

# **2012 Code of Alabama**

## **Title 40 - REVENUE AND TAXATION.**

### **Chapter 18 - INCOME TAXES.**

#### **Section 40-18-15.5 - Deductions for certain retrofitting or upgrades to homes - Residence in Alabama.**

Universal Citation: [AL Code § 40-18-15.5 \(2012\)](#)

#### **Section 40-18-15.5**

#### **Deductions for certain retrofitting or upgrades to homes - Residence in Alabama.**

(a) Any individual taxpayer, whose legal residence is located in Alabama, shall be allowed a deduction from taxable income, regardless of whether the taxpayer itemizes his or her income tax deductions, in calculating the income tax imposed pursuant to Section 40-18-5, for certain retrofit costs as described in this section. The deduction shall be allowed for the costs incurred to retrofit a structure qualifying as the legal residence of the taxpayer to make the structure more resistant to loss due to hurricane, tornado, other catastrophic windstorm event, or rising floodwaters.

(b) In order to qualify for the state income tax deduction allowed pursuant to this section, costs may include ordinary repair, replacement, and upgrades to existing residential property and new construction so long as the repair, replacement, and upgrades are designed to resist loss associated with any windstorm event or rising floodwater, and meet or exceed the standards set forth in the most recent editions of the Institute for Business and Home Safety published Fortified for Safer Living, the Institute for Business and Home Safety published Fortified for Existing Homes, the International Code Council published ICC 600, the International Code Council ICC 500, or any specifically designated wind resistant feature, technology, or code approved by the Alabama Residential and Energy Codes Board. A taxpayer claiming the deduction shall receive certification in a manner prescribed by the Alabama Residential and Energy Codes Board that the fortification measures were implemented and costs were incurred,

and shall provide the certification upon request of the Department of Revenue to prove the taxpayer is entitled to the deduction.

(c) The aggregate tax deduction allowed pursuant to this section for all taxable years beginning with the 2011 tax year shall not exceed the lesser of the following:

(1) Fifty percent of the repair, replacement, and upgrade cost incurred.

(2) Three thousand dollars (\$3,000).

(d) The cost of items that otherwise qualify for the deduction that are purchased with any available grant funds are not eligible for this deduction if the grants are not included in the income of the taxpayer.

(e) Costs incurred by the taxpayer and used as the basis for a deduction under Section 40-18-15.4 may not be used as the basis for a deduction under this section. The deductions under Section 40-18-15.4 and this section combined may not exceed three thousand dollars (\$3,000).

***(Act 2011-644, p. 1640, §2.)***