

**ALABAMA TAX TRIBUNAL**

ADRIENNE CLARKE, §  
Petitioner, § DOCKET NO. MLI. 24-0284-LP  
v. §  
STATE OF ALABAMA §  
DEPARTMENT OF REVENUE.

**FINAL ORDER**

This appeal involves the suspension by the Alabama Department of Revenue of the motor vehicle registration for failure to comply with Alabama’s mandatory vehicle insurance laws and the fee required to end the suspension. A Preliminary Order was entered on May 14, 2024, which stated that unless either party notified the Tax Tribunal that it desired a formal hearing, the Tax Tribunal would deem the parties in agreement that the case be decided without a hearing. As neither party has responded, this Final Order is entered without a hearing.

The Revenue Department emailed the Petitioner an Alabama Mandatory Liability Insurance Verification Notice requesting verification that her 2004 GMC Yukon, VIN 1GKEC13Z94R139093, was insured on August 27, 2023. The Revenue Department determined that the vehicle was not insured on the verification date. It consequently suspended the Petitioner’s vehicle registration.

The Petitioner concedes in her Notice of Appeal that she did not have insurance on the verification date. She requests that the \$400 reinstatement fee be waived because her “car was in the shop.” The Petitioner also provides what appears to be a

repair estimate from “Don Duncan’s All American Auto and Tire” dated August 28, 2023, with her Notice of Appeal. The Revenue Department has responded in its Answer that there are no provisions in the mandatory liability law that allow for a waiver of the reinstatement fee, and that the “Petitioner does not qualify for any of the acceptable ‘good cause’ reasons listed on the mandatory liability insurance affidavit (MV Form 32-7A-11) that will allow a time extension to surrender the plates.”<sup>1</sup> The Revenue Department further indicates that this is the Petitioner’s second violation, and that pursuant to Alabama Code Section 32-7A-12(d), the Revenue Department will terminate the suspension four months after its effective date upon payment of the \$400 reinstatement fee and submission of proof of current insurance.

Alabama Code Section 32-7A-5(a)(9) provides that the mandatory automobile liability insurance requirement levied by Alabama Code Section 32-7A-4 shall not apply to “inoperable or stored motor vehicles[.]” Alabama Code Section 32-7A-11 and Alabama Administrative Code Rule 810-5-8-.06(3) then identify how an individual may claim the “stored, inoperable, or otherwise unused exemption” allotted by Alabama

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<sup>1</sup> Alabama Code Section 32-7A-11(a)(2) includes in its final sentence that “[t]he [Revenue Department] may establish by rule an extension to the 30-day surrender period if the registrant cannot return the license plate for good cause.” The Alabama Administrative Code formerly provided such an extension of the deadline for the registrant to surrender his or her registration and license plate for “good cause.” Ala. Admin. Code r. 810-5-8-.06(4)(a) (2023). “Good cause” existed when the registrant’s inability to surrender his or her registration and license plate resulted from (1) the registrant’s military station or deployment outside Alabama, (2) the registrant’s incarceration, (3) the registrant’s hospitalization or medical incapacitation, (4) the vehicle’s impoundment, or (5) the licensing office in the county where the vehicle was registered was closed during normal operating hours. However, effective February 12, 2024, Ala. Admin. Code r. 810-5-8-.06 has been amended to completely remove subsection (4) and the associated “good cause” extension to adhere to the mandatory liability insurance law changes resulting from the passage of 2023 Ala. Acts 479. *See* Mandatory Liability Insurance Registration Suspension, Reinstatement, and Revocation Procedures, AL ADC 810-5-8-.06 (proposed Oct. 19, 2023; published Dec. 29, 2023).

Code Section 32-7A-5(a)(9). Under Section 32-7A-11(a)(1), a registrant may claim the exemption by satisfying all four of the following conditions:

1. The registrant *surrenders the registration and associated license plate to the registrant's license plate issuing official* within 30 days from the date of the notice sent pursuant to this subsection.
2. The registrant has not claimed a stored or inoperable exemption under this subdivision during the current registration period for the registered vehicle.
3. During the lapse in coverage, the registered vehicle was not involved in an accident while operated on a public road or highway.
4. During the lapse in coverage, the registrant or a driver of the registered vehicle was not subject to or issued a citation while operating the registered vehicle on a public road or highway.

(emphasis added).

Rule 810-5-8-.06(3) similarly allows a registrant who can provide “acceptable evidence” of non-use to his or her *local licensing official* to claim the “stored, inoperable, or otherwise unused exemption . . . once during a registration period by *applying to the local licensing official* to revoke the vehicle’s registration for the remainder of the registration period and be exempted from the registration reinstatement fee.” Ala. Admin. Code r. 810-5-8-.06(3)-(3)(c) (emphasis added). If the registrant can satisfy the requirements of Alabama Administrative Code r. 810-5-8-.06(3), “the local licensing official will revoke the registration for the remainder of the registration period and exempt the registrant from the registration fee.” Ala. Admin. Code r. 810-5-8-.06(3)(a). However, if the vehicle is no longer stored or inoperable, the registrant will have to pay for new registration and acquire a new license plate in

compliance with Alabama Administrative Code r. 810-5-1-.244 prior to operating the vehicle, but the registrant will not have to pay a reinstatement fee. Ala. Admin. Code r. 810-5-8-.06(3)(b)-(c).

The Revenue Department's suspension of the Petitioner's motor vehicle registration here is due to be affirmed. The Petitioner concedes that she did not have insurance on the verification date. She implies that she allowed her insurance coverage to lapse because her motor vehicle "was in the shop." However, she failed to timely submit sufficient information to claim the stored, inoperable, or otherwise unused exemption allotted under either Alabama Code Section 32-7A-5(a)(9), Section 32-7A-11(a)(1) or Alabama Administrative Code Rule 810-5-8-.06(3). She has also requested that the reinstatement fee be waived. The Revenue Department indicates in its Answer that there are no provisions in the mandatory liability law that allow for a waiver of the reinstatement fee in this case. The Revenue Department is correct. *See* Ala. Code § 32-7A-12(d), (k).

I sympathize with the Petitioner, but the Department's suspension of the Petitioner's vehicle registration must be affirmed. The Petitioner may wish to contact the Revenue Department's Collection Services Division at (334) 242-1220 to inquire about a payment plan.

This Final Order may be appealed to circuit court within 30 days, pursuant to Ala. Code § 40-2B-2(m).

Entered February 27, 2025.

/s/ Leslie H. Pitman  
LESLIE H. PITMAN  
Associate Tax Tribunal Judge

lhp:ml:thb

cc: Adrienne Clarke  
Margaret Johnson McNeill, Esq.