

APA-6
10/96

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-4-5-.01

Rule Title: Implementation of the Homeowners and Storm Victims Protection Act - Single Family Dwelling

X New _____ Amend _____ Repeal _____ Adopt by Reference

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

3. EFFECT OF THIS RULE ON COMPETITION:

4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:

6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:

7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:
9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:
10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:
11. OTHER COMMENTS:

ALABAMA DEPARTMENT OF REVENUE
Property Tax Division

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

- 810-4-5-.01 Implementation of the Homeowners and Storm Victims Protection Act - Single Family Dwelling
- 810-4-5-.02 Implementation of the Homeowners and Storm Victims Protection Act - Fully-Developed Lots

INTENDED ACTION: Adopt new rules

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt new rules to comply with the provisions of the Homeowners and Storm Victims Protection Act of 2011.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **2:00 p.m. on Thursday, April 5, 2012, in the Office of the Legal Division, Room 3114,** Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at www.revenue.alabama.gov/rulehear.html.

All interested parties may present their views in writing to the **Deputy Commissioner of the Alabama Department of Revenue, Room 4112, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Thursday, April 5, 2012

CONTACT PERSON AT AGENCY:

Patricia Toles
Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Michael E. Mason, Deputy Commissioner
Alabama Department of Revenue

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810-4-5-.01 Implementation of the Homeowners and Storm Victims Protection Act of 2011 – Single Family Dwelling. **(NEW RULE)**

(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.

2. 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 Alabama, 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 Alabama, 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

Authority: Sections 40-2A-7(a)(5), 40-2-11 and Act 2011-544, Code of Alabama 1975

History:

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APPENDIX A - CHAPTER 810-4-5

Attachment 810-4-5-.01

Authority: Sections 40-2A-7(a)(5), 40-2-11 and Act 2011-544, Code of Alabama 1975

History: Form ADV-44 Homeowners and Storm Victims Protection Act of 2011 – Application for Reclassification Single-Family Dwelling and Underlying Lot

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)

- | | |
|---|---|
| <input type="checkbox"/> Building Permit or | <input type="checkbox"/> Temporary Power Permit |
| <input type="checkbox"/> On-site Sewage Disposal Permit | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> 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