

1 SB4  
2 202593-3  
3 By Senator Elliott  
4 RFD: Finance and Taxation Education  
5 First Read: 04-FEB-20  
6 PFD: 07/17/2019

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8 SYNOPSIS: This bill would establish an income tax  
9 credit for eligible taxpayers who pay toll fees to  
10 certain toll roads, bridges, or tunnels that are  
11 constructed with public funds.

12  
13 A BILL  
14 TO BE ENTITLED  
15 AN ACT

16  
17 Relating to taxation; to provide an income tax  
18 credit for eligible taxpayers who pay toll road or bridge fees  
19 to the Alabama Toll Road, Bridge, and Tunnel Authority, or to  
20 a concessionaire of the Authority.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. (a) As used in this Chapter, the  
23 following terms shall have the following meanings:

24 (1) AUTHORITY. The Alabama Toll Road, Bridge, and  
25 Tunnel Authority, as defined in Section 23-2-142, Code of  
26 Alabama 1975.

1           (2) AUTHORITY PROJECT. Any type of transportation  
2 project constructed or to be constructed on or after the  
3 effective date of this act by or on behalf of the authority  
4 using public funds of the state, including a project that is  
5 leased to a concessionaire by the authority or the Department  
6 of Transportation.

7           (3) TOLL ROAD AND BRIDGE FEES. Any fees prescribed  
8 by the authority, or an authority concessionaire, for the use  
9 of any toll road, bridge, causeway, or tunnel under the  
10 jurisdiction or ownership of the authority, or the operational  
11 management of an authority concessionaire.

12           (4) TAXPAYER. Any person subject to a tax imposed by  
13 Chapter 18 of Title 40, Code of Alabama 1975, or whose income  
14 is, in whole or in part, subject to a tax imposed by Chapter  
15 18 of Title 40, Code of Alabama 1975.

16           Section 2. (a) An Alabama income tax credit is  
17 established for taxpayers who pay toll road or bridge fees to  
18 the authority or an authority concessionaire. The tax credit  
19 shall equal the total amount of toll road or bridge fees an  
20 eligible taxpayer pays in a tax year.

21           (b) The tax credit can only be claimed for tolls  
22 associated with authority projects which are completed after  
23 the effective date of this act. The entire tax credit may be  
24 claimed by the taxpayer in the taxable year in which the toll  
25 bridge fees are recognized. Where the taxes owed by the  
26 eligible taxpayer are less than the tax credit, the eligible  
27 taxpayer may be entitled to claim a refund for the difference.

1 The tax credit is not transferable. An eligible taxpayer  
2 applying for the tax credit shall apply each year to receive  
3 the credit.

4 (c) Tax credits granted to a partnership, a limited  
5 liability company, S-Corporations, trusts, or estates, shall  
6 be claimed at the entity level and shall not pass through to  
7 the partners, members, or owners.

8 (d) There is created within the Education Trust Fund  
9 a separate account named the Toll Authority Income Tax Credit  
10 Account. The Commissioner of Revenue shall certify to the  
11 Comptroller the amount of income tax credits under this  
12 section and the Comptroller shall transfer into the Toll  
13 Authority Income Tax Credit Account an amount from sales tax  
14 revenues deposited into the Education Trust Fund that is  
15 sufficient for the Department of Revenue to use for the income  
16 tax credits for the applicable tax year. The Commissioner of  
17 Revenue shall allocate the funds in the Toll Authority Income  
18 Tax Credit Account pursuant to this section. The Legislature  
19 shall provide by statute or otherwise for the replenishment of  
20 the Education Trust Fund for the income tax credits provided  
21 in this section from the state's share of Gulf of Mexico  
22 Energy Security Act (GOMESA) revenues or any other revenue  
23 source dedicated for that purpose.

24 (e) The Department of Revenue shall prescribe a form  
25 to claim the tax credit issued under this act that provides  
26 information to the department sufficient for the proper

1 administration of the tax credit. The Department of Revenue  
2 shall promulgate rules for the implementation of this act.

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