

HOMESTEAD EXEMPTION COMPARISON

Homestead			
Type	October 1, 2011 and Prior	ACT 2012-313	ACT 2013-295
H-1	Taxpayers under age 65 and who are not disabled--\$4,000 assessed value state and \$2,000 assessed value county.	Regular homestead exemption remains the same.	Regular homestead exemption remains the same.
H-2	Taxpayers age 65 and older with an adjusted gross income of \$12,000 or less on their most recent Alabama Income Tax Return--exempt from all of the state portion of the ad valorem taxes and \$5,000 of assessed value on the county portion of the ad valorem taxes.	Removed the \$5,000 exemption provided for in 40-9-19(d).	Taxpayers Age 65 and older with an annual adjusted gross income of less than \$12,000 as reflected on the most recent state income tax return or some other appropriate evidence, <u>OR</u> who are retired due to permanent and total disability (regardless of age)--exempt from all of the state portion of the property taxes and \$5,000 of assessed value on the county portion of the ad valorem taxes, including school district ad valorem taxes.
H-3 (Age 65 and older)	Taxpayers age 65 and older with net taxable income of \$7,500 or less on the combined (taxpayer and spouse) Federal Income Tax Return--exempt from all ad valorem taxes.	Taxpayers age 65 and older with net taxable income of \$12,000 or less on the combined (taxpayer and spouse) Federal Income Tax Return--exempt from all ad valorem taxes.	Taxpayers age 65 and older with net taxable income of \$12,000 or less on the combined (taxpayer and spouse) Federal Income Tax Return--exempt from all ad valorem taxes.
H-3 (Disabled)	Taxpayer is permanently and totally disabled (no income limitation after Troy King Opinion)--exempt from all property taxes.	Taxpayer is retired due to permanent and total disability with net taxable income of \$12,000 or less on the combined (taxpayer and spouse) Federal Income Tax Return--exempt from all property taxes.	Taxpayer is permanently and totally disabled--exempt from all ad valorem taxes. There is no income limitation.
H-4	Taxpayer is age 65 and older with adjusted gross income greater than \$12,000 on their most recent Alabama Income Tax Return--exempt from all of the state portion of the ad valorem taxes and receives the regular homestead exemption (\$2,000 assessed value) on county taxes.	Taxpayer is either age 65 and older, or, is retired due to permanent and total disability with net taxable income greater than \$12,000 on the combined (taxpayer and spouse) Federal Income Tax Return--exempt from all the state portion of the ad valorem taxes and receives the regular exemption for county taxes.	Taxpayer is age 65 and older with income greater than \$12,000 on their most recent Alabama Income Tax Return--exempt from all of the state portion of the ad valorem taxes and receive the regular homestead exemption (\$2,000 assessed value) on county taxes.