

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-.02

Rule Title: Implementation of the Homeowners and Storm Victims Protection Act -
Fully-Developed Lots

X New Amend Repeal Adopt by Reference

- [X] 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.

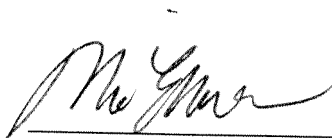
TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 2:00 p.m. on Thursday, April 5, 2012, in the Office of the Legal Division, Room 3114, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at www.revenue.alabama.gov/rulehear.html.

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

810-4-5-.02 Implementation of the Homeowners and Storm Victims Protection Act of 2011 - Fully-Developed Lots. **(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 paragraph (e) 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) Fully-Developed Lot - A lot or parcel of land, located within a platted and recorded subdivision as of the effective date of Act 2011-544, September 1, 2011 and having all available utilities in place, fully complying with the subdivision regulations applying to the subdivision (if applicable), owned by the person or firm originally platting the subdivision or a person or firm authorized by the Alabama Homebuilders Licensure Board to construct single-family homes, and ready for construction of a single-family dwelling.

(b) Documentary Evidence – Shall include:

1. A current and valid license issued by the Alabama Homebuilders Licensure Board or proof of ownership by the person or firm originally platting the subdivision. License must be current, valid and active as of October 1 of each year for which application for reclassification is applied.

2. Documentary evidence that the subdivision meets all subdivision regulations and has been approved by the appropriate governmental agency(s).

3. Documentary evidence of the date the subdivision was platted and recorded and the lots were fully-developed.

(c) Effective Date – This rule shall be applied to qualifying properties beginning with the ad valorem tax lien date October 1, 2011.

(d) 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.

(e) Maximum Reclassification Period – For fully-developed lots the maximum reclassification period shall be limited to the Tax Years 2012 (lien date October 1, 2011) and 2013 (lien date October 1, 2012). In order for the reclassification to apply to Tax Year 2012 the application and required documentary evidence must be made on or before December 31, 2011. In order for the reclassification to apply to Tax Year 2013 the application and required documentary evidence must be made on or before December 31, 2012. Lots that are fully-developed after the effective date of this Act, September 1, 2011, do not qualify for reclassification.

(3) PROCEDURES – Fully-developed lots located within a platted and recorded subdivision as of September 1, 2011, having all available utilities in place, fully complying with the subdivision regulations applying to the subdivision (if applicable), owned by the person or firm originally platting the subdivision or a home builder, and ready for construction of a single-family dwelling 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. The reclassification of qualifying fully-developed lots shall be limited to the maximum reclassification period. Lots that are or become fully-developed after the effective date of this Act, September 1, 2011, do not qualify for reclassification. Fully-developed 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.

(a) The reclassification of fully-developed lots 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 fully-developed lot is no longer owned by the person or firm originally platting the subdivision or home builder.

(a) If ownership of a qualified fully-developed lot that has been reclassified from Class II property to Class III property transfers from the person or firm originally platting the subdivision to a home builder, the reclassification will remain in effect for the remainder of the maximum reclassification period. After ownership transfers, the home builder will be required to apply for the remainder of the maximum reclassification period.

(4) APPLICATION PROCESS – The owner of a qualifying fully-

developed 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-45, 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 (e) 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:

APPENDIX A - CHAPTER 810-4-5

Attachment 810-4-5-.02

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

History: Form ADV-45 Homeowners and Storm Victims Protection Act of 2011 – Application for Reclassification Fully Developed Lot

Homeowners and Storm Victims Protection Act of 2011

Application for Reclassification

Fully-Developed Lot

Owner's Name: _____

Mailing Address: _____

Homebuilder's License Number: _____ Expiration Date _____

Parcel ID: _____

(Multiple parcels may be listed on Page 2 of the Application)

Subdivision: _____

Documentary Evidence: (A copy of all documentary evidence must be submitted with this application)

Book and Page Number of Recorded Subdivision Plat

Proof of compliance with subdivision regulations.

Date Application Filed and Approved: _____

Date Reclassification applied: October 1, _____

For fully-developed lots the maximum reclassification period shall be limited to the Tax Years 2012 (lien date October 1, 2011) and 2013 (lien date October 1, 2012), unless terminated earlier. In order for the reclassification to apply to Tax Year 2012 the application must be made on or before December 31, 2011. In order for the reclassification to apply to Tax Year 2013 the application must be made on or before December 31, 2012. Lots that are fully-developed after the effective date of this Act, September 1, 2011, do not qualify for reclassification.

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 reclassification requested herein.

Signature

Date