

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. 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) 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.

(4) 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.

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