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3 HOUSE COUNTY AND MUNICIPAL GOVERNMENT COMMITTEE SUBSTITUTE FOR
4 HB157

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9 SYNOPSIS: Under existing law certain evidence of
10 comparable sales or leases are admissible in
11 taxpayer appeals for the rulings of boards of
12 equalization fixing value of commercial property.

13 This bill would provide that any party
14 offering a sale or lease transaction as evidence of
15 a property's value that is the subject of a protest
16 before the board of equalization or appeal before
17 the circuit court would have an affirmative duty to
18 disclose certain information.

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20 A BILL
21 TO BE ENTITLED
22 AN ACT

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24 To add Section 40-3-27 to the Code of Alabama 1975,
25 relating to taxpayer appeals of the taxable value of
26 commercial property as fixed by the board of equalization, to
27 provide that a party offering a sale or lease transaction as

1 evidence of a property's value that is the subject of a
2 protest before the board of equalization or appeal before the
3 circuit court would have an affirmative duty to disclose
4 certain information.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. Section 40-3-27 is added to the Code of
7 Alabama 1975, to read as follows:

8 §40-3-27.

9 (a) For protests and appeals of commercial and
10 industrial property, operating as such at the time of
11 valuation, any party that intends to offer into evidence a
12 sale or lease transaction as evidence of the value of the
13 property that is the subject of the protest before the board
14 of equalization or appeal before the circuit court, shall have
15 an affirmative duty to disclose both of the following:

16 (1) Whether the proposed comparable property was
17 occupied or unoccupied at the time of the transaction.

18 (2) Whether the proposed comparable property was
19 subject to any use, deed, or lease restriction at the time of
20 the transaction that prohibits the property, on which a
21 building or structure sits, from being used for the purpose
22 for which the building or structure was designed, constructed,
23 altered, renovated, or modified.

24 (b) The purpose of the disclosure is so that the
25 court can determine whether the proposed comparable property
26 is similarly situated to the subject property. Failure to
27 disclose this information at the time the sale or lease

1 transaction is offered into evidence shall result in the
2 proffered evidence being deemed inadmissible.

3 Section 2. This act shall become effective
4 immediately following its passage and approval by the
5 Governor, or its otherwise becoming law.