

1 HB461
2 97417-1
3 By Representative Ball
4 RFD: Government Appropriations
5 First Read: 14-FEB-08

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8 SYNOPSIS: Under existing law, real and personal
9 property is classified in different categories for
10 ad valorem taxation purposes. The various
11 classifications are taxed at different rates.
12 Currently, motorcycles are taxed at 20 percent and
13 private motor vehicles are taxed at 15 percent.
14 Pickup trucks are classified as private motor
15 vehicles if the weight of the pickup truck does not
16 exceed 8,000 pounds.

17 This bill would include motorcycles,
18 self-propelled campers and house trailers, and
19 travel trailers within the definition of private
20 passenger automobile and as a result, motorcycles
21 would be taxed at a lower rate. The bill would also
22 remove the weight restriction of pickup trucks.

23
24 A BILL
25 TO BE ENTITLED
26 AN ACT
27

1 To amend Section 40-8-1, Code of Alabama 1975,
2 relating to the classifications of property for ad valorem tax
3 purposes, to include motorcycles, self-propelled campers and
4 house trailers, and travel trailers within the definition of
5 private passenger automobile, to remove the weight restriction
6 of pickup trucks, and to provide for an effective date.

7 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

8 Section 1. Section 40-8-1, Code of Alabama 1975, is
9 amended to read as follows:

10 "§40-8-1.

11 "(a) On and after October 1, 1978, with respect to
12 ad valorem taxes levied by the state, and, unless otherwise
13 provided, with respect to ad valorem taxes levied by a county,
14 municipality, or other taxing authority other than the state,
15 all taxable property shall be divided into the following
16 classes and no other and shall be assessed for ad valorem tax
17 purposes at the following ratios of assessed value to the fair
18 and reasonable market value of such property, or, as may be
19 provided by law, to the current use value of such property:

20 "CLASS I. All property of utilities used in the
21 business of such utilities, 30 percent.

22 "CLASS II. All property not otherwise classified, 20
23 percent.

24 "CLASS III. All agricultural, forest, and
25 residential property, and historic buildings and sites, 10
26 percent.

1 "CLASS IV. All private passenger automobiles and
2 motor trucks of the type commonly known as "pickups" or
3 "pickup trucks" owned and operated by an individual for
4 personal or private use and not for hire, rent, or
5 compensation, 15 percent.

6 "(b) As used herein, the following terms shall have
7 the following meanings, respectively, unless the context
8 clearly indicates otherwise:

9 "(1) AGRICULTURAL AND FOREST PROPERTY. All real
10 property used for raising, harvesting, and selling crops or
11 for the feeding, breeding, management, raising, sale of, or
12 the production of livestock, including beef cattle, sheep,
13 swine, horses, ponies, mules, poultry, fur-bearing animals,
14 honeybees, and fish, or for dairying and the sale of dairy
15 products, or for the growing and sale of timber and forest
16 products, or any other agricultural or horticultural use or
17 animal husbandry and any combination thereof.

18 "(2) HISTORIC BUILDINGS AND SITES. Regardless of the
19 use to which such property is put, all buildings or structures
20 (i) determined eligible by the state historic preservation
21 officer for listing on the National Register of Historic
22 Places; or (ii) located in a registered historic district and
23 certified by the United States Secretary of the Interior as
24 being of historic significance to the district.

25 "(3) PRIVATE PASSENGER AUTOMOBILES AND MOTOR TRUCKS
26 OF THE TYPE COMMONLY KNOWN AS "PICKUPS" OR "PICKUP TRUCKS"
27 OWNED AND OPERATED BY AN INDIVIDUAL FOR PERSONAL OR PRIVATE

1 USE AND NOT FOR HIRE, RENT, OR COMPENSATION. All private
2 passenger automobiles, as that term is defined in Sections
3 40-12-240, subdivision ~~(12)~~ (16), and 40-12-241; motorcycles,
4 as that term is defined in Section 40-12-240, subdivision (5);
5 self-propelled campers and house cars, as that term is defined
6 in Section 40-12-240, subdivision (18); travel trailers, as
7 that term is defined in Section 40-12-240, subdivision (23),
8 including folding or collapsible camping trailers; and all
9 motor trucks of the type commonly known as "pickups" or
10 "pickup trucks," ~~weighing not exceeding 8,000 pounds gross~~
11 ~~weight.~~

12 "(4) PROPERTY NOT OTHERWISE CLASSIFIED. All real and
13 personal property which does not fall within any one or more
14 of Classes I, III, and IV.

15 "(5) PROPERTY OF UTILITIES. All property assessed
16 for taxation by the Department of Revenue pursuant to the
17 provisions of Chapter 21 of this title; provided, that after
18 September 30, 1979, and only to the extent required by Title
19 III, §306 of Pub. L. 94-210 (the Railroad Revitalization and
20 Regulatory Reform Act of 1976, codified as 49 U.S.C. §26c),
21 "transportation property," as that term is defined in the
22 aforesaid statute, as heretofore or hereafter amended, or in
23 any subsequent statute of similar import, shall not be
24 assessed as Class I property and customer-owned coin-operated
25 telephone companies shall not be assessed as Class I property.

1 "(6) RESIDENTIAL PROPERTY. Only real property, used
2 by the owner thereof exclusively as the owner's single-family
3 dwelling.

4 "(c) Wherever any statute provides for, limits, or
5 measures the power or authority of any county, municipality,
6 or other taxing authority to levy taxes, borrow money, or
7 incur indebtedness in relation to the assessment of property
8 therein for state taxes or for state and county taxes, such
9 provision shall mean as assessed for county or municipal
10 taxes.

11 "(d) The following property shall be exempted from
12 ad valorem taxation: The real and personal property of the
13 state, counties, and municipalities and real and personal
14 property devoted exclusively to religious, education, or
15 charitable purposes. The property of Masonic lodges, Knights
16 of Columbus homes, and union halls shall be exempt when used
17 exclusively for the purposes and business of such
18 organizations. All property now exempt by law shall continue
19 to be exempt from taxation until changed by law.

20 "(e) The Department of Revenue shall have authority
21 to promulgate rules and regulations for the uniform
22 identification and assessment of manufactured homes."

23 Section 2. This amendatory act shall become
24 effective upon the adoption of an amendment to Amendment No.
25 373 to the Constitution of Alabama of 1901, now appearing as
26 Section 217 of the Official Recompilation of the Constitution
27 of Alabama of 1901, as amended, which classifies real and

1 personal property in different classes, following its passage
2 and approval by the Governor, or its otherwise becoming law.