

Revenue REVIEW

3rd
Quarter
FY 2001

(April, May,
June 2001)

A Quarterly Publication of the Alabama Department of Revenue

ADOR Announces Personnel Changes

The Alabama Department of Revenue has undergone several recent changes in personnel.

Former Assistant Revenue Commissioner *George E. Mingledorff III* ended a 26-year career with the Alabama Revenue Department when he retired in April of this

year, formerly the director of the Individual and Corporate Tax Division. (See 2nd qtr. *Revenue Review*.)

Former Sales, Use and Business Tax Director *Ernest J. Broadhead* retired May 31, 2001. Broadhead's 35-year career with the department was highlighted by his service as director of two tax divisions. In the

assistant field activities supervisor, and later as hearings officer. As division director, he will oversee the administration and collection of some \$2.6 billion annually in tax revenue, including sales, use, utility gross receipts, lodgings, gasoline, motor fuels, rental and leasing, and tobacco taxes.

Richard Henninger, former assistant director of the Individual and Corporate Tax Division, was named director of that division prior to the appointment of Cynthia Underwood as assistant state revenue commissioner. Henninger's 27-year career with the department began with his duties as a field examiner, followed by the position of district coordinator of the Montgomery Taxpayer Service Center. He served as manager of the Individual Income Tax Section before being named assistant director of the division in 1997. As current director, he will oversee the administration and collection of some \$2.5 billion in tax revenue, including individual and corporate income, business privilege, estate, and financial institutions' excise taxes.

Ed Cutter has been named assistant director of the Individual and Corporate Tax Division. Cutter, who practiced public accounting before coming to work with Revenue in 1985, served as assistant chief of Revenue's former Budget and Administration Division. He has been instrumental in several of the department's significant endeavors. Cutter automated the mail processing and payment processing functions, implemented the Alabama EFT Tax Payment Program, and coordinated the recent revision of the Alabama income tax regulations.

Janet Stathopoulos is assistant director of Sales Tax Administration in the Sales, Use and Business Tax Division. Stathopoulos

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Former Alabama Assistant Revenue Commissioner *George E. Mingledorff III* (shown right) is congratulated by Alabama Revenue Commissioner *Michael L. Patterson* at a retirement reception acknowledging Mingledorff's 26 years of exemplary service with the department.

year. In 1983, Mingledorff was appointed assistant chief of the Income Tax Division; six months later, he assumed the duties of division chief. In April of 1989, he was appointed as the state's assistant revenue commissioner, the senior merit position within the department. During several interims, he served as acting state revenue commissioner.

The position of assistant revenue commissioner was assumed by *Cynthia Under-*

wood, formerly the director of the Franchise Tax Division; soon after, he assumed the duties of division director. In January 1997, he was named director of the Sales, Use and Business Tax Division.

Current director of the Sales, Use and Business Tax Division is *Joe Cowen*, formerly the director of the Field Operations Section. Cowen's 27-year career in the department began with his duties as a field examiner, followed by his appointment as

Tax Crimes 2001

Huntsville Optometrist Convicted for Tax Evasion

A Madison County optometrist was convicted on state income tax evasion charges Jan. 8, 2001, in Madison County Circuit Court. Daniel W. Placzek, 61, pleaded guilty Monday before Circuit Judge Joe Battle to one charge of state income tax evasion. This was the second time that Placzek has faced state criminal tax charges. In 1991, he was convicted on similar state tax charges.

Placzek was ordered by Judge Battle to pay \$56,000 in delinquent taxes and fraud penalties, plus accrued interest, for his failure to file state individual income tax returns for tax years 1993, 1994, 1995, 1996, and 1997. Placzek's conviction also carried a five-year jail sentence, suspended, with the exception of 12 days' actual jail time that will be served by Placzek in the Madison County jail on weekends through work release, beginning in February. Judge Battle also sentenced Placzek to five years of supervised probation, during which Placzek must provide evidence each year to his probation officer, showing that he has filed Alabama income tax returns.

Commenting on the conviction, State Revenue Commissioner Michael Patterson commended the Madison County District

Attorney's Office in its prosecution of the case and Department of Revenue Investigations Agent Angela Aldridge and Examiner Patricia Wilborn in their handling of the case.

Montgomery Attorney Pleads Guilty to State Tax Charges

A Montgomery attorney was convicted March 5, 2001, after pleading guilty to failure to file Alabama individual and corporate income tax returns.

Jerry L. Cruse 67, pleaded guilty Monday, March 5, 2001, before Montgomery County District Judge Lucie McLemore to one charge of failure to file his 1995 individual income tax return and a second charge of failure to file his firm's 1996 corporate income tax return. Cruse served as president and responsible corporate officer for Jerry L. Cruse, P.C.

Judge Lucie McLemore sentenced Cruse to one year in jail, suspended, and one year of supervised probation. As a condition of his probation, Judge McLemore ordered Cruse to pay more than \$5,000 in delinquent taxes, fraud penalties, and accrued interest for his failure to file state individual and corporate income tax returns for tax years 1994, 1995, 1996, and 1997.

State Revenue Commissioner Michael Patterson commended the Montgomery County District Attorney's Office for its prosecution of the case and Alabama Department of Revenue Investigations Agent Robert McVay and Revenue Examiner Tobin Thomas for their assistance in the investigation leading to Cruse's conviction.

"Tax evasion is costly to all involved, and the cost of noncompliance, both personally and professionally, far outweighs any chance of personal gain," said Patterson. "Convicted individuals face penalties and possible jail terms. Through neglect of their tax responsibilities, those who are guilty of such tax offenses also erode avail-

able funding sources for Alabama's Education Trust Fund (ETF). State income tax revenues are one of the major funding components of the ETF."

Madison CPA Convicted on Tax Charges

A Madison County certified public accountant pleaded guilty June 18, 2001, in Montgomery County District Court for failure to file a 1996 Alabama income tax return.

Harvey Francis Cutter, 51, a resident of Huntsville, Ala., was ordered by Montgomery County District Judge Lucie McLemore to pay all outstanding taxes, penalties, and interest due the State of Alabama within 90 days. According to court records, taxes, penalties and interest totaled some \$24,290.

Cutter's conviction carried a one-year jail term, suspended, with one year of probation. Judge McLemore also ordered Cutter to file all future Alabama income tax returns in a timely manner.

State Revenue Commissioner Michael Patterson expressed his disappointment in a tax practitioner's conviction upon tax charges. "The victims of such tax crimes are Alabama's schoolchildren, as income taxes are earmarked for education in this state."

Patterson commended Revenue Special Agent Angela Aldridge and Revenue Examiner Janice Jackson for their work involving the tax investigation and subsequent conviction.

Personnel Changes

(Continued from Page 1)

los has served as both Field Manager and Hearings Officer for the former Natural Resources and License Tax Division. Her current position includes overseeing the administration, collection and enforcement of the taxes in the Sales and Use Tax Administration Section and the Business and License Tax Administration Section.

Affidavit Replaces Estate Tax Waiver

Legislation signed into law May 15, 2001, simplifies the transfer of assets of a decedent's estate and eliminates the necessity for the processing of an Estate Tax Waiver (Form EST-1) by the Alabama Department of Revenue.

Act 2001-468 requires the executor/administrator of an estate to file an affidavit in the county of residence of the decedent. This affidavit will affirm either that the value of the estate is below the minimum required to file a federal estate tax return (Form 706), or that the proper estate tax return has been filed or will be filed with the Alabama Department of Revenue.

The law stipulates that the affidavit must begin by stating that it is filed in accordance with Sec. 40-15-13, *Code of Alabama 1975*. It includes, but is not limited to, the following information:

- The legal name, Social Security number, legal residence (including county), and date of death of the decedent;

- The approximate value of the estate;
- Name and address of the executor/administrator;
- An acknowledgment of each personal representative's tax liability for any tax later determined to be due by the estate.

"The affidavit allows assets that are owned by the estate, such as stocks and securities, but held, administered, or maintained by a person other than the personal representative, to be transferred contingent upon the recorded affidavit," explained State Revenue Commissioner Michael L. Patterson.

"The transferring of assets after an individual's death can be traumatic for family members and personal representatives," continued Patterson. "The elimination of the former Estate Tax Waiver and the incorporation of estate tax waiver information into an affidavit simplifies the process of asset transfer for all parties involved."

ers must file sales tax returns and remit sales taxes by the filing deadline, which is the 20th of the month for the previous month's sales. Only one timely-filing discount is allowed per license holder per month, regardless of the number of retail locations within the state.

The discount also applies to contractor gross receipts tax account holders, those individuals or businesses involved in the construction, reconstruction, or building of any public highway, road, bridge, or street located within Alabama. As with sales tax, returns and payments for the contractor gross receipts tax are filed and paid by the 20th of each month for the previous month's receipts.

Under the new \$400 discount cap, sales tax collections and/or gross receipts tax collections must exceed \$19,850 monthly per license holder for the cap ceiling to apply.

For additional information, contact the Alabama Department of Revenue Sales, Use & Business Tax Division at (334) 242-1490 or visit the department's Web site at www.ador.state.al.us.

Maximum Timely-filing Discount Cap Set at \$400

Beginning with the May 2001 state and state-administered county and municipal sales tax returns, due June 20, 2001, the maximum timely-filing discount for Alabama retailers is limited to \$400 per month for each retail license holder.

Executive Order 53, issued May 22, 2001, by Gov. Don Siegelman, replaced the previous Order of April 26, 2001, which

had set the discount cap at \$200, and set the monthly limit at \$400, effective May 1, 2001.

State Revenue Commissioner Michael Patterson, in explaining the discount cap, said, "As an incentive to file returns and remit monthly sales tax collections on time, state law allows retailers who file their state and state-administered local sales taxes on time to retain up to a certain percentage of the total sales taxes collected from their customers. The governor has the authority to set the discount amount within certain limits.

"The discount is calculated based on a percentage of the amount of sales taxes collected; in no way does it affect the rate or amount of tax paid."

To claim the monthly discount, retail-

Seller Use Tax Timely-filing Discount Eliminated

Beginning with the June 2001 state and state-administered county and municipal sellers' use tax return, due July 20, 2001, no timely-filing discount will be allowed.

Executive Order Number 54, issued May 25, 2001, by Gov. Don Siegelman, disallowed the monthly discount on state and state-administered county and municipal sellers' use taxes collected by the license holder on or after June 1, 2001.

The elimination does not affect the rate or amount of use tax paid by the Alabama customer.

Legislation Highlights

The following synopses highlight significant revenue-related legislation passed during the 2001 Regular Session of the Alabama Legislature.

Local Legislation

2001-104 (H. 208) Cullman Property Tax Increase for Education

The City of Cullman Special School Tax shall increase from seven and one-half mills to a maximum millage of 19.5 mills. *Subject to voter approval.*

2001-232 (H. 530) Homewood Property Tax Increase for Education

The City of Homewood Special School levy shall increase from 9 mills to a maximum millage of 18.2 mills. *Subject to voter approval.*

2001-240 (S. 360) Tallapoosa County Additional Property Tax

Tallapoosa County is authorized to add an additional five-mill property tax, earmarked for hospital purposes. The tax would be assessed as of October 1, 2001, and terminate September 30, 2011. *Subject to voter approval.*

2001-351 (H. 784) Calhoun County; Elimination of Property Tax Duration
The current limitation to the duration

IRS Interest Rate to Drop to 7%

The quarterly interest rate for the calendar quarter beginning July 1, 2001, will drop to seven percent (7%) for underpayments, according to Internal Revenue Service News Release No. 2001-58.

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 (7%), with the exception of land sold by the state for taxes, which shall be calculated at 12% as provided for under §40-5-9.

of the special county property tax for education (Amendment No. 291) shall be removed. *Subject to voter approval.*

2001-358 (H. 614) Conecuh County; Additional Tobacco Tax

The Conecuh County Commission may, by resolution, levy and collect a \$0.05 per package cigarette/tobacco tax in Conecuh County. The Alabama Department of Revenue may be asked to collect and administer this tax. *Effective July 1, 2001.*

2001-367 (H. 698) Wilcox County; Additional Ad Valorem Tax

The Wilcox County Commission is authorized to levy a nine-mill ad valorem tax for a period of 25 years. *Subject to voter approval.*

2001-483 (H. 824) Greene County; Additional Property Tax in Eutaw

The Eutaw City Council is authorized to levy an additional 12.5 mills within the city limits for municipal operations. *Subject to voter approval.*

2001-485 (H. 694) Tallapoosa County; Increase in School Tax

The Tallapoosa County Commission may increase, from three mills to nine mills, the Special School District Tax for county public schools. *Subject to voter approval.*

2001-554 (H. 868) Cleburne County; Sales and Use Tax

The Cleburne County Commission is authorized to levy and collect a one percent sales and use tax in Cleburne County. The Commission shall have until December 31, 2001, to impose the new tax. The Alabama Department of Revenue may be called upon to collect and administer. *Effective June 1, 2001.*

2001-561 (H. 886) Lawrence County; Lodgings Tax

The Limestone County Commission is

(Continued on Page 8)

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
1982	20%	20%	20%	20%
1983	16%	16%	11%	11%
1984	11%	11%	11%	11%
1985	13%	13%	11%	11%
1986	10%	10%	9%	9%
1987	9%	9%	9%	10%
1988	11%	10%	10%	11%
1989	11%	12%	12%	11%
1990	11%	11%	11%	11%
1991	11%	10%	10%	10%
1992	9%	8%	8%	7%
1993	7%	7%	7%	7%
1994	7%	7%	8%	9%
1995	9%	10%	9%	9%
1996	9%	8%	9%	9%
1997	9%	9%	9%	9%
1998	9%	8%	8%	8%
1999	7%	8%	8%	8%
2000	8%	9%	9%	9%
2001	9%	8%	7%	

Administrative Rules

Effective May 31, 2001:

Adopted:

810-5-8-.05 Information to Be Shown on Insurance Cards

Amended:

810-4-1-.18 Synchronization of Taxation and Registration System-Assessment Procedures

Effective June 12, 2001:

Adopted:

810-6-5-.33 Alabama Drycleaning Environmental Response Trust Fund-Owner of an Abandoned Drycleaning Facility or Impacted Third Party

810-6-5-.34 Alabama Drycleaning Environmental Response Trust Fund- Owner of an Abandoned Drycleaning Facility or Impacted Third Party

810-6-5-.35 Alabama Drycleaning Environmental Response Trust Fund- Owner of an Abandoned Drycleaning Facility or Impacted Third Party

Effective July 11, 2001:

Amended:

810-9-1-.01 Definitions

810-9-1-.02 Returns

810-9-1-.03 Refund Claims

810-3-35.1-.03 Carryforward of Net Operating Losses for Corporations Filing Alabama Consolidated Returns

Effective Aug. 1, 2001:

Adopted by Reference:

810-5-1-.438 International Registration Plan

Repealed:

810-5-1-.400 International Registration Plan-Article I-Purpose and Principle

810-5-1-.402 International Registration Plan-Article II

810-5-1-.403 International Registration Plan, Inc. Dues

810-5-1-.412 International Registration Plan-Article III-Fees for Proportional Registration

810-5-1-.413 International Registration

- Plan-Article IV, Section A-Application for Proportional Registration
- 810-5-1-.414 International Registration Plan-Article IV, Section B-Application for Proportional Registration –Base Jurisdiction
- 810-5-1-.415 International Registration Plan-Article IV, Section C-Application for Proportional Registration-Trailers, Semi-Trailers
- 810-5-1-.416 International Registration Plan-Article IV, Section D-Application for Proportional Registration-Necessary Information, Numbers of Vehicles, Etc.
- 810-5-1-.417 International Registration Plan-Article IV, Section E-Application for Proportional Registration-Carriers, Lessees and Lessors
- 810-5-1-.418 International Registration Plan-Article V, Section A-Commissioner of the Base Jurisdiction, Registration Cards
- 810-5-1-.419 International Registration Plan-Article V, Section B-Fully Registered Vehicles, What Determines
- 810-5-1-.420 International Registration Plan-Article V, Section C and D-No Minimum Vehicle Fees, When Applicable
- 810-5-1-.421 International Registration Plan-Article VI-Registration of Additional Fleet Vehicles
- 810-5-1-.422 International Registration Plan-Article VII, Withdrawal of Fleet Vehicles, Credits, Replacement Vehicles and Accounting-Withdrawn Vehicles
- 810-5-1-.423 International Registration Plan-Article VII, Withdrawal of Fleet Vehicles, Credits, Replacement Vehicles and Accounting-Replaced Vehicles
- 810-5-1-.424 International Registration Plan-Article VIII-New Operations
- 810-5-1-.425 International Registration Plan-Article IX-Sections A, B, & C-Procedures for Proportional Registration and Rules Affecting Same
- 810-5-1-.426 International Registration Plan-Article X-Trip Leasing
- 810-5-1-.427 International Registration Plan-Article XI-Registration of Rental Vehicles

Statement of Gross Tax Collections

FYTD-2001 – Through End of Third Quarter
(April, May, June 2001)

	FYTD '00-'01	FYTD '99-'00	% Change
Business Privilege Tax	\$ 64,257,558.27	\$ 57,541,249.45	
Corporation Shares Tax	67,156,376.39	99,729,740.48	
Gasoline	283,369,376.08	286,291,980.67	(1.02)
Income Tax (Corporate)	141,506,594.47	200,400,616.30	(29.39)
Income Tax (Ind.)	1,853,835,236.30	1,849,493,004.33	0.23
Motor Fuels (Diesel)	88,275,615.17	90,418,675.19	(2.37)
Oil & Gas Privilege	61,841,138.87	33,611,223.14	83.99
Oil & Gas Production	23,325,779.86	12,262,833.74	90.22
Sales	1,132,755,359.57	1,151,849,606.92	(1.66)
Use	149,450,345.29	140,678,864.46	6.24
Utility Gross Receipts	239,213,351.53	211,935,772.97	12.87
Subtotal (Listed Taxes)	4,104,986,731.80	4,134,213,567.65	(0.71)
Subtotal (Other Taxes)	448,290,723.03	474,306,922.47	(5.49)
Total All Taxes	\$4,553,277,454.83	\$4,608,520,490.12	(1.20)

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Planning for the 2001 Tax Year

The Alabama Department of Revenue reminds taxpayers to review their individual tax obligations and begin planning for the 2001 tax-year filing.

“Last August 2000 and again in April 2001, the department reminded taxpayers of Alabama’s estimated tax filing requirements for both individual and corporate taxpayers,” said State Revenue Commissioner Michael L. Patterson. “Estimated tax penalties are routinely enforced at the federal level, but at the state level, we simply did not have the resources in place to identify taxpayers who met the filing requirements, but were not reporting estimated tax.

“After some 14 months of programming and testing, we now do. In April 2001, notices were mailed to individual income taxpayers advising them that based on their 1999 filing history, they may be subject to estimated income tax payment and filing provisions for the 2000 tax year,”

said Patterson.

Estimated tax is the method used to pay tax on income that is not subject to withholding. Estimated tax applies to income received from self-employment, interest, dividends, alimony, rent, gains from the sale of assets, prizes, and awards. Estimated tax is paid on a quarterly basis.

Penalties for failure to report and pay estimated tax include a delinquent penalty of 10% of any additional taxes required to be paid or \$50, whichever is greater, or a 6% underestimation penalty.

Taxpayers who paid additional tax in 2001 when they filed their 2000 annual return are urged to carefully review their 2001 tax-year.

Estimated tax filing and payment dates for individual taxpayers are April 15, June 15, September 15, and January 15 of the following year. Note, however, if the tax filing deadline date falls on a Saturday or Sunday, then the deadline date is moved to the next business day.

For more information concerning an individual’s estimated income tax filing requirements, contact the Alabama Department of Revenue, Individual and Corporate Tax Division at (334) 242-1000. Taxpayers having Internet access may download estimated income tax forms and instructions from the department’s Web site at www.ador.state.al.us.

Administrative Rules

(Continued from Page 5)

- 810-5-1-.428 International Registration Plan-Article XII-Sections A-E-Trip Permits
- 810-5-1-.429 International Registration Plan-Article XIII-Section A-Preservation of Records; Requirements, Etc.
- 810-5-1-.430 International Registration Plan-Article XIII-Section B-Penalties for Failure to Make Records Available
- 810-5-1-.431 International Registration Plan-Article XIV-Sections A-C-Base Jurisdiction, Audits, Etc. (Insofar as the Uniform Operational Audit Procedure Guidelines Approved by the IRP Jurisdictions (as amended 1981) Set Forth Procedures Required under Audit. They are Hereby Incorporated by Reference).
- 810-5-1-.432 International Registration Plan-Article XV-Sections A&B-Assessment by Jurisdiction Commissioner. (Insofar as the Uniform Operational Audit Procedure Guidelines Approved by the IRP Jurisdictions (as amended 1981) Set Forth Procedures Required for Assessment for Deficiencies and Claims for Credit or Refund Thereby are Hereby Incorporated by Reference).
- 810-5-1-.433 International Registration Plan-Article XVI-Entry and Withdrawal
- 810-5-1-.434 International Registration Plan-Article XVII-Exceptions Made by Each Signatory Jurisdiction
- 810-5-1-.435 International Registration Plan-Article XVIII-Other Agreements
- 810-5-1-.436 International Registration Plan-Article XIX-Administration
- 810-5-1-.437 International Registration Plan-Article XX-Amendments to Agreements Made Under These Provisions

Refund Checkoff Donations and Voluntary Contributions

FY 2000 (Oct. 1, 1999-Sept. 30, 2000) Revised Jan. 8, 2001

The chart below shows FY 2000 donations and number of Alabama individual income tax returns designating checkoff amounts.

	FY 2000	No. of Returns
Alabama Aging Fund	\$ 34,317.00	3,201
Alabama Arts Development Fund	\$ 17,267.79	2,083
Alabama Nongame Wildlife Fund	\$ 26,366.49	3,058
Child Abuse Trust Fund	\$ 64,718.64	6,446
Alabama Veterans Program	\$ 24,678.21	3,046
Alabama Indian Children’s Scholarship Fund	\$ 14,840.11	2,024
Penny Trust Fund	\$ 7,010.75	1,360
Foster Care Trust Fund	\$ 21,013.54	2,980
*Mental Health	\$ 15,600.14	2,426
Neighbors Helping Neighbors	\$ 16,731.66	1,607
TOTAL	\$242,544.33	28,231

**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.*

REQUIRED MONTHLY RETURNS TAX ACTIVITY

- 10th**
- Medicaid-related tax return and payment due for nursing facilities.
 - Tobacco use tax return and payment due.
- 15th**
- 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.
- 20th**
- 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.
 - 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.
- 30th**
- Hazardous waste fee return and payment due.
- Last day of mo. State horse wagering fee return and payment due.

QUARTERLY/ANNUAL TAX ACTIVITY

(August, September, October 2001)

August

- 15**
- Quarterly insurance premiums tax return and payment due.

September

- 15**
- Third installment of estimated corporate income tax due (for calendar-year taxpayers).
 - Third installment of estimated personal income tax due.

- 25**
- Hydroelectric gross receipts return and payment due.

October

- 1**
- Ad valorem tax on real and personal property due.
 - Automotive dismantlers and parts recyclers' license due.
 - Business privilege license fee due.
 - Quarterly Dry Cleaning Trust Fund fee return and payment due.
 - Manufactured home registration and fee due.
 - Motor fuel identification markers issued.
 - Motor fuel dealers, reconditioners, rebuilders and wholesalers' license tax due.
 - Store and chain store license tax due.
 - Utility license (2.2%) return and first quarterly payment due.

- 14**
- Annual wholesale oil license return and payment due.

- 20**
- Quarterly sales tax return and payment due.
 - Quarterly use tax return and payment due.
 - Quarterly rental or leasing tax return and payment due.

- 30**
- Forest products' severance tax return and payment due.

- 31**
- Quarterly withholding return and payment due from employer.
 - Quarterly IFTA tax return and payment due.
 - Annual business privilege licenses delinquent after this date.
 - Store and chain store licenses delinquent after this date.

Legislation Highlights

(Continued from Page 4)

authorized to levy and collect an additional three percent lodgings tax to be used for promotion and enhancing of tourism.

Effective June 1, 2001.

2001-569 (H. 853) Clay County; Motor Fuels Tax

The Clay County Commission is authorized to levy and collect a two cents (\$0.02) per gallon tax on gasoline and other motor fuels. The Clay County Commission may, by resolution, require the Alabama Department of Revenue to collect and administer the tax. Effective May 18, 2001.

2001-648 (S. 622) Russell County; Local Sales/Use Tax on Casual Sales

The Motor Vehicle License Commissioner of Russell County may collect the local sales and use taxes pursuant to Act 2000-787, in the same manner provided for under state law regarding casual sales transactions in the county. Effective May 20, 2001.

General Legislation

2001-313 (H. 514) MV Titles; Security Perfection Date Extended

Section 32-8-61, *Code of Alabama 1975*, is amended to extend, to 30 days from 20 days, the time allowed for the perfection of lienholder's security interest via a certificate of title on a motor vehicle. Effective July 1, 2001.

2001-454 (H. 465) Municipal Licensing; Collection Agencies

Amends Section 40-12-80, *Code of Alabama 1975*, relating to municipal licensing of collection agencies, to exempt from the license requirement any person who is excluded from the definition "debt collector," as defined under the Federal Fair Debt Collection Practices Act, 15 U.S.C. §1698a(6). Effective May 15, 2001.

2001-465 (H. 585) Income Tax Refund Checkoff; Breast and Cervical Cancer Research Program

Beginning with the 2001 Alabama Individual Income Tax return, a checkoff shall be provided for taxpayer refund donation to breast and cervical cancer research.

2001-468 (H. 362) Estate Representative's Fiduciary Affidavit

Amends Section 40-15-13, *Code of Alabama 1975*, to allow an executor/estate representative of an estate to file an affidavit which shall be sufficient authority to carry on the business of the estate with-

out inquiry of the executor's ability to act in a fiduciary capacity; to provide a personal liability provision if erroneously certified; and to provide for administration of this procedure. Effective May 15, 2001.

2001-636 (S. 383) State Rental & Leasing Tax; Clarifies Passthrough of Tax to the Lessee

Clarifies original legislative intent that the lessor may pass the state rental and leasing tax on to his customer/lessee regarding a lease transaction. The lessor will then remit an amount equal to 4% of the gross receipts (rental charges plus the lessee paid tax to lessor).

2001-669 (H. 856) Use Tax Discount; Provide Further for Regulation and Distribution

Amends Section 40-23-77, *Code of Alabama 1975*, to provide further for the distribution and expenditure of the discount on use taxes levied by the State so as to authorize payment to the Department of Human Resources, Department of Conservation and Natural Resources, and State General Fund. Effective June 1, 2001, the Governor, via Executive Order, may authorize the Department of Revenue to regulate the allowance of the discount, not to exceed three percent of use taxes levied.

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; Cynthia Underwood, 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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