



MEMORANDUM

TO: All County Assessing Officials

FROM: Amanda Wolfe *AW*
Director, Property Tax Division

SUBJECT: Homestead Exemption -- Act 48 Principal
Residence 2025-2026 Tax Year

DATE: October 2, 2025

§40-9-21, Code of Ala. 1975, provides a total exemption from ad valorem taxes on the principal residence and 160 acres adjacent thereto of any resident of this state who is 65 years of age or older provided the net taxable income for the person claiming the exemption and that of his or her spouse is \$12,000 or less as shown on such person's and spouse's latest United States Income Tax return or some other appropriate evidence or who is permanently and totally disabled, regardless of income or age. Net taxable income is the adjusted gross income less personal exemption and deductions.

The Net Annual Taxable Income can be determined by referring to Line 15 of Form 1040 on the 2025 Federal Income Tax Return or Line 15 of Form 1040-SR. The amount entered on the line of either form is the Net Annual Taxable Income.

cc: District Supervisors