

2  
3 SENATE FISCAL RESPONSIBILITY AND ECONOMIC DEVELOPMENT  
4 COMMITTEE SUBSTITUTE FOR SB182

5  
6  
7  
8  
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.

19  
20 A BILL  
21 TO BE ENTITLED  
22 AN ACT

23  
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.