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STATE OF ALABAMA

89-00180

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Honorable Wayland Cooley
Tax Assessor
Madison County
Huntsville, AL 35801

Exemptions - Ad Valorem Taxes -
Credit Unions

Personal property owned by credit
unions exempt from ad valorem tax.

Dear Mr. Cooley:

This opinion is issued in response to your request for an opinion from the Attorney General.

Question

Is personal property owned by credit unions in the State of Alabama exempt from ad valorem taxation?

FACTS AND ANALYSIS

Section 5-17-24, Code of Alabama 1975, provides:

A credit union shall be deemed an institution for savings and, together with all the accumulations therein, shall not be subject to taxation except as to real estate owned, as to the franchise tax required of other corporations and as to the excise tax required of financial institutions. The shares of a credit union shall not be subject to taxation or to a stock transfer tax when issued by the corporations or when transferred from one member to another.

The above-quoted exemption from taxation does not apply to the ad valorem taxation of real estate. However, by its terms, it does apply to the ad valorem taxation of personal property.

CONCLUSION

Personal property owned by credit unions in Alabama is exempt from ad valorem taxation.

Sincerely,

DON SIEGELMAN
Attorney General

By-



RON BOWDEN
Assistant Attorney General

DS:RB:jlt/645lw