



Property Tax and the Assessment Process

Taxable property within Jefferson County is divided into **three** main categories:

- 1** Real Property - Land and buildings
- 2** Personal Property - Vehicles, machinery, furniture and fixtures owned or operated by a private enterprise
- 3** Public Utilities - Real and personal

Assessments (Tax Returns)

When you purchase or acquire property in Jefferson County, you must file a tax return with the Tax Assessor on or before **December 31**. Bring proof of interest in property such as a deed, will or other documentation of ownership. By law, taxing officials must assess all property at fair and reasonable market value. When improvements are added or removed, you must notify the Tax Assessor.

Current Use

Property used for farm, row crop, pasture or timber can be taxed at its current use. Value is based on soil classification and productivity. Current use value must be applied for in the Tax Assessor's Office.



Property Tax System

Board of Equalization - places value on property

(205) 325-5566

Tax Collector - sends tax notices, collects and distributes money to taxing agencies

(205) 325-5500

Tax Assessor - Maintains maps, tax roll, applies exemptions

(205) 325-5505

WE MAY MAKE YOUR LIFE LESS TAXING!

Please call Jefferson County Tax Assessor's Office, (205) 325-5505.

Or stop by Jefferson County Courthouse, room 170, in Downtown Birmingham.

For Title Companies, Attorneys, and Real Estate Agents

IMPORTANT TAX INFORMATION

- 1** **The LIEN DATE** is October 1st. That means that the property owner as of October 1st is responsible for that year's taxes.
- 2** Property taxes are paid in the arrears. For example, taxes should be paid by the individual who owned the property as of the **current year**.
- 3** Property taxes are not **PRORATED**. Taxes should be paid by the individual who owned the property as of the following year.
- 4** If a **RELOCATION COMPANY** transfers a title to a LLC or INC, it may not retain its Class III status.
- 5** **LIFE ESTATES** are an option for elderly parents who would like to convey property to their children. Life estates allow the property to maintain all of the exemptions that the parents qualified for until their passing.

Tax Assessor's Office - Birmingham
Room 170, Jefferson County Courthouse
716 Richard Arrington Jr. Blvd. N
Birmingham, AL 35203
(205) 325-5505



SCAN ME

THE HOMEOWNER'S GUIDE TO SAVING ON YOUR PROPERTY TAXES

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SCAN ME



How to Calculate Your Property Tax

After the Board of Equalization places a market value on your property, there are **three** factors that determine your property tax: **classification, tax rate, and tax credits or exemptions.**

Classification:

1 (30% Assessment Rate)

- Public Utility

2 (20% Assessment Rate)

- Properties not included in Classes I, III or IV
- Includes apartments, commercial, industrial, duplexes, business personal property and some second home

3 (10% Assessment Rate)

- Single-family, owner-occupied homes or condominiums, farm and timber land, historic districts and some second homes



Tax Rate: Call your tax assessor for the taxation rate in your area

Exemptions

Property tax exemptions allowed by the Constitution of Alabama include the following:

Religious, Charitable or Educational: Property that is used totally and exclusively for religious, charitable or educational purposes may be eligible for a property tax exemption. However, religious and charitable ownership or non-profit use does not automatically exempt property from tax.

Homestead Exemption: By claiming owner occupancy, you can move from Class II (20%) to Class III (10%), which will save you money. If you are the owner and occupant of a single-family residence or condominium, apply for a homestead exemption, which allows a tax credit on the first \$4,000 of assessed value for state real property taxes and on the first \$2,000 of assessed value for county real property taxes.

Age-Based Homestead Exemption:

- An additional homestead exemption is available for those over 65. This exempts your property from the state portion of real property taxes. Proof of age is required.
- If you are over 65 and your total taxable income from your most recent federal income tax return is \$12,000 or less, you may claim tax exemption from all portions of real property taxes for that year. Proof of age and income is required.
- If your federal taxable income is over \$12,000 but the Adjusted Gross Income on your most recent Alabama State Income Tax Return is \$12,000 or less, a tax credit is allowed on your county and school district tax up to an assessed value of \$5,000. Proof of age and income is required.

Disability-Based Homestead Exemption: An additional homestead exemption is available to those who are permanently and totally disabled. If the owner of a homesteaded property is permanently and totally disabled, an exemption can be claimed from all portions of real property taxes. Proof of disability, such as evidence of Social Security Disability eligibility, is required.

Example

Are you 65-years old or above?

Here's a **Special Senior Exemption**, in addition to the Over-65 Exemption, that freezes your taxes for the net applicable tax year once claimed!

This Special Senior Exemption must be claimed on your primary residence or any adjacent properties that are part of your primary residence. Claim this exemption even if your spouse is not 65 or older at this time. Your name must be on the deed and the property must be your primary residence. You must have owned the property five consecutive years. The exemption will remain on your property if you renew the Over-65 Exemption each year. If your property value goes down, you can claim the exemption at the lower rate; but you must come to the Jefferson County Tax Assessor's Office and reclaim the exemption at the lower rate.

