HB48

155402-1

By Representatives Lee and Henry

RFD: Ways and Means Education

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SYNOPSIS: Under existing law, an income tax credit is not provided for a private intrastate adoption or the adoption of a qualified foster child.

This bill would provide an income tax credit for a private intrastate adoption or the adoption of a qualified foster child.

A BILL
TO BE ENTITLED
AN ACT

Relating to tax credit; to provide definitions; and to provide a tax credit for a private intrastate adoption or the adoption of a qualified foster child.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. As used in this act, the following terms shall have the following meanings:

(1) QUALIFIED FOSTER CHILD. Any individual who:

(a) is in the permanent legal custody of the Alabama Department of Human Resources; and/or

(b) is placed in a licensed or approved foster home by the Alabama Department of Human Resources for the purpose of adoption pursuant to an approved case plan.

(2) PRIVATE INTRASTATE ADOPTION. An adoption through a private agency in which the birth mother, the baby, and the adoptive parent(s) reside in Alabama.

(3) COMMISSIONER. The Commissioner of Revenue of the State of Alabama.

Section 2. A taxpayer shall be allowed a one time, refundable credit against the tax imposed by Section 40-18-2, Code of Alabama 1975, for a private intrastate adoption or the adoption of a qualified foster child. The amount of such credit shall be $1,000.00 per child adopted through a private intrastate adoption or qualified foster child to be claimed in the year in which the adoption becomes final.

Section 3. The commissioner shall be authorized to promulgate any rules and regulations necessary to implement and administer this section.

Section 4. The income tax credit pursuant to this act shall be effective January 1, 2014, for the 2014 taxable year and subsequent taxable years thereafter.

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