

# Revenue REVIEW

1<sup>ST</sup>  
Quarter  
FY 2001

(October, November,  
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A Quarterly Publication of the Alabama Department of Revenue

## ADOR and IRS to E-File for State's Taxpayers

**A**labama's Revenue Department is working with the Internal Revenue Service in a pilot project to complete and electronically file both state and federal income tax returns



Benita Wilson, Internal Revenue Service, Birmingham Office, pauses to answer a question during a recent training session for state revenue examiners.

for taxpayers during the 2001 tax season.

The Montgomery Taxpayer Service Center will be the first office to provide the service, beginning Feb. 1, 2001. Plans are underway to eventually expand the service to all taxpayer service centers statewide, after the 2001 tax season.

The state has offered electronic filing since January of 1998, but this year marks the first time Alabama has offered to e-file the returns for the taxpayers, free of charge.



Those attending the Internal Revenue Service training sessions for state revenue examiners were: (front row, left) Paulette Windom, IRS E-filing Coordinator, New Orleans Office; Arnell Jones, Montgomery IRS Office; Revenue Manager Ann Winborne, Alabama Revenue Department; (second row) Benita Wilson, Birmingham IRS Office; Phyllis Davis, ADOR; Tammy Payne, ADOR; (back row) John R. Davis, Tobin Thomas, Ed Cutter, Clisby Thomas, ADOR.

According to State Revenue Commissioner Michael Patterson, the Alabama return can be e-filed only if the federal return is e-filed. "This is another first for the state, as prior to this project, we had never completed federal returns for taxpayers before. We still will not complete federal 'paper' returns, those that are mailed," he explained.

"If a taxpayer comes to us first, we will complete both returns. If the taxpayer goes to the IRS office first, then the IRS will complete both returns. We think this is an excellent opportunity to work together with the IRS to help each other and to help the taxpayers by easing the burden of preparing and filing income tax returns. We

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## ADOR and IRS to E-File

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have always provided free taxpayer assistance by answering questions and filling out Alabama income tax returns in our service centers around the state. Offering to e-file for the taxpayer is just an extension of that service, another means of offering assistance.”

Taxpayers must call the Montgomery Taxpayer Service Center at 242-2677 to schedule an appointment for tax return completion. Those taxpayers who arrive without a scheduled appointment will be offered the next available one.

Preparations for the pilot project have been underway for several months. Earlier this year, representatives from the Alabama Revenue Department’s Individual and Corporate Tax Division visited the Louisiana Department of Revenue. Field Activities Section Managers Ann Winborne, Montgomery Taxpayer Service Center; Charlotte Jordan, Auburn/Opelika Taxpayer Service Center; and Roger Frost, Tuscaloosa Taxpayer Service Center, learned about the state’s e-filing program.

“Louisiana provides e-filing of both state and federal income tax returns as part of its taxpayer assistance program,” Winborne explained. “While there, we also visited the IRS office in New Orleans to view their e-filing program. Representatives from our department and representatives from the Birmingham and New Orleans offices of the IRS decided to implement the project as a joint endeavor, with the Montgomery TSC as the first location.”

In October, the IRS conducted training sessions for Alabama’s revenue examiners. Representatives Benita Wilson of the Birmingham IRS office and Arnell Jones of the Montgomery IRS office taught a three-day class on e-filing software, TaxWise, and federal income tax law. IRS Electronic Filing Coordinator Paulette Windom, from the IRS New Orleans office, spoke on the federal e-filing program. State revenue examiners attending were: John R. Davis, Phyllis Davis, Tammy Payne, Clisby Thomas Jr., and Tobin Thomas, along with Revenue Manager Ann Winborne.



Revenue Manager Ann Winborne (standing), Alabama Revenue Department, works with Internal Revenue Service E-filing Coordinator Paulette Windom (left) and Training Representative Arnell Jones (right), Montgomery IRS Office.

## Refund Checkoff Donations and Voluntary Contributions

The chart below shows FY 2000 (Oct. 1, 1999-Sept. 30, 2000) donations and number of Alabama individual income tax returns designating checkoff amounts.

	<b>FYTD 2000</b>	<b>No. of Returns</b>
Alabama Aging Fund	\$ 34,108.00	3,123
Alabama Arts Development Fund	\$ 17,426.79	2,095
Alabama Nongame Wildlife Fund	\$ 26,736.49	3,088
Child Abuse Trust Fund	\$ 65,276.64	6,494
Alabama Veterans Program	\$ 24,634.21	3,052
Alabama Indian Children’s Scholarship Fund	\$ 14,713.11	2,024
Penny Trust Fund	\$ 6,995.75	1,367
Foster Care Trust Fund	\$ 21,199.54	3,001
*Mental Health	\$ 15,610.14	2,443
Neighbors Helping Neighbors	\$ 16,654.85	1,607
<b>TOTAL</b>	<b>\$243,355.52</b>	<b>28,384</b>

*\*Note the Mental Health Fund is not a refund checkoff donation. It is a voluntary contribution fund that is shown on the face on the Alabama return. Contributions to this fund increase an individual’s tax liability amount.*

# Alabama Joins National Streamlined Sales Tax Project

Gov. Don Siegelman recently signed an executive order allowing Alabama to participate in a national research project aimed at creating a uniform, multi-state sales and use tax structure tailored to accommodate the electronic commerce economy.

"Electronic commerce is rapidly growing, and state and local tax structures must adapt to this changing economy," said State Revenue Commissioner Michael L. Patterson. "State sales tax collections are a major funding component in Alabama. States recognize that a uniform, streamlined, multi-state collection system must be developed to accommodate this new economy. The project allows states the opportunity to come together and work to formulate a compromise system that will accommodate individual state tax laws, but simplify laws, filing and remittance requirements for all retailers," explained Patterson.

"Since the first mail-order catalogs landed in residents' mailboxes, states and local taxing authorities have grappled with nexus issues. Main-street merchants and retailers have voiced concerns that they are placed at unfair competitive disadvantages to their out-of-state competitors who are not legally required to collect a state's sales or use tax. The world of electronic commerce has opened more doors in the marketplace and has revealed more issues and legal questions for states to tackle.

"Generally, federal legislation has said that some Internet vendors and other remote sellers cannot legally be compelled to collect sales and use tax from consumers in other states. Through efforts of the National Streamlined Sales Tax Project, states are working collectively to simplify and streamline their sales and use tax laws. That is why Alabama has taken a seat at the

table. We do not want to be left on the sidelines in discussions that will eventually lead to some form of model federal or state legislation," said Patterson. "By joining the project early on, we are actively involved in discussions aimed at providing all states with a simpler sales and use tax system. The overall goal is to increase uniformity among the states, yet provide states with administrative and collection flexibility."

The Streamlined Sales Tax Project began in September 1999 as an effort created by state governments with stated goals of sales tax simplification and efficient sales tax collection in existing and new economies.

Currently, 29 states have joined the project, headed by a seven-member steering committee representing a broad cross-section of the country. Charles Collins of North Carolina and Diane Hardt of Wisconsin serve as committee co-chairs. Steering committee members are Johnnie Burton, Wyoming; Carol Fisher, Missouri; Jack Kopald, Tennessee; Scott Peterson, South Dakota; and Nancy Taylor, Minnesota. Alabama participated in its first meeting on July 13, 2000, joined by new member-states West Virginia, Pennsylvania, and Mississippi. Executive Order 36, signed Sept. 11, 2000, allows Alabama to become a voting member of the project group.

"States have accepted the challenge to design, test, and implement a streamlined sales tax system for the 21st century," stated Diane L. Hardt, Wisconsin Department of Revenue and co-chair of the project, in a project news release issued April 5, 2000. "We agree that the current sales and use tax system is not equipped to address the needs of the existing and new electronic economies. The new system under development will protect the privacy of con-

sumer transactions; greatly simplify definitions, tax rates, and tax bases; and incorporate technology into the collection process."

Key issues being addressed by the project group include simplified exemption administration and processing, uniform tax base definitions, use of technology to accommodate local option use taxes, insuring the privacy of consumers and the security of tax-related information, sourcing of interstate transactions, uniform bad debt procedures and simplified returns and remittances.

"The project seeks input and technical assistance from both the public and private sector to address numerous issues within the project work groups," said Patterson. "A public comment period is also provided at each of the project meetings to allow interested parties to address other issues relevant to the project. Public hearing dates and procedures for presenting oral testimony or written comments are detailed on the project's Web site address at [www.streamlinedsalestax.org](http://www.streamlinedsalestax.org)."

Charles Collins, North Carolina Department of Revenue and project co-chair, echoed Patterson's comments of public involvement. "The business community and the states have worked cooperatively to allow us to formulate elements of a streamlined sales tax system that reduces the burdens on vendors that are present in the current system," said Collins. "We've come a long way—with substantial work yet to be done. But we are confident that this joint effort will allow us to meet our goals."

For more information concerning the Streamlined Sales Tax Project, log onto the project's Web site at [www.streamlined-salestax.org](http://www.streamlined-salestax.org).

# 2001 Mandatory Liability Insurance Overview

## ADOR Random Surveys

**D**uring the first week of January, the Alabama Department of Revenue began its weekly mailing of some 1,500 insurance verification survey forms to vehicle owners.

The one-page survey/questionnaire identifies the particular vehicle selected for insurance verification and requests the following information:

- name of the insurance company (NOT AGENT'S NAME) which has insured that particular vehicle
- address and telephone number of the insurance company
- vehicle's insurance policy number
- effective date and expiration date of the vehicle policy.

The surveys should be mailed within 30 calendar days from the date shown on the survey form. Individuals may also return the information by fax or by Internet. Failure to respond to the survey can result in suspension of the motor vehicle's registration.

"Once the department receives the returned surveys, we will begin the verification process," said State Revenue Commissioner Michael Patterson. "If an owner is found not to have insurance, the owner will be notified and the vehicle's tag registration will be suspended. To reinstate the registration, the owner must provide proof of insurance to the Revenue Department at the time of reinstatement and pay a \$100 registration reinstatement fee for first-time suspension.

"The department reminds owners that they are required to verify insurance coverage only for the vehicle identified on the sur-

vey form; owners are not required to verify insurance coverage for any additional vehicles they own," he said.

"After one year, the department will again survey vehicle owners who were found without insurance. Subsequent offenses carry a mandatory four-month tag suspension, a \$200 reinstatement fee, proof of insurance at the time of reinstatement, and the requirement of maintaining liability insurance for three years," explained Patterson.

In addition to the random surveys conducted by the department, the mandatory liability insurance law stipulates that registrations of vehicle owners whose licenses have been suspended or revoked for any reason after Jan. 1, 2001, or of vehicle owners who have been convicted for driving without insurance after Jan. 1, 2001, will automatically be added to the survey pool.

"The law requires that such registrations remain in the compliance survey pool for four years; vehicle owners will be required to provide insurance verification on an annual basis throughout the four-year period," said Patterson.

Certain vehicle categories are specifically exempted from Alabama's mandatory liability insurance law and will not be subject to insurance verification. Exempt vehicles include: semitrailers, travel trailers, utility trailers, government-owned vehicles, for-hire trucking companies regulated by the Public Service Commission, and off-road vehicles such as road-graders, etc.

## Registration Process Requirements

Owners registering their vehicles after Jan. 1, 2001, will be required to provide their driver's license number or their identification card number issued by the Alabama Department of Public Safety (§32-6-4, *Code of Alabama 1975*) to county tag-issuing officials at the time of registration.

Companies or other business entities registering commercial vehicles will be required to provide the company's or business' federal employer identification number (FEIN) to county officials.

"The identification numbers will not be shown on the motor vehicle receipt, but will be recorded in confidential state and county motor vehicle databases. The Revenue Department is required to use this identification information to carry out its mandatory liability insurance compliance responsibilities," explained Patterson.

The second requirement involves the vehicle owner's written affirmation of insurance coverage. The owner's signature on the registration receipt will indicate that the information shown on the registration receipt is correct and that the vehicle is properly insured. No insurance proof documents will be required at the time of registration. The owner's signature is the only requirement.

For more information concerning Alabama's Mandatory Liability Insurance Law and the Department of Revenue's related responsibilities, contact the department's Mandatory Liability Insurance Section of the Motor Vehicle Division at (334) 353-2000, or visit the department's Web site at [www.ador.state.al.us](http://www.ador.state.al.us).

# AUM Tax Practitioner Seminar

The annual tax practitioner seminars hosted by Auburn University's Outreach Program were held during November and December 2000 at eight statewide locations. The two-day seminars are presented by the Alabama Department of Revenue, the Internal Revenue Service, the Alabama Bar Association, and the Alabama Association of Accountants. Attendees include tax practitioners, public accountants, certified public accountants, attorneys and enrolled agents.

The Montgomery seminar was held at the Auburn University at Montgomery campus on Dec. 5 and 6. Instructors from the Internal Revenue Service were Revenue Officer Janice Barker and Revenue Agent Dolores DiVincenzo Everett. Alabama Department of Revenue instructors were Richard Henninger, Assistant Director

of Tax Administration, Individual and Corporate Tax Division; Ed Cutter, Administrative Support Unit Manager, Individual and Corporate Tax Division; Tamera Bruton, Group Leader, Business Privilege Tax Section, Individual and Corporate Tax Division; Barry Estes, Senior Examiner, Business Privilege Tax Section, Individual and Corporate Tax Division; Revenue Examiner Theodora Davis, Business Privilege Tax Section, Individual and Corporate Tax Division; Patricia Wilborn, Revenue Examiner, Huntsville Taxpayer Service Center, Individual and Corporate Tax Division.

Attorney instructors were George Hodge, James Coomes, Christine Dean, Gill Dukes, Robert Gardner, Chris Hinson, Bryan Prescott, and Courtney Williams.



Patsy Thomas, Program Developer with Auburn University's Outreach Program Office, discusses seminar presentations with Richard Henninger, Assistant Director of Tax Administration, Individual and Corporate Tax Division, Alabama Department of Revenue.



Ed Cutter, Manager of the Administrative Support Unit, Individual and Corporate Tax Division, Alabama Department of Revenue, briefs the audience on the speakers and topics for the seminar.



Richard Henninger (left), Assistant Director of Tax Administration, Individual and Corporate Tax Division, Alabama Department of Revenue, answers questions from Wayne Parker, a tax practitioner in Pike Road, Ala.



Tamera Bruton (right), Group Leader, Business and Privilege Tax Section, Individual and Corporate Tax Section, Alabama Revenue Department, assists Charlie Belflower, a CPA from Eufaula, Ala.

# Criminal Investigations and Convictions in 2000

On Nov. 7, 2000, George Wayne Dixon, a resident of Grand Bay in Mobile County, was convicted on his plea of guilty in Mobile Circuit Court to five counts of willful failure to file state income tax returns for the years 1993 and 1995 through 1998.

Dixon had falsely claimed residency in the state of Florida, a state which does not impose a personal income tax.

Circuit Court Judge William McDermott accepted the guilty plea and sentenced Dixon to two years in jail, suspended, with two years' supervised probation. Dixon was also ordered to pay \$13,644 in delinquent taxes and penalties, plus accrued interest, to the Alabama Department of Revenue, to perform 200 hours of community service, and to file Alabama income tax returns in a timely manner.

Robert O. Price III and William P. Holland, both residents of Montgomery, Ala., were arrested on charges of Forgery in the 3rd Degree and Willfully Submitting False Tax Documents. Recipients of cash winnings at a Montgomery tavern on multiple occasions, they were required to submit income tax withholding forms to the tavern to account for the income on their state and federal income tax returns. Instead of using their own names, they used the name of a fellow National Guard member.

Pursuant to an agreement reached with the Attorney General, in January, 2000, they entered into the Montgomery County Pre-trial Diversion program, wherein they admitted their guilt and contractually agreed to various conditions and terms of probation, including resignation from the Alabama National Guard.

As a result of a joint investigation involving the FBI, the IRS and the U.S. Attorney for the Southern District of Ala-

bama, Timothy K. Roberts was convicted on his plea of guilty entered Feb. 25, 2000, in the Federal District Court for the Southern District of Alabama in Mobile. He entered a plea of guilty to three counts of income tax evasion for the years 1993 - 1995.

Roberts was the former CEO of Citizens Industrial Bank of Decatur, Inc., a mortgage broker, where he was alleged to have embezzled more than \$1,415,000 that was not reported on his income tax returns. He was sentenced to serve two years in a federal prison.

Harold D. Burgess, a resident of Hanceville, Ala., was convicted on his plea of guilty in Montgomery County District Court on March 6, 2000, for submitting false documents to the State Department of Revenue. He altered documents to justify exaggerated itemized deductions during an audit/review of his 1995 state income tax return. He was sentenced to one year in jail, suspended, and placed on probation for one year. He was ordered to pay all income taxes, penalties, and interest owed.

As the result of a joint investigation with the IRS and the U.S. Attorney for the Southern District of Alabama, Delmont O. Dapremont was convicted by a jury on June 16, 2000, in Federal District Court for the Southern District of Alabama in Mobile. He was found guilty on four counts of federal income tax evasion charges for the years 1993 - 1996. Mail fraud charges regarding the state income tax returns were not pressed before trial.

Dapremont was the former President of Coastal Ford, Inc., a Ford dealership in Mobile, Ala. Evidence indicated that he underreported his income by more than \$400,000.

On Nov. 8, 2000, U.S. District Judge Charles R. Butler sentenced Dapremont to

30 months in federal prison. After serving the prison time, he will be placed on supervised probation for three years. He was also ordered to pay the costs of prosecution in the amount of \$6,325.

Bruce C. Boynton of Selma, Ala., was convicted in Montgomery County District Court on Aug. 7, 2000, on his plea of guilty to Willful Failure to File 1993-1996 State Income Tax Returns.

Boynton filed his delinquent returns after his arrest, but before his conviction. He was sentenced to one year in jail, suspended, with one year of probation. He was ordered to pay restitution of approximately \$13,000 to the State Department of Revenue for back income taxes owed.

Krista Young Smith, an owner of a Marengo County business, "Smith's Used Cars," was convicted in Tuscaloosa County District Court on Aug. 30, 2000, on her plea of guilty to Failure to Pay Sales Tax and to Filing a False and Fraudulent 1997 State Income Tax Return. Smith withheld information from her accountant about sales of automobiles made by her used car business. This withholding of information resulted in underpayment of state sales tax collected from customers, as well as reporting false amounts of gross income on her state income tax returns. She was sentenced to six months in jail, suspended, and placed on probation. She was ordered to make satisfactory arrangements with the

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## ADOR Web site

The *Revenue Review* can be downloaded by accessing the Alabama Department of Revenue Web page at [www.ador.state.al.us](http://www.ador.state.al.us).

## Criminal Investigations

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State Department of Revenue to pay the taxes owed. Smith closed her business.

A joint investigation involving the Alabama Revenue Department and the Mobile District Attorney, resulted in the conviction of Michael C. Bedgood, from St. Elmo. Bedgood was convicted in Mobile Circuit Court on Oct. 3, 2000, on his plea of guilty to one count of Theft of Property in the 1st Degree and one count of Filing a False 1998 State Income Tax Return.

While Secretary/Treasurer of the St. Elmo-Irvington Volunteer Fire Department during 1998-1999, Bedgood embezzled more than \$55,000 from the fire department funds. He did not report this source of income on his state income tax returns.

Bedgood was sentenced to one year in jail, suspended for two years, and ordered to pay \$57,084 in restitution to the St. Elmo-Irvington Volunteer Fire Department and \$2,400 to the Department of Revenue for state income taxes owed. He was also placed on probation for two years.

A Millbrook, Ala., chiropractor, Kenneth L. Jones, and his wife, Glenda Jones, were convicted of state charges of tax fraud after their plea of guilty on Dec. 14, 2000, to one count of filing fraudulent state income tax returns. Mrs. Jones worked as an office manager in her husband's chiropractic office.

In examining the couple's business records, investigators from the Alabama Department of Revenue and the Attorney General's Office found evidence that they had underreported their business income by \$76,657 from 1994 to 1996, and they owe the State of Alabama in excess of \$7,000 for unpaid tax, interest, and fraud penalties.

An Elmore County grand jury returned indictments against the couple on Oct. 6, 2000, and they were arrested on Oct. 20. Immediately following their guilty plea, Judge Ben Fuller sentenced them to six months in jail, suspended, ordering them to serve one year of probation and to pay a fine of \$100 and court costs associated with the prosecution of the case.

## Administrative Rules

### Effective Sept. 17, 2000:

#### Adopted:

810-5-1-.227.06 Memorandum of Understanding between the Alabama Emergency Management Agency and the Alabama Department of Revenue

### Effective Nov. 17, 2000:

#### Adopted:

810-5-1.485 Implementation of Federal Driver's Privacy Protection Act (DPPA)

#### Amended:

810-5-75-.28 Title Procedure-First Title for Assembled Vehicles

### Effective Dec. 25, 2000:

#### Adopted:

810-5-1.486 Memorandum of Understanding Between the Administrative Office of Courts and the Alabama Department of Revenue-Parking Ticket Cases

810-5-1-.487 Memorandum of Understanding Between the Administrative Office

of Courts and the Alabama Department of Revenue-Convictions/ Violations of Liability Insurance Laws 810-5-1-.488 Memorandum of Understanding Between the Finance Department and the Alabama Department of Revenue

## IRS Interest Rate to Remain at 9%

The quarterly interest rate for the calendar quarter beginning Jan. 1, 2001, will remain at nine percent (9%) for underpayments, according to Internal Revenue Service News Release No. 2000-84.

According to §40-1-44, *Code of Alabama 1975*, the Alabama Department of Revenue will calculate interest on underpayments and overpayments (where applicable) at the same annual rate (9%), with the exception of land sold by the state for taxes, which shall be calculated at 12% as provided for under §40-5-9.

### Interest Rates By Calendar Quarter

(Established by: 26 USCA §6621; §40-1-44, *Code of Alabama 1975*)

	1ST QTR	2ND QTR	3RD QTR	4TH QTR
<b>1982</b>	20%	20%	20%	20%
<b>1983</b>	16%	16%	11%	11%
<b>1984</b>	11%	11%	11%	11%
<b>1985</b>	13%	13%	11%	11%
<b>1986</b>	10%	10%	9%	9%
<b>1987</b>	9%	9%	9%	10%
<b>1988</b>	11%	10%	10%	11%
<b>1989</b>	11%	12%	12%	11%
<b>1990</b>	11%	11%	11%	11%
<b>1991</b>	11%	10%	10%	10%
<b>1992</b>	9%	8%	8%	7%
<b>1993</b>	7%	7%	7%	7%
<b>1994</b>	7%	7%	8%	9%
<b>1995</b>	9%	10%	9%	9%
<b>1996</b>	9%	8%	9%	9%
<b>1997</b>	9%	9%	9%	9%
<b>1998</b>	9%	8%	8%	8%
<b>1999</b>	7%	8%	8%	8%
<b>2000</b>	8%	9%	9%	9%
<b>2001</b>	9%			

# Form 2300 Instructions for the Request of Bulk Alabama Income Tax Forms

## Tax Practitioners

Tax practitioners should request only those forms and instructions necessary to prepare returns for their clients.

## Shipping Charges

All orders, when possible, will be sent free of charge, via U.S. mail. Orders which cannot be sent through the mail will be shipped UPS with the firm or organization requesting forms being billed for the shipping charges.

## Banks, Post Offices, Etc.

Banks, post offices, libraries, schools, and other organizations needing Alabama individual income tax forms for distribution to the general public may request them using Form 2300. The Income Tax booklets for Forms 40, 40A, and 40NR will be sent free of charge. These booklets contain all forms, schedules, and instructions needed by the average person for completion of his/her return. Each booklet also contains an order blank for taxpayer use in ordering forms not in the booklet. Please order only the quantity necessary for distribution to the general public.

## General Instructions

Fill in the name and address of the organization in the spaces at the top of the form. Be sure to include the name and phone number of the individual to contact if there is a question concerning your order. Indicate principal occupation or business by checking the appropriate box.

Indicate quantity of each requested form and instruction. Unless listed separately, instructions for forms and schedules are contained within the form or included in the income tax booklets. The Alabama Revenue Department does not print separate instructions for Forms 40, 40A, and 40NR or Schedule A (Form 40 and 40 NR). Complete instructions for these forms and schedules are contained within their

respective booklets.

Alabama does not provide Schedules C, F, 2106, 3903, or 2119 and requests that federal schedules be used, making modifications as required by Alabama law.

Please complete both mailing labels at the bottom of the form. These labels will be use to mail your requested forms to you. Use a street address instead of a P.O. Box number when filling out labels.

Mail the entire form to:

Alabama Department of Revenue  
Income Tax Forms  
P.O. Box 327470  
Montgomery, AL 36132-7470

Facsimile requests must be ordered on a current-year form and faxed to (334) 242-0362, Attention: Forms Department. All mailed and faxed orders are filled in the order received.

**40 Booklet** . . . . . Resident and Part-Year Resident Return, Long Form

**40A Booklet** . . . . . Resident Return, Short Form

**40NR Booklet** . . . . . Nonresident Return

**40** . . . . . Resident and Part-Year Resident Return, Individual, Long Form

**40A** . . . . . Resident Return, Individual, Short Form

**40NR** . . . . . Nonresident Return, Individual

**40ES** . . . . . Declaration of Estimated Tax

**40X** . . . . . Amended Individual Return

**40X Instructions**

**Schedules A,B,& CR (Form 40)**

**Schedules D & E (Form 40)**

**Schedules A,B,D & E (Form 40NR)**

**Schedule OC (Form 40 and 40NR)**

**4506-A** . . . . . Request for Copy of Return

**4868A** . . . . . Request for Extension

**4952A** . . . . . Investment Interest Expense Deduction

**NOL-85 Booklet** Contains Forms NOL-85, NOL-85A, 40X, and Instructions

**NOL-85** . . . . . Computation of NOL

**NOL-85A** . . . . . Carryback & Carryforward of NOL

**NOL-F85** . . . . . Computation of Fiduciary NOL

**NOL-F85A** . . . . . Carryback/Carryforward of Fiduciary NOL

**41** . . . . . Fiduciary Return

**41 Instructions**

**65** . . . . . Partnership Return and Instructions

**20C** . . . . . Corporation

**20C Instructions**

**20SC** . . . . . Nonresident Composite Return

**20S** . . . . . Alabama S Corporation Return

**20S Instructions**

**Schedule K-1** . . . . . Shareholder Statement of Income/Deductions (Form 20S)

**Schedule NRA** . . . . . Agreement of Nonresident Shareholder (Form 20S)

**ET-1** . . . . . Financial Institution Excise Tax Return

**ET-8** . . . . . Application for Extension of Time (Form ET-1)

**ET-C** . . . . . Election & Payment of Consolidated Filing Fee for Financial Institution

**COM:101** . . . . . Combined Registration/Application/Change Form

**A-1** . . . . . Quarterly Report

**A-2** . . . . . Annual Withholding Statement

**A-3** . . . . . Yearly Reconciliation

**A-4** . . . . . Employees Exemption Certificates

**A-4-E** . . . . . Employee Exemption Certificate (Student)

**A-6** . . . . . Monthly Report

**96** . . . . . Annual Information Return—Summary

**99** . . . . . Individual Information Return

**Withholding Tax Tables and Instructions for Employers**

## REQUIRED MONTHLY RETURNS TAX ACTIVITY

- 10<sup>th</sup>** • Medicaid-related tax return and payment due for nursing facilities.  
• Tobacco use tax return and payment due.
- 15<sup>th</sup>** • Gasoline information return due from carriers, transporters, and warehouses.  
• Lubricating oils information return due from carriers, transporters, and warehouses.  
• Motor carrier mileage tax return and payment due.  
• Oil and gas production tax and privilege tax return and payment due two months following month of production.  
• Withholding return and payment due from those employers required to remit on a monthly basis.
- 20<sup>th</sup>** • Aviation fuel tax return and payment due.  
• Cellular telecommunication services tax return and payment due.  
• Coal severance tax return and payment due.  
• Coal transporters' and purchasers' returns due.  
• Contractors' gross receipts tax return and payment due.  
• Gasoline tax return and payment due.  
• Iron ore severance tax return and payment due.  
• Local solid minerals tax returns and payments due.  
• Lodgings tax return and payment due.  
• Lubricating oils tax return and payment due.  
• Medicaid tax return and payment due from pharmaceutical service providers.  
• Motor fuel tax return and payment due.  
• Pari-mutuel pool tax return and payment due.  
• Rental or leasing tax return and payment due.  
• Sales tax (state and local) return and payment due.  
• Tobacco tax (state and county) return and payment due.  
• Underground and aboveground storage tank trust fund charge due.  
• Use tax return and payment due.  
• Utility gross receipts tax return and payment due.
- 30<sup>th</sup>** • Hazardous waste fee return and payment due.
- Last Day of Month • State horse wagering fee return and payment due.

## QUARTERLY/ANNUAL TAX ACTIVITY

(February, March, April, May 2001)

### February

- 28** • Annual withholding return due.

### March

- 1** • Freight line equipment return due.  
• Annual insurance premiums tax return and payment due.  
• Public utility property tax return delinquent after this date.

- 15** • Corporate income tax return and information return due (for calendar-year taxpayers).  
• Business Privilege and Corporate Shares tax return (Form PSA) due for corporations.

### April

- 1** • Annual Dry Cleaning Trust Fund fee return and payment due by wholesalers of dry cleaning agents.  
• Quarterly Dry Cleaning Trust Fund fee return and payment due.  
• Utility license (2.2%) third quarterly payment due.

- 15** • Declaration of estimated personal income tax and first installment due.  
• Financial institutions' excise tax return and payment due.  
• Business Privilege and Corporate Shares tax return (Form PSA) due for limited liability entities.  
• First installment of estimated corporate income tax due (for calendar-year taxpayers).

**NOTE:** Other fiscal-period taxpayers pay their corporate estimated tax on the 15th day of the fourth, sixth, ninth and twelfth months of their tax year and file their return on the 15th day of the 3rd month following the close of their tax year.

- Partnership income tax return due.  
• Personal income tax return and payment due.

- 20** • Quarterly sales tax return and payment due.  
• Quarterly use tax return and payment due.

- 30** • Forest products' severance tax return and payment due.  
• Quarterly withholding return and payment due from employer.  
• Quarterly IFTA tax return and payment due.

## Statement of Gross Tax Collections

FYTD 2001 – Through End of First Quarter  
(Oct., Nov., Dec. '00)

	FYTD '00-'01	FYTD '99-'00	% Change
Business Privilege Tax	\$ 3,339,898.99	\$ 0.00	0.00
Corporation Shares	9,202,482.64	0.00	0.00
Gasoline	93,719,686.33	94,168,832.14	(0.48)
Income Tax (Corporate)	37,416,898.11	64,760,294.75	(42.22)
Income Tax (Ind.)	504,516,638.52	491,454,147.47	2.66
Motor Fuels (Diesel)	30,032,150.33	28,741,959.25	4.49
Oil & Gas Privilege	17,976,568.78	10,886,162.37	65.13
Oil & Gas Production	6,552,086.52	4,075,303.00	60.78
Sales	381,356,497.65	383,977,240.78	(0.68)
Use	49,324,327.81	46,458,654.08	6.17
Utility Gross Receipts	71,969,169.84	66,109,653.08	8.86
<b>Subtotal (Listed Taxes)</b>	<b>1,205,406,405.52</b>	<b>1,190,632,246.92</b>	<b>1.24</b>
<b>Subtotal (Other Taxes)</b>	<b>146,196,906.68</b>	<b>160,116,655.68</b>	<b>(8.69)</b>
<b>Total All Taxes</b>	<b>\$1,351,603,312.20</b>	<b>\$1,350,748,902.60</b>	<b>0.06</b>

# Revenue Rulings

*Rev. Rul. 00-006rr*

RE: Applicability of Ala. Code 40-23-5(m) to a public hospital association not organized under Ala. Code '10-3A-1 et seq., the Alabama Nonprofit Corporation Act.

9/1/00

*Rev. Rul. 00-007*

RE: Taxation of common law trusts

8/31/00

*Rev. Rev. 00-004*

RE: Application of state-administered local taxes to inventory items temporarily stored in company warehouses for use or consumption in other localities and the determination of local use tax liability through the apportionment of inventory based on its usage in localities within the Company's service area.

9/22/00

*Revenue Review* is published quarterly by the Alabama Department of Revenue Media Affairs Section. Comments or suggestions should be sent to: **Revenue Review**, Alabama Department of Revenue, P. O. Box 327001, Montgomery, AL 36132-7001; telephone (334) 242-1390 or (334) 242-1175. Michael Patterson, Commissioner; George E. Mingledorff III, Assistant Commissioner; Lewis A. Easterly, Department Secretary; Carla A. Snellgrove, Public Information Manager; Carolyn Blackstock, Editor; and Mickey Godwin, layout and design.

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