

810-4-3-.05 Procedures for Granting of Abatement - Chapter 9B.

(1) A petition for abatement of noneducational Ad Valorem Taxes may be made by any person who is the owner of private use industrial development property, proposes to become a private user of industrial development property, or undertakes a major addition to existing industrial development property to the appropriate granting authority before the time the property is placed in service for Ad Valorem Tax purposes in accordance with the procedures described below. The petition must be accompanied by an application provided by the department and contain information that will permit the granting authority to make a reasonable cost/benefit analysis to determine qualification for abatement and maximum abatement period.

(2) Subject to geographical, jurisdictional, or other limitations set forth in §40-9B-5(c), Code of Ala. 1975, and with the exception of data processing centers, the appropriate governing body of a municipality, county, or public industrial authority may grant abatements of noneducational Ad Valorem Tax for a period not to exceed 10 years with respect to private use industrial property.

(a) The governing body of a municipality is authorized to grant abatements with respect to private use industrial property located within the limits of the municipality or within the police jurisdiction of the municipality; however, the governing body of the municipality must also abate the corresponding municipal taxes.

(b) The governing body of a county is authorized to grant abatements with respect to private use industrial property located in the county and not within a municipality or the police jurisdiction of a municipality unless consented to by resolution of the governing body of the municipality.

(c) The governing body of a public industrial authority is authorized to grant abatements with respect to private use industrial property located within the jurisdiction of the public industrial authority; however, no abatement of county taxes may be granted unless the authority has also abated the corresponding municipal taxes.

(3) Abatements authorized for data processing centers may be granted according to the procedures above for a period not to exceed 30 years within the constraints of §40-9B-3, Code of Ala. 1975.

(4) A corresponding municipal Ad Valorem Tax is defined as an Ad Valorem Tax levied by the municipality. If a municipality does not have a corresponding municipal tax, a municipality or municipal authority may abate the county Ad Valorem Tax only if the governing body of a county authorizes by resolution the municipality or municipal authority to abate the eligible county Ad

Valorem Tax. The resolution by the county or county authority, as applicable, must be adopted by a majority of its members.

(5) An abatement of noneducational Ad Valorem Tax for a period longer than 10 years may be granted:

(a) By the governing body of a municipality, with respect to private use industrial property located within the limits of the municipality or within the police jurisdiction of the municipality, but only as to municipal noneducational taxes.

(b) By the governing body of a county, with respect to private use industrial property located in the county, but only as to county noneducational taxes.

(c) By the Governor, with respect to private use industrial property located in the state but only as to state noneducational taxes.

(6) The governing body of a county and a municipality may separately authorize one or more public industrial authorities to provide by resolution for the consent on its behalf.

(7) Abatements granted by the granting authority be embodied in an agreement between the granting authority and the private user, setting forth:

(a) The estimated amount of each abatement and the maximum exemption period.

(b) Good faith projections by the private user of the amount to be invested and the number of individuals to be employed with the corresponding payroll, initially and in the succeeding three years.

(8) The private user must file with the department within ninety (90) days after the granting of the abatements, a copy of the required agreements, consents and/or resolutions, and application.

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Authority: §§40-2A-7(a)(5), 41-22-6 & 40-9B-5, Code of Ala. 1975.

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