



The state of Alabama offers many veteran benefits for service members and Veterans that have served in the Armed Forces of the United States of America. These benefits include income and property tax exemptions, financial exemptions, education and training programs, hunting and fishing licenses, vehicle registrations, and assistance with employment. Your residency, military career, and disability status may result in certain differences in what benefits you may be eligible for. The following are benefits for the state of Alabama.

### Alabama Veteran Financial Benefits

- **Retired Military Pay Income Tax Exemption:** All compensation received as retirement benefits by any person retired from the military service of the United States of America and survivor benefits derived therefrom are hereby exempt from any state, county or municipal income tax or similar tax.
- **Income Tax Exemption for Military Combat Pay:** Money paid by the United States to a person as compensation for active service as a member of the Armed Forces of the United States in a combat zone shall not be subject to income taxes levied by the State of Alabama for the calendar year 1965 or any subsequent year.
- **Personal Property Tax Exemption:** Homes owned by totally disabled Alabama residents over the age of 65 is exempt from ad valorem taxes on their home. These qualified Veterans who own adjacent land up to 160 acres are included in this exempt.
  - The Veteran must be 65 years of age or older
  - The Veteran must have a net annual income of \$12,000 or less
- **Property Tax for VA Specially Adapted Houses:** Homes acquired under the VA's specially adapted housing grant is exempt from property taxation. For the exemption, the house must be owned and occupied by the Veteran and, or their surviving spouse.
- **State Taxes on U.S. Department of Veterans Affairs Military Disability Retired Pay:** Disability retirement payments (and other benefits) paid by the VA are exempt from Alabama taxes.
- **State Taxes on U.S. Department of Veterans Affairs Disability Dependency and Indemnity Compensation:** U.S. Department of Veterans Affairs Disability Dependency and Indemnity Compensation is exempt from Alabama income tax. Dependency and Indemnity Compensation (DIC) is a tax-free monetary benefit paid to eligible survivors of military service members who died in the line of duty or eligible survivors of Veterans whose death resulted from a service-related injury or disease.
- **Military Survivor Benefit Plan (SBP)/ Reserve Component Survivor Benefit Plan (RCSBP)/ Retired Serviceman's Family Protection Plan (RSFPP) Colorado State Tax Benefits:** Exempt from Alabama income tax.
- **Homestead Tax Exemption for the Resident over age 65, Blind or Totally Disabled:** The homesteads of residents of Alabama who are over 65 years of age; retired due to permanent and total disability, regardless of age; or blind, regardless of age or whether such person is retired; shall be exempt from all state ad valorem taxes. A homestead is defined as a single-family owner-occupied dwelling and the land there-to, not exceeding 160 acres. The property owner may be eligible for a homestead exemption if he or she owns a single-family residence and occupies it as their primary residence on the first day of the tax year for which they are applying.
- **Homes of Veterans or Un-remarried Surviving Spouses, acquired under a Special Adapted Housing Grant are Exempt from Ad Valorem Taxes:** The home of any Veteran which is or was acquired by the provisions of Public Law 702, 80th Congress (specially adapted housing grant) as amended by (38 USC) regardless of its value shall be exempt from all ad valorem taxation. The home is exempt so long as it is owned and occupied as a home by such a Veteran or his un-remarried surviving spouse.



- **Motor Vehicles Paid for by U.S. Department of Veterans Affairs (VA) Grant is Exempt from all License Fees and Ad Valorem Taxes:** Vehicles that have been all or partly paid for with funds furnished by the VA are entitled to exemptions from all license fees and ad valorem taxes on such motor vehicle provided the Veteran keeps the vehicle only for private use. Any disabled Veteran of WWII or of any hostilities in which the United States was, is or shall be engaged against any foreign state who owns such a vehicle paid all or partly from VA funds.

#### SALES TAX:

- Statewide: 4.0%
- Counties: can levy a sales tax of no more than 7.5%
- Current average sales tax (with local taxes included): 7.97%

### Recreation

**Discounted Fishing License:** Discounted freshwater fishing licenses are available to Alabama resident Veterans who have at least a 20% disability rating.

**Disabled Veteran Special Hunting License:** Special hunting licenses are available to 100% service-connected Veterans at a cost of \$2 (plus applicable issuance fees). Special hunting licenses are available to 50% service-connected Veterans at 50% discount (plus applicable issuance fees).

**Motor Vehicle Paid for by VA Grant:** There are no license fees or ad valorem taxes on vehicles owned by disabled Veterans which were paid for by the VA.

**Retired Military Pistol Permit:** A pistol permit is available at no charge to Veterans who are otherwise eligible for a pistol permit. These Veterans must be retired from active duty, the Reserves, or National Guard.

### Education Programs

**Alabama National Guard Education Assistance Program:** The Alabama National Guard Education Assistance Program (ANGEAP) provides tuition assistance to eligible National Guard Service members. There was an increase, effective for the Fall semester 2017, from 2016-2017, a \$2,000.00 annual award which is \$5,080.00 per semester. Only 10% of the yearly appropriated funds are designated for Graduate reimbursements. ANGEAP will cover only the remaining balance of tuition and fees that are not otherwise covered by any VA benefits received by the student.

**Alabama GI Dependents Scholarship Program:** Eligible disabled Alabama Veterans can receive a waiver of up to \$250 per semester hour. They can also receive up to \$1000 for required textbooks and laboratory fees for each semester. Veterans can use this program for institutions of higher learning and includes two-year and four-year technical colleges, community colleges, and junior colleges. Any dependent child under 26 whose parent is (or was) an Alabama resident Veteran with a VA disability of at least 40 percent may qualify for up to five years of benefits. This also includes spouses and un-remarried surviving spouses of Veterans rated 100% permanently



and totally disabled. Spouses and un-remarried surviving spouses of Veterans rated 40-90% disabled can get three years of benefits through this program.

Qualifications include:

- The Veteran must have had an honorable discharge
- The Veteran must have had at least 90 continuous days of military service
- The Veteran must be a resident of Alabama before going into service

**Alabama Tuition Waiver for Purple Heart Medal Recipients:** Public institutions of higher learning in the State of Alabama, including two-year and four-year post secondary technical colleges, community colleges, and junior colleges, may waive tuition and fees for recipients of the Purple Heart Medal for undergraduate studies. The waiver provided to the recipient of a Purple Heart may be applicable for up to 125 percent of the number of required credit hours of the degree or certificate program for which the Veteran is enrolled. The Veteran must be enrolled as a full time, part-time, or summer school student in an undergraduate program that culminates in a degree or certificate, and the Veteran is currently, and was at the time of the military action that resulted in the awarding of the Purple Heart, a resident of this state.

**Alabama Interstate Compact on Educational Opportunity for Military Children:** It is the purpose of this compact to remove barriers to educational success imposed on children of military families because of frequent moves and deployment of their parents by:

- Facilitating the timely enrollment of children of military families and ensuring that they are not placed at a disadvantage due to difficulty in the transfer of educational records from the previous school district or variations in entrance or age requirements
- Facilitating the student placement process through which children of military families are not disadvantaged by variations in attendance requirements, scheduling, sequencing, grading, course content or assessment
- Facilitating the qualification and eligibility for enrollment, educational programs, and participation in extracurricular academic, athletic and social activities
- Facilitating the on-time graduation of children of military families
- Providing for the promulgation and enforcement of administrative rules implementing the provisions of this compact
- Providing for the uniform collection and sharing of information between and among member states, schools and military Families under this compact
- Promoting coordination between this compact and other compacts affecting military children
- Promoting flexibility and cooperation between the educational system, parents and the student in order to achieve educational success for the student

**Housing:** The following are the sites for Veterans Homes

[Alabama State Veterans Home at Alexander City](#)

[Alabama State Veterans Home at Huntsville](#)

[Alabama State Veterans Home at Bay Minette](#)



## Alabama State Veterans Home at Pell City

### Eligibility for admission:

- Veterans must have an honorable discharge
- Veterans must have served in the Armed Forces (deployment necessary for at least 1 day)
- Spouses or un-remarried surviving spouse (including Gold Star Parents) are also eligible, provided they meet the age and residency requirements

### Employment and Job Training: Veteran's Preference

All persons who have been honorably discharged from the United States Armed Forces at any time shall have 5 points added to any earned ratings in the examination for entrance to the state classified service. Honorably discharged Veterans with the present existence of a service-connected disability and entitled to pension, compensation or disability allowance under existing laws shall have 10 points added to any earned ratings. Spouses and Surviving Spouses of certain disabled or deceased Veterans may have the 10-point preference extended to them and added to any earned ratings. Veterans also receive preference on the classified service employment registers over non-Veterans with the same ratings.

**Alabama State Employee Leave of Absence for Military Service:** State employees receive 21 working days leave of absence per the calendar year for military service, without loss of pay, time, annual vacation or sick leave. State employees that are active members of the Alabama National Guard or Reserves, on orders for training or active duty.

**Alabama State Employee Job Status and Reemployment Rights:** Those state employees who are not in the classified service, upon being called into or entering the military service, shall have the same rights and privileges as to reemployment by the state or any department thereof as are granted to those employees in the classified service. State, county and municipal officials, who enter the military or naval service at a time when a state of national emergency has been declared to exist by the President of the United States, have preservation of job status and reemployment rights. Any teacher entering military service at a time when there is an existing state of war between the United States and any other country shall be granted a leave of absence for the duration of the war and until the beginning of the school year next succeeding the date on which said the teacher is released from military service. Any teacher entering the military service of the United States, who is not on continuing service status but who has accumulated one or more years of teaching experience immediately prior to entering military service, shall be given credit for such experience if such teacher is reemployed within one year after release from military service.

**Membership in Alabama State Employees'/Teachers' Retirement System Benefits for Service Members:** Retirement benefits rights of state employees and teachers who enter the Armed Forces and return to state employment within one year after discharge are preserved and may be granted credit for military service up to four years. A member who entered the Armed Forces and does not withdraw contributions, and who returns to employment within one year after being honorably discharged. Additionally, provided the Veteran pays an amount equal to 4% of the average compensation paid to a state employee during each claimed year of full-time



military service, plus and together there with 8% interest compounded from the last date of such claimed military service. The contributions must be made within a period of time equal to the length of service in the Armed Forces or before attainment of age 60, or in the case of a state policeman, age 56, whichever occurs first. No credit for military service shall be granted if such member is receiving military service retirement benefits.

**Alabama Peace Officers Credit for Military Service:** Any peace officer who becomes a member of the Alabama Peace Officers' Annuity and Benefit Fund and who left employment and entered directly into the Armed Forces of the United States and who returned to work as a peace officer within six months after release or discharge shall receive prior employment service credit for service in the military not to exceed five years.

**Alabama Business and Occupational License Exemptions for Disabled Veterans:** Any bona fide permanent resident of Alabama who is a Veteran of WWII or at any time past, present or future, when the United States was, is or shall be engaged in hostilities with any foreign state and who has physical disabilities of 25% or more whether service-connected or not, may be exempt from business or occupational license taxes. A Veteran who conducts his/her business as a means of livelihood through his/her personal efforts and has no more than one employee shall be entitled to licenses from the state/county/municipality to carry on such business upon the payment of license taxes that shall not exceed \$25.00. However, a Veteran whose property (both real and personal) is valued at \$5,000.00 or more or whose net income is \$2,500.00 or more is not entitled to these business and occupational license exemptions.

**Uniformed Services Employment and Reemployment Rights Act:** Uniformed Services Employment and Reemployment Rights Act (USERRA) protect civilian job rights and benefits for Veterans and members of Reserve components. USERRA also makes major improvements in protecting service member rights and benefits by clarifying the law, improving enforcement mechanisms, and adding Federal Government employees to those employees already eligible to receive the Department of Labor assistance in processing claims.

## Burials and Memorials

Please note that your preference regarding burial in a national cemetery and use of a headstone provided by VA should be documented and kept with your paperwork and medical records. Eligibility for interment in the State Veterans Cemetery follows National Cemetery Administration eligibility requirements. In general, Veterans discharged under conditions other than dishonorable and their spouses and dependent children are eligible (residency requirements exist). For spouses or dependent children, a fee will be charged on the day of interment. For Veterans, there is no cost. Spouses remain eligible even if they remarry.

National Cemeteries include:

Ft. Mitchell: [Fort Mitchell National Cemetery](#)

Mobile: [Mobile National Cemetery](#)



Montevallo: [Alabama National Cemetery](#)

## Alabama VA Benefit Resources

Alabama provides Veterans with a Regional Benefits Office and VA Medical Centers.

### Alabama VA Regional Benefits Office

- **Montgomery:** [Montgomery Regional Benefit Office](#)

### Alabama VA Medical Centers

- **Birmingham:** [Birmingham VA Medical Center](#)
- **Montgomery:** [Central Alabama Veterans Health Care System West Campus](#)
- **Tuscaloosa:** [Tuscaloosa VA Medical Center](#)
- **Tuskegee:** [Central Alabama Veterans Health Care System East Campus](#)

### Important information for Alabama Veteran Benefits:

For Veterans applying for VA benefits for the first time, you must submit a copy of your DD 214 (discharge paperwork). This will provide your discharge status, along with your full name, social security number, branch of service, and dates for which you served. Honorable and general discharges qualify a Veteran for most VA benefits.

You should always keep your paperwork, along with your medical records, in a safe place where you and your family can have access to them. It is imperative to have it in a location where it cannot be destroyed or tampered with, which includes a safe.

Your eligibility for most VA benefits is based upon discharge from active military service under other than dishonorable conditions. Active service means full-time service as a member of the Army, Navy, Air Force, Marine Corps, Coast Guard, or as a commissioned officer of the Public Health Service, the Environmental Services Administration or the National Oceanic and Atmospheric Administration.

Any Veteran discharged from the military under the conditions of "Dishonorable" due to bad conduct discharges issued by general courts-martial may bar VA benefits. Veterans in prison and parolees may be eligible for certain VA benefits. VA regional offices can clarify the eligibility of prisoners, parolees, and individuals with multiple discharges issued under differing conditions.

\*This information is accurate as of December 2019