375 South Ripley Street, Montgomery, Alabama 36104 at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also present their views during the web-conference.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
Tuesday, September 8, 2026

CONTACT PERSON AT AGENCY:
Nicci Adams
Alabama Department of Revenue
375 South Ripley Street
Montgomery, Alabama 36104
(334) 242-1380

Heather Lowe

Heather Lowe

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

810-17-1-.04 Rural Hospital Investment Board.

(1) The Rural Hospital Investment Program Board is established within the Department of Revenue to oversee the development and operation of the Rural Hospital Investment Program.

(2) No later than November 1 of each year, the board shall create an operations manual for identifying rural hospitals and ranking such rural hospitals in order of financial need according to the criteria included in the hospital's five-year plan. The manual shall include:

(a) All deadlines for submitting required information to the board.

(b) The criteria to be included in the five-year plan.

(c) The formula applied to rank the rural hospitals.

(3) No later than December 1 of each year, the board shall post the following in a prominent location on the department's website:

(a) The list and ranking order of rural hospitals eligible to receive contributions.

(b) The operations manual.

(c) All pertinent timelines relating to the tax credit, including, but not limited to:

(1) The beginning date when contributions can be submitted for preapproval by donors for the tax period; and

(2) The ending date when contributions can be submitted for preapproval by donors for the tax period.

(4) The board shall annually post the following information in a prominent location on the department's website:

(a) The annual report.

(b) The total preapproved contributions to date by a rural hospital or third party.

(c) The total contributions received to date by each rural hospital.

(d) The total aggregate amount of preapproved contributions made to date.

(e) The aggregate amount of tax credits available.

(f) A list of all preapproved contributions that were made to an unspecified rural hospital and the rural hospital that received such contributions.

(g) The total amount received by each third party that participated in soliciting, administering, or managing donations.

(5) Annually, the board and the department shall jointly prepare a report that, at a minimum, includes all qualified donations reported by eligible rural hospitals and all tax credits claimed and approved pursuant to this act for the preceding tax year. The report shall be provided to the Legislature by the fifth day of the next regular session.

Author: Preeti Gratz
Statutory Authority: §§40-2A-7(a)(5) and Article 29 of Chapter 18 of Title 40, Code of Ala. 1975
History: **New Rule:** Published _____; effective _____.