

Over 65 / Disability Exemptions

On May 21, 2013, legislation passed and signed into law changes that will affect individuals claiming a homestead based on age or total disability. This law became effective October 1, 2013, and remains in effect for the 2026 tax year. Individuals must meet the requirements listed below in order to receive this benefit from the State of Alabama:

- ▶ Qualifying individuals must be listed as an owner of the single-family dwelling.
- ▶ Qualifying individuals must be 100% permanently disabled and provide required documentation* **or** be age 65 or older on or by October 1, 2026 for the 2027 tax year.
- ▶ Federal taxable income (complete exemption) **or** State adjusted gross income (partial exemption) for qualifying individual and spouse, even if you file separately or spouse is not listed as an owner, must be \$12,000 or less. This requirement must be met for individuals seeking the exemption based on age. At this time, there is no income limitation for individuals that qualify for the exemption based on disability.

First time 65 or older applicants must bring in all applicable, if more than one, 2025 Federal and State tax return(s) between October 1, 2026 and December 31, 2026 to see if they qualify for the 2027 tax year. First time total and permanently disabled individuals can bring in their proof of disability at any time but may only sign up for certain exemptions between October 1, 2026 and December 31, 2026.

*Proof of disability may include:

(2) Affidavits from physicians licensed to practice in Alabama provided that at least one of these physicians is actively providing treatment directly related to the permanent and total disability

A current TPQY or BPQY form from the Social Security Office that shows the date the disability began or an eligibility date or the original disability awards letter from Social Security.

A letter of **total and permanent disability** from the Veterans Affairs Office. (Not based on evaluation %)

Documents showing that the qualifying taxpayer is drawing a **disability pension or annuity** from the armed services, a private company, or any governmental agency.

These homestead exemptions must be signed for and verified each year to remain exempt.

If an individual does not meet the listed requirements there may be other exemptions that will help with their tax liability. You may contact our office Monday – Friday 8:30 to 5:00 if you have any questions (205) 464-8240.

2027

EXEMPTIONS BASED ON 2025 INCOME TAX RETURNS FILED APRIL 2026

FEDERAL TAXABLE INCOME

FORM 1040 LINE 15

STATE ADJUSTED GROSS INCOME

FORM 40 LINE 10

FORM 40A LINE 7

FORM 40NR LINE 12

**(INCOME MUST BE \$12,000 OR LESS ON EITHER OF
THESE LINES ACCORDING TO FORM FILED)**

*****THIS EXEMPTION MAY ONLY BE CLAIMED
OCTOBER THROUGH DECEMBER*****