

2015

AL4164: ALABAMA BUSINESS MeF SOFTWARE DEVELOPERS AND TRANSMITTERS GUIDELINES AND SCHEMAS



**For software developers and transmitters of Alabama
Business Tax Returns/Reports electronically filed via the
Federal/State MeF System for forms:
20C, 20CC, 20S, 65, PTEC, 41, CPT and PPT**



Alabama Department of Revenue
Business Tax MeF Program
Publication AL4164: Updated (12/30/2015)

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Introduction & General Information

Alabama Department of Revenue Mission Statement

The Alabama Department of Revenue will efficiently and effectively administer the revenue laws in an equitable, courteous and professional manner to fund governmental services for the citizens of Alabama.

Overview of Modernized e-file Program (MeF):

The Alabama Department of Revenue (ADOR), in conjunction with the Internal Revenue Service (IRS), is accepting the following tax forms for 2015/2016 by using the IRS' Modernized E-File system (MeF):

1. 20C - Alabama Corporate Income Tax
2. 20CC - Alabama Consolidated Corporate Income Tax
3. 20S - S Corporation Information/Tax
4. 65 - Alabama Partnership/LLC
5. PTEC - Non-Resident Composite Return
6. 41 - AL Fiduciary Income Tax Returns
7. CPT - Alabama Business Privilege Tax Return and Annual Report For C-Corporations
8. PPT - Alabama Business Privilege Tax Return and Annual Report For Pass-Thru Entities

The transmission method will be a Web Service using Simple Object Access Protocol (SOAP) with attachments messaging. The return data will be formatted using Extensible Markup Language (XML). Authorized E-File providers, also known as Electronic Return Originators (ERO's) can submit returns to the IRS MeF system for federal and state return processing.

Software developers must test with the ADOR and receive approval prior to submitting live returns.

General Information:

The Department will accept the following return types:

- Linked (Forms 20C, 20S, 65 and 41)
 - Unlinked (PTEC, 20CC, CPT and PPT)
1. Linked - The E-File Program works best when the Federal and State returns are filed together in one transmission to the IRS (although this is not always possible). Upon receipt, the Internal Revenue Service will validate and verify the federal return data. The IRS will either accept or reject the federal return. The state return is only available to the Department after the federal return is accepted by IRS. If a Fed/State submission is rejected by IRS, the state will not receive the state return portion. The Fed/State submission must be re-submitted.
 2. Unlinked - IRS provides the ability for an ERO or individual to transmit/retransmit a state return through the fed/state system without simultaneously transmitting a federal return. There is no difference in the transmission sequence. State-Only returns are transmitted to the IRS, validated and made available for states to download in the same fashion as with the traditional fed/state transmission. This provides a means for individuals who file multiple state returns to have each participating state's return electronically filed. However, each state return must be transmitted separately. The taxpayer's federal return must be completed, transmitted and accepted by the IRS before transmitting/re-transmitting a State-Only return.

Supported Alabama Forms:

The Department will support the following forms and schedules for Business Privilege Tax, Corporate Tax, Fiduciary Tax, and Pass-through tax return processing:

Business Privilege Tax

1. CPT – Business Privilege Tax Return and Annual Report (C-Corporation and Other Specified Entities)
 - Schedule AL-CAR – Secretary of State Corporation Annual Report
 - Worksheet BPT-NW (Balance Sheet – Net Worth Computation for Forms CPT and PPT)
 - Schedule G – Financial Institution Group Computation Schedule
2. PPT – Business Privilege Tax Return and Annual Report (Pass- Through Entities)
 - Schedule AL-CAR (For S Corps) - Secretary of State Corporation Annual Report
 - Worksheet BPT-NW (Balance Sheet – Net Worth Computation for Forms CPT and PPT)
 - Worksheet BPT-NWI (Balance Sheet – Net Worth Computation for Disregarded Entities with Individual Single Member Only)
 - Schedule BPT-E – Family Limited Liability Entity Election Form

Corporate Tax

1. 20C – Corporate Income Tax Return
 - Schedule BC – Business Credits Computation
 - Schedule AB – Corporate Add Back Form
2. 20C-C – Consolidated Corporate Income Tax Return

Fiduciary Tax

1. 41 – Fiduciary Income Tax Return
 - K-1 for 41 – Fiduciary Income Tax Beneficiary Information
 - NOL-F85 – Computation of Net Operating Loss
 - NOL-F85A – Application of Net Operating Loss Carryback and Carryforward
 - Schedule G – Grantor Statement of Income, Deductions, Credits
 - Schedule ESBT – Worksheet for Electing Small Business and Qualified Subchapter S Trusts
 - Schedule D – Profit or Loss from Sales of Assets
 - Schedule E – Supplemental Income and Loss
 - Form4952A – Investment Interest Expense Deduction
 - Schedule FC – Fiduciary Credit Calculation Schedule
 - IRS1099R, IRSW-2 and IRSW-2G (as utilized in the Form 41 Schema)

Pass-through Tax

1. 65 – Partnership/Limited Liability Company Return of income
 - Schedule K-1 – Owner's/Shareholder's Share of Income, Deductions, Credits, Etc.
 - Schedule PAB – Pass-Through add back form
 - Schedule QIP-C – Qualified Investment Partnership Certificate
 - Schedule PC – Pass-Through Credit Calculation Schedule

2. 20S – S-Corporation Information/Tax Return
 - Schedule K-1 – Owner’s/Shareholder’s Share of Income, Deductions, Credits, Etc.
 - Schedule PAB – Pass-Through add back form
 - Schedule NRA – S-Corporation Nonresident Agreement
 - Schedule PC – Pass-Through Credit Calculation Schedule

3. PTE –C – Nonresident Composite Payment Return

The **complete** federal return and the necessary supporting schedules as filed with the IRS are required to be attached in XML for the Alabama return to be considered complete.

Failure to attach the complete federal return with the necessary supporting schedules may result in the imposition of delinquent penalties. Form 20C Filing Status 5 is the **only** return that is not required to submit a copy of the federal return because it will be provided with the parent Form 20CC return.

Exclusions from Business Electronic Filing include:

- Amended returns
- Returns that cannot be e-filed for federal purposes

Alabama will only accept one return each filing season, any subsequent filings such as additional short year returns and amended returns must be filed by paper.

Please note: The Department will generally not approve a request to waive the electronic filing requirement if the software purchased or licensed by a taxpayer or a return preparer does not include all of the features necessary to comply with the Modernized e-File requirements set forth in Department regulations, revenue procedures, publications, and other instructions posted to the <http://www.revenue.alabama.gov> website.

The Department of Revenue encourages electronic filing; however, we neither support nor recommend any software company. You must address technical and support issues with the company whose product you select.

Please see the approved e-file Providers list at the following web address:
<http://www.revenue.alabama.gov/incometax/corpefilevendors.htm>

Reminders for Tax Year 2015 / Filing Season 2016:

1. **Mandatory e-filing for Corporate/Partnership returns** - Regulations 810-3-39-.12, 810-3-39-.13, 810-3-28-.07, and 810-3-28-.08 were approved by the Alabama Department of Revenue’s Research Division and became effective March 4, 2010. **The following forms are under the mandate: CPT (Financial Institution Groups only), 20C, 20CC, 20S, 65 and the form PTEC.**
2. The complete federal return and the necessary supporting schedules and documents as filed with the IRS **are required to be submitted in XML format** with each submission. Failure to submit the **complete** federal return with the necessary supporting schedules in XML format may result in the imposition of delinquent penalties and the return filed will be considered incomplete. *Form 20C Filing Status 5 is the only return that is not required to submit a copy of the federal return because it will be provided with the parent consolidated Form 20CC return.*
3. **The following tax types must be transmitted linked: 20C, 41, 20S and 65**

4. The max occurrence for form AS is 500.
5. The maximum size per submission is 300MB. This includes the Alabama return, federal xml data and all attachments.
6. The state of Alabama allows a **10 Calendar** day period to re-transmit the corrected return. **The perfection period starts from the date the State of Alabama rejects the original submission.** The original submission id must be transmitted with the perfected return in the element named OriginalSubmissionID. This way the original submission date can be populated in our system to prevent any late filing penalties being assessed.
7. For a company filing a form 20C who files as part of a consolidated federal return and all form 20CC, Consolidated Corporate Income Tax Returns, the following information is required to be attached:
 - a. Federal Form 851, Affiliations Schedule, please identify all corporations subject to tax in Alabama (Federal851.pdf)
 - b. Pages 1-5 of the consolidated form 1120 (Consolidated1120.pdf)
 - c. Consolidated Income Spreadsheet including the column that identifies any eliminations or adjustments that occur as a result of the federal consolidation rules (ConsolidatedIncome.pdf)
 - d. Consolidated Balance Sheets by separate company for the beginning and end of year (ConsolidatedBalance.pdf)
 - e. Copy of federal Schedule K-1 for each tax entity that the corporation holds an interest in at any time during the taxable year (FederalK1.pdf)
 - f. Federal Schedule UTP (FederalUTP.pdf)
 - g. Federal form M-3 for the entire federal consolidated group (FederalM3.pdf)
8. The max occurrence for K-1s, CK-1s and NRA forms is 5000.
9. **Business Privilege Tax returns are filed separately from Business Income Tax return; therefore, Business Privilege Tax returns will have a separate Submission ID as well as a separate acknowledgement.**
10. If the business entity does not have an FEIN (Federal Employer Identification Number) then report all 9's for the FEIN (Form CPT & PPT, Page 1, Line 3b), check the "FEIN NOT REQUIRED" checkbox and report the BPT Account Number (Form CPT & PPT, Page 1, Line 3d).

Contact Information:

******Please always contact your software vendor first for assistance.******

FOR TECHNICAL QUESTIONS REGARDING:

- The web site
- The XML Schema
- The Summary of the XML Schema (spreadsheet)
- Additional detail of schema elements
- The sample return
- The sample xml instance document
- Software testing and approval
- Missing acknowledgements
- Rejected returns

CONTACT:

Business MeF Coordinator, Corporate and Business Privilege Tax

Forms: 20C, 20CC, CPT and PPT

Individual & Corporate Tax Division

Alabama Department of Revenue

AL4164 – Software Developers and Transmitters Guidelines and Schemas
Alabama Department of Revenue
Tax Year 2014

P.O. Box 327450
Montgomery, AL 36132-7450

Nicci Adams, Business MeF Coordinator at 334-353-0685

EMAIL: CORPORATE.EFILE@REVENUE.ALABAMA.GOV OR nicci.adams@revenue.alabama.gov

Business MeF Coordinator, Pass Through and Fiduciary Tax
Forms: 20S, 65, PTEC and Form 41
Individual & Corporate Tax Division
Alabama Department of Revenue
P.O. Box 327450
Montgomery, AL 36132-7450

Missy Gillis, Business MeF Coordinator at 334-353-9178

EMAIL: CORPORATE.EFILE@REVENUE.ALABAMA.GOV OR melissa.gillis@revenue.alabama.gov

For Forms Questions regarding:

- Form/schedule development
- Substitute forms approval

CONTACT:

Forms Officer
Individual & Corporate Tax Division
50 N Ripley St, Room 4212
Montgomery AL 36104

Andrea Wyatt, Forms Officer @ 334-353-9447

EMAIL: Andrea.Wyatt@revenue.alabama.gov or ICForms.Officer@revenue.alabama.gov

FAX: 334-242-0064

For Business Privilege Tax questions regarding:

- Business Privilege Tax Laws and Regulations
- Filing requirements
- General correspondence
- Billings
- Refunds
- Name and address changes
- Preliminary and Final Assessments

CONTACT:

Business Privilege Tax Section
Individual & Corporate Tax Division
Alabama Department of Revenue
P.O. Box 327900
Montgomery, AL 36132-7900

TELEPHONE: 334-353-7923

EMAIL: <https://revenue.alabama.gov/contact/>

Select Individual & Corporate Income Tax/Business Privilege Tax: Questions and Forms CPT, PPT, BPT-IN

FAX: 334-242-8915

For Corporate Income Tax questions regarding:

- Corporate Income Tax Laws and Regulations
- Filing requirements
- General correspondence
- Billings
- Refunds
- Name and address changes
- Preliminary and Final Assessments

CONTACT:

Corporate Income Tax Section
Individual & Corporate Tax Division
Alabama Department of Revenue
P.O. Box 327430
Montgomery, AL 36132-7430

TELEPHONE: 334-242-1200

EMAIL: <https://revenue.alabama.gov/contact/>

Select Individual & Corporate Income Tax/Corporate Income Tax Questions

FAX: 334-242-2537

For Pass-Thru Entity Questions (S Corporation, Partnership and Fiduciary Tax) regarding:

- Income Tax Laws and Regulations
- Filing requirements
- General correspondence
- Billings
- Refunds
- Name and address changes
- Preliminary and Final Assessments

CONTACT:

Pass-Thru Entity Unit
Individual & Corporate Tax Division
Alabama Department of Revenue
P.O. Box 327441
Montgomery, AL 36132-7441

TELEPHONE: 334-242-1033

EMAIL: <https://revenue.alabama.gov/contact/>

Select Individual & Corporate Income Tax/Fiduciary/Estates/Partner/Scorps/Trusts:Pass Thru Entities: Forms 20S, 65, PTEC, 41

FAX: 334-242-1030

Other information:

Alabama's website - www.alabama.gov

Alabama Department of Revenue website – www.revenue.alabama.gov

Corporate Income Tax Electronic Filing Information –
<http://revenue.alabama.gov/incometax/corpefilemain.cfm>

Internal Revenue Service (IRS) – www.irs.gov

IRS Modernized e-file (MeF) information website - <https://www.irs.gov/Tax-Professionals/e-File-Providers-&Partners/Modernized-e-File-Program-Information>

Federation of Tax Administrators (FTA) – www.taxadmin.org

TIGERS (Tax Implementation Group for E-Commerce Requirements Standardization) -
<http://www.statemef.com/>

State of Alabama MeF Program Rules and Regulations

Software Acceptance, Testing and Approval:

Testing of software developed for electronic filing is **mandatory**. The Department is committed to providing software developers with quality feedback during the testing process. Alabama will begin testing as soon as possible after the IRS makes the MeF test system available for 2014 testing. In order to ensure quality service to the software developers during the busy testing season, software developers are encouraged to transmit their first tests as soon as the ADOR test system is available.

Each Software Vendor will create their own test package to adequately test schedules and return/form types supported by their software. This test package must include all Alabama State provided tests. Test returns must be transmitted to the Department in .PDF format for a visual audit of each test return. This should be sent once the electronic return has been accepted with zero error rejections. See Publication AL4162 Alabama Test Package.

Developers must include edits and verifications based on the business rules provided for each element. The Department's state spreadsheet will include information on field type, field format, length, if it can be negative, if it is recurring, and the business rule or other edits and verifications for each field. Developers must closely follow the requirements for each field to insure proper data formatting.

You must advise the Business MeF Coordinator of all limitations to your software package **at the time of first contact, before testing begins**.

Developers will be given formal confirmation when software has been successfully tested. Only approved software may be released and distributed by the developer. Once approved the software vendor name and website will be posted on the ADOR site listing all supported forms, schedules and approval date.

Approval of software for electronic filing **does not** include approval of any form developed/produced for hardcopy submission to the Department. The Individual & Corporate Tax Forms Officer must approve all Alabama tax forms.

Developer & Transmitters Responsibilities:

Electronic Return Originators (EROs) and transmitters must be approved with the IRS in order to submit Fed/State or State-Only returns. EROs and transmitters must maintain a high degree of integrity, compliance, and accuracy to continue participation in the Alabama Electronic Filing Program.

CONFIDENTIALITY

Unauthorized access or disclosure of confidential taxpayer information will result in severe Federal and Alabama criminal and civil penalties. In accordance with §40-2A-10 Code of Alabama 1975, disclosure of confidential information in violation of this statute is a class A misdemeanor.

COMPLIANCE

Alabama participates in the federal/state electronic filing program. Therefore, any software developed must meet **all** federal **and** state requirements. The following guidelines compliment IRS.

- Comply with all federal and state procedures, requirements and specifications as defined in the following publications:
 - IRS Publications 4163 - *Modernized e-File Information for Authorized IRS e-file Providers of Forms 1120/1120S*
 - IRS Publication 4164 - *Modernized e-File Guide for Software Developers and Transmitters*
 - Alabama Publication AL4163 – *Alabama Handbook for Electronic Filers of Business Income Tax Electronic Filing Income Tax Returns*
 - Alabama Publication AL4164 - *Software Developers and Transmitters Guidelines and Schemas for Business Income Tax Returns*
 - Alabama Publication AL4162 - *Alabama Business Income Tax Electronic Filing Test Package*
- Successfully complete all testing.
- Develop tax preparation software in accordance with statutory requirements and Department return preparation instructions.
- Provide accurate Alabama income tax returns in correct electronic format for transmission.
- Software must be capable of producing a printed copy of the complete filing for the Electronic Return Originator (ERO) and/or taxpayer.
- Provide data validation, verification, and error detection to prevent transmission of incomplete, inaccurate or invalid return information.
- Developed software is not to support electronic filing (transmission) of any form not approved for electronic filing by the Department.
- Developed software must prevent electronic transmission of returns and/or supporting documents or schedules not approved for electronic filing by the Department. This is inclusive of those not supported for electronic filing as well as those supported but not successfully tested and approved by the Department.
- All software developers are required to test their software with Alabama test data, and only software which has been tested and approved by the Department may be used for

Alabama electronic filing. The Department will reject all electronic returns submitted that are prepared using unapproved software.

Important: Software providers must be available to correct any software errors which may occur after production begins and work closely with the Department to follow up on any processing issues that may arise during filing season. If the software providers must re-release corrected software it should be done in a timely manner and proper notification should be made to all customers. Alabama software approval can be revoked if the software produces returns which are not in compliance with these specifications and the software company fails to correct the problem upon receiving notice from the Department. The Department also reserves the right to request a copy of the final version of the Alabama approved software.

Filing Due Date Charts:

All returns should be filed in a timely manner (See Filing Chart below for due dates).

The receipt date of the electronic transmission is based on the electronic postmark date as long as the electronic postmark date is within (3) days of the IRS Received Date. If no electronic postmark date is transmitted or if the Electronic Postmark date is greater than 3 days of the IRS Received Date, the IRS received date will be used. The electronic postmark must be adjusted to the time zone where the taxpayer resides to determine the postmark’s actual time.

Any return not acknowledged by the Department as “accepted” is considered not filed.

| Return Due Date Chart Forms 20C, 20CC, 20S, and PTEC for 20S Tax Year 2015 | | | | | |
|--|------------|---------------------------------|--|--------------------|--|
| Tax Period Beginning & Ending Dates | Tax Period | *Due Date (Weekends Considered) | 6 Month Extension Due Date (Weekends Considered) | Tax Year of Return | |
| 01/01/2015 - 12/31/2015 | 201512 | 03/15/2016 | 09/15/2016 | 2015 | |
| 02/01/2015 - 01/31/2016 | 201601 | 04/15/2016 | 10/17/2016 | 2015 | |
| 03/01/2015 - 02/29/2016 | 201602 | 05/16/2016 | 11/15/2016 | 2015 | |
| 04/01/2015 - 03/31/2016 | 201603 | 06/15/2016 | 12/15/2016 | 2015 | |
| 05/01/2015 - 04/30/2016 | 201604 | 07/15/2016 | 01/16/2017 | 2015 | |
| 06/01/2015 - 05/31/2016 | 201605 | 08/15/2016 | 02/15/2017 | 2015 | |
| 07/01/2015 - 06/30/2016 | 201606 | 09/15/2016 | 03/15/2017 | 2015 | |
| 08/01/2015 - 07/31/2016 | 201607 | 10/17/2016 | 04/17/2017 | 2015 | |
| 09/01/2015 - 08/31/2016 | 201608 | 11/15/2016 | 05/15/2017 | 2015 | |
| 10/01/2015 - 09/30/2016 | 201609 | 12/15/2016 | 06/15/2017 | 2015 | |
| 11/01/2015 - 10/31/2016 | 201610 | 01/16/2017 | 07/17/2017 | 2015 | |
| 12/01/2015 - 11/30/2016 | 201611 | 02/15/2017 | 08/15/2017 | 2015 | |
| Legal Due Date is the 15 th of each month. | | | | | |

Return Due Date Chart Form 65 and Form 41 2015

| Tax Period Beginning & Ending Dates | Tax Period | *Due Date (Weekends Considered) | 5 Month Extension Due Date (Weekends Considered) | Tax Year of Return |
|-------------------------------------|------------|---------------------------------|--|--------------------|
| 01/01/2015 - 12/31/2015 | 201512 | 04/15/2016 | 09/15/2016 | 2015 |
| 02/01/2015 - 01/31/2016 | 201601 | 05/16/2016 | 10/17/2016 | 2015 |
| 03/01/2015 - 02/29/2016 | 201602 | 06/15/2016 | 11/15/2016 | 2015 |
| 04/01/2015 - 03/31/2016 | 201603 | 07/15/2016 | 12/15/2016 | 2015 |
| 05/01/2015 - 04/30/2016 | 201604 | 08/15/2016 | 01/16/2017 | 2015 |
| 06/01/2015 - 05/31/2016 | 201605 | 09/15/2016 | 02/15/2017 | 2015 |
| 07/01/2015 - 06/30/2016 | 201606 | 10/17/2016 | 03/15/2017 | 2015 |
| 08/01/2015 - 07/31/2016 | 201607 | 11/15/2016 | 04/17/2017 | 2015 |
| 09/01/2015 - 08/31/2016 | 201608 | 12/15/2016 | 05/15/2017 | 2015 |
| 10/01/2015 - 09/30/2016 | 201609 | 01/16/2017 | 06/15/2017 | 2015 |
| 11/01/2015 - 10/31/2016 | 201610 | 02/15/2017 | 07/17/2017 | 2015 |
| 12/01/2015 - 11/30/2016 | 201611 | 03/15/2017 | 08/15/2017 | 2015 |

Legal Due Date is the 15th of each month.

Return Due Date Chart Forms CPT and PPT (Corporations) 2016

| Tax Period Beginning & Ending Dates | Tax Period | *Due Date (Weekends Considered) | 6 Month Extension Due Date (Weekends Considered) | Tax Year of Return |
|-------------------------------------|------------|---------------------------------|--|--------------------|
| 01/01/2015 - 12/31/2015 | 201601 | 03/15/2016 | 09/15/2016 | 2016 |
| 02/01/2015 - 01/31/2016 | 201602 | 04/15/2016 | 10/17/2016 | 2016 |
| 03/01/2015 - 02/29/2016 | 201603 | 05/16/2016 | 11/15/2016 | 2016 |
| 04/01/2015 - 03/31/2016 | 201604 | 06/15/2016 | 12/15/2016 | 2016 |
| 05/01/2015 - 04/30/2016 | 201605 | 07/15/2016 | 01/16/2017 | 2016 |
| 06/01/2015 - 05/31/2016 | 201606 | 08/15/2016 | 02/15/2017 | 2016 |
| 07/01/2015 - 06/30/2016 | 201607 | 09/15/2016 | 03/15/2017 | 2016 |
| 08/01/2015 - 07/31/2016 | 201608 | 10/17/2016 | 04/17/2017 | 2016 |
| 09/01/2015 - 08/31/2016 | 201609 | 11/15/2016 | 05/15/2017 | 2016 |
| 10/01/2015 - 09/30/2016 | 201610 | 12/15/2016 | 06/15/2017 | 2016 |
| 11/01/2015 - 10/31/2016 | 201611 | 01/16/2017 | 07/17/2017 | 2016 |
| 12/01/2015 - 11/30/2016 | 201612 | 02/15/2017 | 08/15/2017 | 2016 |

Legal Due Date is the 15th of each month.

Return Due Date Chart Form PPT (LLEs and Qualifying Disregarded Entities) Tax Year 2016

| Tax Period Beginning & Ending Dates | Tax Period | *Due Date (Weekends Considered) | 6 Month Extension Due Date (Weekends Considered) | Tax Year of Return |
|-------------------------------------|------------|---------------------------------|--|--------------------|
| 01/01/2015 - 12/31/2015 | 201601 | 04/15/2016 | 09/15/2016 | 2016 |
| 02/01/2015 - 01/31/2016 | 201602 | 05/16/2016 | 10/17/2016 | 2016 |
| 03/01/2015 - 02/29/2016 | 201603 | 06/15/2016 | 11/15/2016 | 2016 |
| 04/01/2015 - 03/31/2016 | 201604 | 07/15/2016 | 12/15/2016 | 2016 |
| 05/01/2015 - 04/30/2016 | 201605 | 08/15/2016 | 01/16/2017 | 2016 |
| 06/01/2015 - 05/31/2016 | 201606 | 09/15/2016 | 02/15/2017 | 2016 |
| 07/01/2015 - 06/30/2016 | 201607 | 10/17/2016 | 03/15/2017 | 2016 |
| 08/01/2015 - 07/31/2016 | 201608 | 11/15/2016 | 04/17/2017 | 2016 |
| 09/01/2015 - 08/31/2016 | 201609 | 12/15/2016 | 05/15/2017 | 2016 |
| 10/01/2015 - 09/30/2016 | 201610 | 01/16/2017 | 06/15/2017 | 2016 |
| 11/01/2015 - 10/31/2016 | 201611 | 02/15/2017 | 07/17/2017 | 2016 |
| 12/01/2015 - 11/30/2016 | 201612 | 03/15/2017 | 08/15/2017 | 2016 |

Legal Due Date is the 15th of each month.

After an electronic return is acknowledged as accepted, it cannot be recalled, intercepted or changed in any manner. If either the ERO or taxpayer wishes to change any entries on an accepted electronic return, an amended paper return must be filed.

Responsibility to Clients:

EROs are entrusted with the task of filing a client’s tax return and must assume the responsibility of ensuring that the return arrives at the Alabama Department of Revenue. In the event that the electronic Alabama return fails to arrive at its destination, EROs must notify their clients of the requirement to file a paper return.

Form Retention Requirements:

The ERO is required to retain an electronic copy of all returns, forms and schedules submitted for a period of **three years from the due date of the return or the date the return was filed**, whichever is later. If the need arises, the Department may request any of the documents, in writing, and the ERO must provide a copy of the document within five working days of the request.

Should an ERO decide to no longer remain in the business, the Department must be notified, in order to, determine the proper resolution of electronic filing program documents and records.

Monitoring and Suspension of Electronic Submission Policy:

The Department will monitor the quality of electronic transmissions. If the quality is unacceptable, The Department will contact the ERO, software developer or transmitter. The Department will also monitor complaints about electronic filers and issue warning or suspension letters as appropriate. **The Department reserves the right to suspend the electronic filing privilege of any electronic filer, software developer or transmitter who varies from the requirements, specifications and procedures stated in this guide or any corresponding administrative rules, or who does not consistently transmit error-free returns.** When suspended, the electronic filer, software developer, or transmitter will be advised of the requirements for reinstatement into the program.

E-File Waiver Policy:

Software Limitations: The Department will generally not approve a request to waive the electronic filing requirement if the software purchased or licensed by a taxpayer or a return preparer does not include all of the features necessary to comply with the Modernized e-File requirements set forth in Department regulations, revenue procedures, publications, and other instructions posted to the www.revenue.alabama.gov website.

Alabama Electronic Filing Regulations:

Please visit the following website for the most current Alabama E-File regulations:
<http://www.revenue.alabama.gov/incometax/celfmandate.cfm>

Information Applicable to All Forms

Transmitting the Returns:

Authorized E-File providers can transmit returns to the IRS MeF system for Federal and State return processing. State submissions can be made as a Federal return with a State Return attached, called a Fed/State return, or just a State return, known as a State Only submission. Each return (Fed/State or State Only) must be in a separate submission. Multiple submissions can be contained in a single message payload.

Packaging of data and transmission payload must be in the proper format.

Returns filed in XML format with SOAP attachments allow for binary attachments to the submission. These attachments may consist of Signature documents, balance sheets, statement records, or other types of documentation. The allowed file type for attachments is file extension .PDF. The file order of attachments and procedures must follow IRS requirements for binary attachments as found in IRS publication 4163. The Department will allow for binary attachments to the state return. Send data elements only if they contain data values. Do not send empty data elements (i.e., zero financial fields, unused elements, etc.)

Other Packaging Guidelines:

- A submission contains either an IRS return or a state return
- Each submission is a separate file.
- Each federal return must be submitted in the agreed upon IRS XML format.

- Each state return must be submitted in the XML format specified and agreed to by IRS, state agencies, transmitters, and software developers.
- Each state return must include a copy of the FEDERAL RETURN as submitted to the IRS and any attachments associated with that federal return in XML. **If the taxpayer is included in the federal return of a consolidated group, a copy of the pro-forma FEDERAL RETURN for the company must be included along with the first four pages of the consolidated federal return.**
- If the IRS rejects a linked submission, the state will NOT receive the state return portion. The linked submission must be resubmitted.
- Each submission must be in Zip Archive format.
- No nesting of Zip archive files or returns will be allowed. (i.e. one submission, one zip.)
- The SOAP message itself must not be compressed or zipped.
- The message contains a header, a body, and an attachment. See Modernized E-File Logical ICD Model for message layout and message technical specifications.
- ERO's and transmitters must be approved with the IRS in order to submit Fed/State or State Only returns.
- The Department will produce an acknowledgement of acceptance or rejection for each state submission. The transmitter may then retrieve the Department's acknowledgement from the IRS.

Transmitting Consolidated Corporate Income Tax Returns:

The Consolidated Form 20CC will be packaged independently in a submission.

The Form 20C Filing Status 5 subsidiary will be packaged independently in a submission.

Separate submissions may be packaged in the same transmission therefore the Forms 20CC and 20C Filing Status 5 proforma returns may be transmitted together. The Form 20C Filing Status 5 return is the **only** return that is not required to submit the complete federal return and attachments as submitted to the IRS.

Attachments to the Electronic return:

The tax return may also include non-XML documents, known as “binary attachments”, submitted in PDF format. This allows taxpayers to provide requested documentation that include required signatures and third party documents as required by forms and instructions (signed copy of lease, signed appraisal statement, etc). **The maximum total size for all pdf attachments transmitted with a return is 60MB.**

Approved MeF tax preparation software should provide the necessary instructions for creating, scanning or exporting documents in PDF format and submitting these documents as attachments that are required by Alabama and IRS Publications, Code, and/or Regulations.

Alabama programming will validate binary attachments by proper location and required title.

Also, the number of attachments will be verified. If the total number of binary attachments in the XML does not match the number of pdf attachments the return will be rejected.

See charts below.

```
<BinaryAttachment>
  <Reference>ALNRA</Reference>
  <DocumentType>PDF</DocumentType>
  <Description>ALNRA</Description>
  <AttachmentLocation>ALNRA.PDF</AttachmentLocation>
</BinaryAttachment>
```

| Conditional Binary Attachments for forms 20C, 20CC | Required Binary Attachment Title |
|---|---|
| Consolidated 1120 Pages 1-5 (If applicable) | Consolidated1120.pdf |
| Federal Form 851 (if applicable) | Federal 851.pdf |
| Alabama 20CCRE – Election to File Consolidated Income Tax Return (if applicable) | AL20CCRE.pdf |
| If the Multistate Corporation Separate Accounting checkbox (MultiStateCorpSepAcct) is checked. A copy of the Separate Accounting Approval letter signed by the Commissioner of Revenue must be attached | SeparateAccountingApproval.pdf |
| If the taxpayer is a member of an affiliated group which files a consolidated federal return, selects Irc1552Method1, Irc1552Method2, Irc1552Method3, Irc1552MethodNoElection or Irc1552MethodOther on Schedule E, and NetFITDeductionRefund (Sch E, Line 12) is not equal to zero then the Federal Income Tax Deduction Calculations must be attached. | 1552ElectionCalculations.pdf |
| .PDF copy of each Alabama corporate income tax return (page 1 only) where the Net Operating Loss listed on Schedule B that is more than six years old | NOLYYYYAL20CPg1.pdf |
| Alabama 20C additional depreciation allowed by Economic Stimulus Act of 2008 (computation for the difference) | Section179AddBack.pdf |
| Alabama Form 2220AL Underpayment of Estimated Tax for Corporations (if applicable) | Form2220AL.pdf |
| Enterprise Zone Capital Credit calculations (if applicable) - This PDF should include Schedule EZ, Certificates and all calculations. | EnterpriseZoneCredit.pdf or CreditStatements.pdf if combined with other credit statements |
| Basic Skills Education Credit – The approved certification notice issued by the Alabama Department of Education must be attached. | BasicSkillsCert.pdf or CreditStatements.pdf if combined with other credit statements |
| Income Tax Credit calculations (if applicable) - This PDF should include certificate/document of approval, computation of income generated from project, support for amount paid, and computation of the credit. | IncomeTaxCredit.pdf or CreditStatements.pdf if combined with other credit statements |
| Tax Increment Fund Payment Credit calculations (if applicable) - This PDF should include the document of approval along with proof of payment(s) into the fund relative to corporate income tax and a detailed schedule computing income generated from the project. | TaxIncrementFundPymtCredit.pdf or CreditStatements.pdf if combined with other credit statements |
| Coal Tax Credit calculations (if applicable) - This PDF should include a detailed schedule computing the coal tax credit. | CoalCredit.pdf or CreditStatements.pdf if combined with other credit statements |

| | |
|---|---|
| Capital Tax Credit (if applicable) - This PDF must include Form AR (Annual Report of Project) and Form K-RCC if applicable. | CapitalTaxCredit.pdf or CreditStatements.pdf if combined with other credit statements |
| Capital Docks/Capital Credit (Form 20C) - This PDF must include Form AR (Annual Report of Project) and Form K-RCC if applicable. | Capitalcredit.pdf or CreditStatements.pdf |
| Other Reconciliation Items - This PDF must clearly explain the nature and amounts of the reconciling items. | OtherReconciliationItems.pdf or Statements.pdf if combined with other statements |
| Other Separately Stated Items -This PDF must clearly explain the nature and amounts of the other separately stated items. | OtherSeparatelyStatedItems.pdf or Statements.pdf if combined with other statements |
| Separate Non-Business Income/Loss This PDF must identifying the nature and amounts of the separately stated non-business items. | SeparateNonBusiness.pdf or Statements.pdf if combined with other statements |
| Other Expense Portfolio - This PDF must identify the nature and amounts of the other expenses related to portfolio income. | OtherExpenses.pdf or Statements.pdf if combined with other statements |
| Form NMC must be completed by each qualifying nonresident member of certain affordable rental housing developments | ALNMC.pdf |
| Consolidated Income Spreadsheet including the column that identifies any eliminations or adjustments that occur as a result of the federal consolidation rules. | ConsolidatedIncome.pdf |
| Consolidated Balance Sheets by separate company for the beginning and end of year. | ConsolidatedBalance.pdf |
| Copy of federal Schedule K-1 for each tax entity that the corporation holds an interest in at any time during the taxable year. | FederalK1.pdf |
| Federal Schedule UTP | FederalUTP.pdf |
| Federal form M-3 for the entire federal consolidated group | FederalM3.pdf |
| Reemployment Act of 2010, Effective for tax years 2011 and 2012 | ReemploymentAct2010.pdf |
| If claiming the foreign tax credit a detailed schedule of computations must be attached. | ForeignTaxPaidCredit.pdf or CreditStatements.pdf |
| Heroes for Hire Credit Act of 2011 – attach a detailed schedule of computations including a copy of veteran form DD214 must be attached. | HeroesHireCredit.pdf or CreditStatements.pdf |
| Full Employment Act of 2011 (if applicable) - attach an itemized list of qualifying employees and computations. | FullEmploy2011Credit.pdf or CreditStatements.pdf |
| Alabama New Markets Development Act – detailed schedule of computations for credit | NoticeofCert.pdf or CreditStatements.pdf |
| Irrigation Credit – attachment should include computations and information regarding when the qualified reservoir was placed into service. | IrrigationCredit.pdf or CreditStatements.pdf |
| Foreign Taxes Paid Credit – to qualify for this credit a copy of the foreign tax return must be attached. | ForeignTaxReturn.pdf |

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| Alabama Historic Credit - please attach a copy of the tax certificate issued by the commission | HistoricRehabCrdt.pdf |
| Alabama Historic Credit (for Form 20C) - please attach a copy of the tax certificate issued by the commission | historicalcredit.pdf |
| Alabama Neighborhood Infrastructure Incentive Plan Credit – please attach a copy of the assessment. | Neighborhoodassessment.pdf |
| Dual Enrollment Credit – please attach a copy of the Department of Postsecondary Education Tax Certificate. | Dualenrollment.pdf |
| State Proforma – If StateProforma is populated a copy of the subsidiary’s separate 1120 proforma (prepared for Alabama State purposes) must be attached named AL1120Proforma.pdf. | AL1120Proforma.pdf |
| If StateAndLocalIncomeTaxes and TaxRefunds are populated then a pdf showing a detailed schedule of taxes from the federal form 1120, Line 17. | OtherTaxes.pdf |
| NonSeparately Stated Non-Business Income/Loss This PDF must identifying the nature and amounts of the nonseparately stated non-business items. | NonSeparateNonBusiness.pdf or Statements.pdf |
| Conditional Binary Attachments for forms CPT and PPT | Required Binary Attachment Title |
| If type of taxpayer is Insurance Company then a pdf including the Annual Statements of Liabilities, Surplus, and Other Funds must be attached. | liability.pdf and |
| If type of taxpayer is Insurance Company then a pdf including the Schedule T (Premiums and Annuity Considerations) must be attached. | scheduleT.pdf |
| If type of taxpayer is Insurance Company then a pdf including pages 1-8 of the Federal Return (Form 1120PC or 1120L) must be attached. | federal.pdf |
| Book Value of Investments – This pdf should include a listing for each separate investment, the name of the taxpayer, the taxpayer’s FEIN, the taxpayer’s address and the book value of the investment. | investment.pdf |
| Book Value of Investments (Financial Institution exclusion) – This pdf should include a listing for each separate investment, name of entity, entity’s FEIN, entity’s address and book value of the investment. | fininsinvestment.pdf |
| Amount Adjusted Net Worth Exceeds 6% - This pdf should include the computation of the amount claimed. | adjustednetworth.pdf |
| Goodwill – This pdf should include for each direct purchase the goodwill originally acquired, the date the direct purchase occurred, accumulated amortization, the name and location of the business acquired and the name and FEIN of the entity that acquired the business and goodwill. | goodwill.pdf |

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|---|-----------------------------|
| Unamortized Post-Retirement benefits – This pdf should include a description of benefits, amortization schedule, and the line detail of the post-retirement benefits on the balance sheet. | unamortizedproperly.pdf |
| Apportionment Factor – If TypeOfTaxpayer is Financial Institution Group Member "F" then Form ET-1-showing the apportionment factor calculations should be attached. | apportionmentfactor.pdf |
| Net Investment in Bonds – This pdf should include the net amount invested, issuing agency, issuance date, and how the investment is reported on the taxpayer's balance sheet. | bondsecurity.pdf |
| Net Investment in Pollution Control – This pdf should include supporting documentation. | pollutioncontrol.pdf |
| Reserves In Alabama – This pdf should include the applicable law or regulation that establishes the taxpayer's liability, computation of that liability, and identify the location of the plant, facility, mine or site in Alabama. | alabamareserves.pdf |
| Investment in Housing – The pdf should include the name of the project, the FEIN of the project, the site of the project, the net amount invested in the project and it must identify how the investments are reported on the taxpayer's balance sheet. | housingproject.pdf |
| Enterprise Zone Credit – The pdf should include documentation from ADECA (Alabama Dept. of Economic and Community Affairs) reporting the amount of credit the taxpayer is entitled to claim. | alenterprisecrdt.pdf |
| Consolidated Return Indicator is checked on Schedule G then a pdf worksheet that lists Form CPT information (lines 1-20 of page 2) for each member included in the financial institution group must be attached. | fininsconsol.pdf |
| Zero Apportionment Factor checkbox – The pdf should give an explanation for the zero apportionment factor. | zeroapportstmt.pdf |
| Other Current Assets (Wks BPTNW) – please attach a document that lists the other current assets. | Othercurrentassets.pdf |
| Other Investments (Wks BPTNW) – please attach a document that lists other investments. | Otherinvestments.pdf |
| Other Assets (Wks BPTNW) – please attach a document that lists other assets. | Otherassets.pdf |
| Other Current Liabilities (Wks BPTNW) – please attach a document that lists other current liabilities. | Othercurrentliabilities.pdf |
| Retained Earnings (Wks BPTNW) – please attach a document that lists the appropriated retained earnings. | Retainedearnings.pdf |
| Adjustment to Shareholder's Equity – please attach a document that lists the adjustments to shareholder's equity. | Equityadjustment.pdf |

| CONDITIONAL : Form 65, 20S and PTEC | BINARY ATTACHMENT TITLE |
|---|--|
| If Depreciation Adjustment is greater than \$500, attachment which clearly explains the nature of the item must be submitted. | DepreciationAdjustment.pdf or Statements.pdf (AL65-024, AL20S-024) |
| If the QIPC box is checked on the form PTEC please attach the Schedule QIPC. | ScheduleQIPC.pdf (AL-PTEC-Header7b) |
| If tax is due on the Form 20S, please attach a document explaining the tax due calculation. | StateIncomeTaxSCorp.pdf or Statements.pdf (AL20S-032) |
| If other reconciliation items is populated the attachment should clearly explain the nature of the item being claimed on the return. | OtherReconciliationItems.pdf or Statements.pdf (AL65-025a, AL20S-025) |
| Attachment should describe the other property included in the property factor on the Schedule C. | SchedCOtherProperty.pdf or Statements.pdf (AL65-076, AL20S-067) |
| If Alabama exempt income is being claimed on the Schedule K, an attachment should be sent in identifying the nature and amounts of the exempt income being claimed on the return. | IncomeExemptState.pdf or Statements.pdf (AL65-142a) |
| An explanation must be attached identifying the nature and amounts of US taxes paid being reported on the Schedule K. | FedTaxPaidFederalAmount.pdf or Statements.pdf (AL65-174a) |
| Other expenses related to portfolio income on the Schedule K. Please list the nature and amounts of the other expenses. | OtherExpenses.pdf or Statements.pdf (AL65-177, AL20S-194) |
| Other Separately State Business Items reported on the Schedule K. Please the descriptions and amounts of items reported. | OtherSeparatelyStatedItems.pdf or Statements.pdf (AL65-177a, AL20S-194b) |
| Attach a statement identifying the nature and amounts of the separately stated nonbusiness items reported on the Schedule B and on Schedule K. | SeparateNonBusiness.pdf or Statements.pdf (AL65-178 &AL65-178a, AL20S-101) |
| Attach a statement identifying the nature and amounts of the nonseparately stated nonbusiness items reported on the Schedule B and on Schedule K. | NonSeparateNonBusiness.pdf or Statements.pdf (AL65-179, AL20S-101b) |
| Attach a copy of the tax certificate issued by the commission if the historic structure credit is claimed on the PC. | HistoricStructureCrdt.pdf or CreditStatements.pdf. (AL65-186, AL20S-173) |
| If the Foreign Tax Credit is claimed on the PC then please attach a detailed schedule of computations. | ForeignTaxPaidCredit.pdf or CreditStatements.pdf (AL65-700, AL20S-117) |
| If the Foreign Tax Credit is claimed on the PC please attach a copy of the foreign tax return. | ForeignTaxReturn.pdf (AL65-701, AL20S-124) |
| If the Heroes For Hire Credit (Employee Credit and or Business Start-Up Expenses Credit) is claimed on the PC please attach a detailed schedule of computations and copy of veteran form DD214. | HeroesHireCredit.pdf or CreditStatements.pdf (AL65-702, AL20S-118) |
| If the Full Employment Act Credit is claimed on the PC then please attach an itemized list of qualifying employees and computations. | FullEmploy2011Credit.pdf or CreditStatements.pdf (AL65-703, AL20S-119) |
| If the Capital Tax Credit is claimed on the PC then please attach the Form AR and Form KRCC. | CapitalCreditARKRCC.pdf (AL65-704, AL20S-116) |

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| If the Alabama New Markets Development Credit is claimed on the PC please attach a detailed schedule of computations. | ALNewMarketDevCredit.pdf or CreditStatements.pdf (AL65-706, AL20S-120) |
| If the Alabama Enterprise Zone Act Credit is claimed please attach a copy of the Schedule EZ or EZK1. | EnterpriseZoneCredit.pdf or CreditStatements.pdf (AL65-707, AL20S-121) |
| If claiming the Irrigation/Reservoir System Credit on the PC please attach a list of documentation and calculations. | IrrigationCredit.pdf or CreditStatements.pdf (AL65-708, AL20S-122) |
| If claiming the Basic Skills Education Credit on the PC please attach the document of approval and computations. | BasicSkillsEdCrdt.pdf or CreditStatements.pdf (AL65-727, AL20S-259) |
| If claiming the Coal Credit on the PC please attach a document listing the computations for the credit calculated. | CoalCredit.pdf or CreditStatements.pdf (AL65-728, AL20S-115) |
| If claiming the Dual Enrollment Credit on the PC please attach the approved certification from the Department of Postsecondary Education. | DualEnrollCrdtCertificate.pdf (AL65-742, AL20S-273) |
| If filing status 3 (Multi-state corporation – Separate Accounting) is checked please send in a document explaining why separate account or allocation is being used on the return. | SeparateAccounting.pdf (AL65-749, AL20S-189) |
| CONDITIONAL : Form 41 | BINARY ATTACHMENT TITLE |
| Schedule FC, Line 16, If taking a credit for income tax paid to another state. | OtherStateRtn.pdf (AL41-17) |
| Line 7e, If claiming multiple composite payments please attach a list. | MultiplePmt.pdf (AL41-20) |
| Line 7e, if claiming a composite payment a copy of the K-1s reporting the payment amounts must be attached. | CompositePmt.pdf (AL41-21) |
| Capital Credit on Schedule FC– If claimed then the form KRCC must be attached | KRCC41.pdf (AL41-165) |

For all other binary attachments, the tax preparation software must provide the taxpayer the ability to enter a meaningful name. The following table provides a few examples of meaningful names.

| CONDITIONAL: Forms 20C, 20CC, 20S, 65 and PTEC | BINARY ATTACHMENT TITLE |
|--|---|
| If the regulations require you to attach a merger agreement. | 1120 Merger Agreement for XYZ Corporation or Statements.pdf if combined with other statements |
| If required to attach a detailed schedule of Other Income. | OtherIncome.pdf or Statements.pdf if combined with other statements |
| If required to attach a schedule of Other Property for Schedule D1 (Form 20C). | SchedD1OtherProperty.pdf or Statements.pdf if combined with other statements |
| If shareholder notes are more than 40 characters (20S/65 – K-1) | ShareholderNotes.pdf or K1Statements.pdf |
| If state notes are more than 20 characters (20S/65 K-1) | StateAdditionalInformation.pdf or K1Statements.pdf |

| CONDITIONAL : Forms CPT and PPT | BINARY ATTACHMENT TITLE |
|--|-------------------------|
| If file a consolidated corporate tax return. | ConsolidatedIncome.pdf |
| If file a consolidated corporate tax return. | ConsolidatedBalance.pdf |

Electronic Return Signature

(AL8453-B/AL8453-C/AL8453-FDT/AL8453-PTE):

As with any corporate/partnership/fiduciary/business privilege income tax return submitted to the Department on paper, an electronic corporate/partnership/fiduciary/business privilege income tax return must be signed by an authorized corporate officer/partner and the paid preparer, if applicable.

Business Privilege Tax: The Corporation/Partnership (taxpayer) must designate an officer/partner responsible for signing the income tax return. **The officer/partner must sign and date the AL8453-B “Business Privilege Tax Declaration for Electronic Filing” to authorize the origination of the electronic submission of the return prior to the transmission of the return.** The Declaration includes the taxpayer’s declaration that the return is true, correct and complete, as well as the taxpayer’s Consent to Disclosure. The Consent to Disclosure authorizes the Department to disclose information to the taxpayer’s Authorized IRS e-file Providers. Intermediate Service Providers, Transmitters and EROs are authorized by taxpayers to receive acknowledgement of receipt or reason for rejection of the electronic return from IRS. **If the electronic return data on a business privilege tax return is changed after the taxpayer has signed the Declaration, the taxpayer must sign a new declaration if the amounts differ.**

Corporate Tax: - The Corporation (taxpayer) must designate an officer/partner responsible for signing the income tax return. **The officer/partner must sign and date the AL8453-C “Corporate Income Tax Declaration for Electronic Filing” to authorize the origination of the electronic submission of the return prior to the transmission of the return.** The Declaration includes the taxpayer’s declaration that the return is true, correct and complete, as well as the taxpayer’s Consent to Disclosure. The Consent to Disclosure authorizes the Department to disclose information to the taxpayer’s Authorized IRS e-file Providers. Intermediate Service Providers, Transmitters and EROs are authorized by taxpayers to receive acknowledgement of receipt or reason for rejection of the electronic return from IRS. **If the electronic return data on a corporate income tax return is changed after the taxpayer has signed the Declaration, the taxpayer must sign a new declaration if the amounts differ.**

Fiduciary Tax: The Fiduciary or Officer responsible for the Estate or Trust must sign the income tax return. **The Fiduciary/Officer must sign and date the AL8453-FDT “Fiduciary Income Tax Declaration for Electronic Filing” to authorize the origination of the electronic submission of the return prior to the transmission of the return.** The Declaration includes the taxpayer’s declaration that the return is true, correct and complete, as well as the taxpayer’s Consent to Disclosure. The Consent to Disclosure authorizes the Department to disclose information to the taxpayer’s Authorized IRS e-file Providers. Intermediate Service Providers, Transmitters and EROs are authorized by taxpayers to receive acknowledgement of receipt or reason for rejection of the electronic return from IRS. **If the electronic return data on a fiduciary income tax return is changed after the taxpayer has signed the Declaration, the taxpayer must sign a new declaration if the amounts differ.**

Pass Through Tax: - The S-Corporation/Partnership (taxpayer) must designate an officer/partner responsible for signing the income tax return. **The officer/partner must sign and date the AL8453-PTE “S-Corporation/Partnership Income Tax Declaration for Electronic Filing” to authorize the origination of the electronic submission of the return prior to the transmission of the return.** The Declaration includes the taxpayer’s declaration that the return is true, correct and complete, as well as the taxpayer’s Consent to Disclosure. The Consent to Disclosure authorizes the Department to disclose information to the taxpayer’s Authorized IRS e-file Providers. Intermediate Service Providers, Transmitters and EROs are authorized by taxpayers to receive acknowledgement of receipt or reason for rejection of the electronic return from IRS.

If the electronic return data on an S-Corporate/Partnership income tax return is changed after the taxpayer has signed the Declaration, the taxpayer must sign a new declaration if the amounts differ.

The Form AL8453-B/AL8453-C/ AL8453-FDT/AL8453-PTE must be completed and signed by all required parties. Do not submit this form to the Alabama Department of Revenue unless requested to do so. The ERO is required to retain a copy of this form along with an electronic copy of all returns, forms and schedules submitted for a period of three years from the due date of the return or the date the return was filed, whichever is later. If the need arises, the Department may request any of the documents, in writing, and the ERO must provide a copy of the document within five working days of the request.

Electronic Payment/Refund Options:

Corporate/Partnership taxpayers who file their 20C, 20CC, 20S, 65 and PTEC returns electronically must also pay the tax liability electronically. Forms CPT, PPT and 41 can elect to pay via check or electronically at this time.

*Any liability due should be remitted no later than the original due date of the return. For forms CPT, PPT and 41 payments of \$750 or more must be made electronically. Non-electronic Business Privilege Tax payments must be remitted with Form BPT-V. **DO NOT MAIL FORM BPT-V IF THE PAYMENT IS REMITTED ELECTRONICALLY.**

ELECTRONIC PAYMENT. Section 41-1-20 requires electronic payments for all single business tax payments of \$750 or more. Substantial penalties will be assessed for noncompliance.

The balance can be paid or refund received in the following ways:

1. Direct Debit/Direct deposit at the time of filing the electronic return through the Software Provider.
2. PAY THROUGH MAT, MY ALABAMA TAXES, ([HTTP://MYALABAMATAXES.ALABAMA.GOV](http://myalabamataxes.alabama.gov))

In My Alabama Taxes (MAT), you can make a single payment for a specific account for a specific tax period. There is no limit to the number of payments that you can make in a single logon session.

MAT accepts payments in the form of ACH withdrawals from your bank account. Payments must be made from US banking institutions. **AT THIS TIME MAT DOES NOT ACCEPT CREDIT CARD PAYMENTS.**

3. Official Payments
https://www.officialpayments.com/pc_entry_standard.jsp?clientId=23636316302394527

894597934066170040 The Department will accept electronic check (e-check) and credit/debit card payments through Official Payments Corporation on the Internet. Visit www.officialpayments.com/echeck. A convenience fee may be charged for the use of this service and will be automatically calculated, if applicable. The fee is based on the amount of the tax payment and is paid directly to Official Payments Corporation.

Business Privilege Tax: Return, Invoices, Assessments, Extensions: ePay: Credit Card, eCheck

Corporate Income Tax: ePay: Credit Card, eCheck

Pass-Thru Entities: ePay: Credit Card, eCheck

4. Value Payment Systems - <http://www.payaltax.com/>

The Department will accept credit and debit card payments through Value Payment Systems. Value Payment Systems does not accept the American Express card but has a program called BillMeLater. There is a convenience fee for this service. The fee is based on the amount of the tax payment and is paid directly to Value Payment Systems.

Corporate Income Tax: Return, Invoices, Assessments, Extensions: ePay: Credit Card (BillMeLater, Discover/Novus, MasterCard, Visa)

Pass-Thru Entities: Form 20S, Form 65, Form PTEC: Return, Invoices, Assessments, Extensions: ePay: Credit Card (BillMeLater, Discover/Novus, MasterCard, Visa)

Business Privilege : Return, Invoices, Assessments, Extensions: ePay: Credit Card (BillMeLater, Discover/Novus, MasterCard, Visa)

5. For those tax types not mandated to e-pay you can submit a paper check with a voucher. Please see requirement above*

a. PPT and CPT voucher (Form BPT-V): [click here](#)

b. 41 voucher (FDT-V): [click here](#)

6. ACH Credit: <http://revenue.alabama.gov/eft/eftindex.cfm>

The Department will allow taxpayers to use the ACH Credit payment method only if certain qualifying conditions are met. A taxpayer must request permission from the Department to use the ACH Credit method and submit a written request, accompanying the EFT001 form, which demonstrates the existence of a valid business operational reason for using the ACH Credit payment method in lieu of the ACH Debit payment method. Taxpayer requests to use the ACH Credit method will be reviewed on a case-by-case basis. A taxpayer who is already using the ACH Credit method to pay taxes for other states is deemed to have a valid business reason for using the ACH Credit method to make payments for Alabama taxes.

Acknowledgement Types:

The Department will generate an acknowledgement for all returns received. The acknowledgement record/XML schema format is included in this publication.

The Alabama acknowledgement types are:

1. ACCEPTED: This acknowledgement indicates the electronic return was received and successfully completed the pre-entry validation process. No further action is required regarding the transmission. **Any return not acknowledged by the Department as “accepted” is considered not filed.**

2. REJECTED: This acknowledgement indicates the electronic return was received and failed to successfully complete the pre-entry validation process. **The acknowledgement will contain an error rejection code number followed by a message indicating the error causing the rejection, or in the case of a schema validation error only the schema error message will be displayed.** The error conditions must be corrected and the return can then be re-transmitted as a “State-Only” return. If a rejection occurs on the due date of the return it will be considered timely filed if it is corrected and re-transmitted **within the 10 Calendar day perfection period.** Only after all attempts to correct the return and re-transmit have failed may the return be filed as a paper return. In order for the paper return to be considered timely it must be filed by the later of the due date of the return or ten (10) calendar days after the date Alabama gives notification the return is rejected. The paper return should include (1) an explanation of why the return is being filed after the due date, (2) a copy of the reject notification from Alabama to avoid late filing penalties and interest and (3) a signed copy of the AL8453-C in lieu of a signature on the paper return.

Returns prepared with software that is not approved by the Department will be rejected. Unless authorized by the taxpayer to discuss the return with the preparer, the Department will communicate directly with the taxpayer if additional information is needed to correct a return. EROs and transmitters will only be given limited information about the tax return, including acknowledgment of receipt by the Department through the IRS and the reason for any processing delay. See AL4165PTE, AL4165F, AL4165C and AL4165B for Alabama Error Reject Codes. Also see the business rules document for field length specifications and other business rules including **Validation Error Codes** and descriptions on the department’s web site at <http://revenue.alabama.gov/incometax/corpefilemain.cfm>.

EROs and Transmitters should allow 5 business days to receive the State acknowledgement before contacting the Department.

Error Categories:

All MeF business rules are divided into 12 error categories. The first eight categories validate the XML data:

1. Missing Document – a tax return document is required but was not included in the tax return.
2. Data Mismatch – the data in two fields should be the same but is not. For example, if MultiSateCorpPercentage is checked on AL Form 20C, Lines 1-14 should be blank; Line 15 (StateIncomeTax) shall equal Schedule D-2 Line 4 (TaxDueOnGrossReceipts). If MultiSateCorpPercentage is checked and StateIncomeTax is not equal to TaxDueOnGrossReceipts then you will receive error message: MultiSateCorpPercentage was checked, Lines 1-14 should be blank and Line 15 (StateIncomeTax) shall equal Schedule D-2 Line 4 (TaxDueOnGrossReceipts).

3. Duplicate Condition – the tax return or the transmission file was previously received and accepted by the Department.
4. Math Error –results when a computation is incorrect.
5. Incorrect Data – data violates a business rule even though it is syntactically correct. That is, the data values for elements must conform to the format specified and the data type. Also, the data values for elements must contain only values allowed for them in the schema.
6. Missing Data – data is not provided for a required field.
7. Database Validation Error – data provided does not match the IRS database or the data provided should be present in the IRS database but is not. (e.g. the SoftwareID in the Return Header must be listed in the MeF database and in accepted status.)
8. XML Error – the data violates Schema specification. The return and transmission documents must conform to the version of the XML schema they specify.
9. System Error – a return encounters a problem with the IRS systems that prevents the return from being processed electronically.
10. Unsupported – a submitted item(s) is sent to a location that does not accept it or an unusual condition is encountered in the data.

Schemas / Transmission Specifications

Schemas

The Department will use the TIGERS overall schema structures for the return and the schemas for common components such as headers and binary attachments developed by various states in partnership with the IRS and Software Developers. Each state develops data content schemas based on the state's own forms, schedules, and worksheets. Alabama's forms based schemas can be accessed on the department secure website. Please contact the Business MeF Coordinators for more information regarding the secure site at corporate.efile@revenue.alabama.gov.

There are schemas for each return type that can be transmitted to the Department. There are also business rules documents for each return:

| | |
|--------|--|
| ALCPT | AL_CPT_BusinessReturnDataState.xsd (with forms schemas) AL_CPT_BusinessRules 2015v1.0.xls |
| ALPPT | AL_PPT_BusinessReturnDataState.xsd (with forms schemas) AL_PPT_BusinessRules 2015v1.0.xls |
| AL20C | AL_20C_BusinessReturnDataState.xsd (with forms schemas) AL_20C_BusinessRules 2015v1.0.xls |
| AL20CC | AL_20CC_BusinessReturnDataState.xsd (with forms schemas) AL_20CC_BusinessRules 2015v1.0.xls |
| AL20S | AL_20S_BusinessReturnDataState.xsd (with forms schemas) AL_20S_BusinessRules 2015v1.0.xls |
| AL65 | AL_65_BusinessReturnDataState.xsd (with forms schemas) |

| | |
|--------|--|
| | AL_65_BusinessRules 2015v1.0.xls |
| ALPTEC | AL_PTEC_BusinessReturnDataState.xsd (with forms schemas) AL_PTEC_BusinessRules 2015v1.0.xls |
| AL41 | AL_41_EstateTrustDataState.xsd (with forms schemas) AL_41_BusinessRules 2015v1.0.xls |

THE SCHEMAS FOR ALL ALABAMA RETURNS WILL BE INCLUDED IN ONE ZIP FILE. THE ZIP FILE WILL CONTAIN THE FOLLOWING:

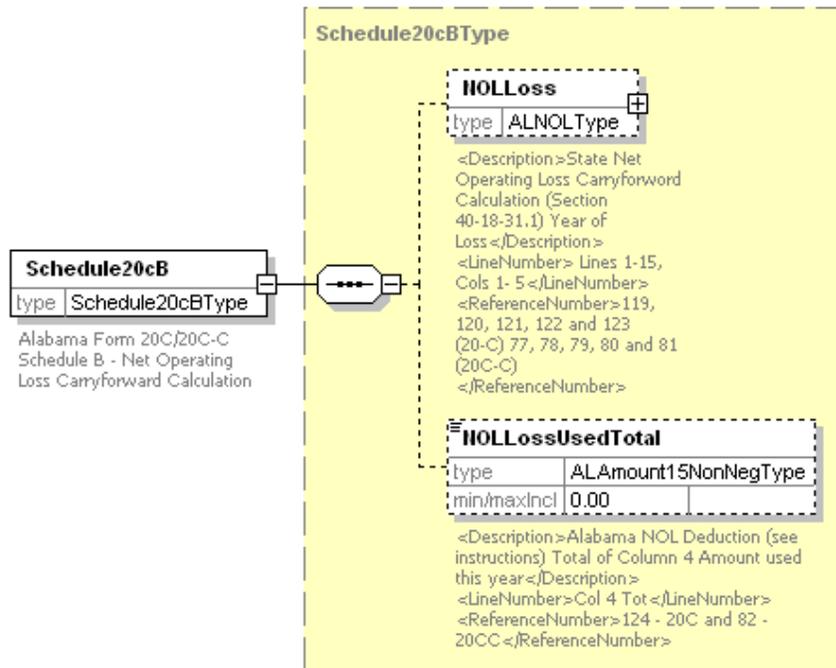
DIRECTORY STRUCTURE AND CONTENTS:

| | |
|---|---|
| VALBusiness2015V1.0\Common | Contain the xsd files that make up the Common Schema set as issued by FTA/TIGERS. |
| VALBusiness2015V1.0\StateBusiness | Contain the return structure for each type of Business filing as issued by FTA/TIGERS. |
| VALBusiness2015V1.0\ALCommon | Contain the xsd files common to the Alabama returns. |
| VALBusiness2015V1.0\ALBusiness | Contain the xsd files specific to the Alabama Forms 20C, 20CC, CPT, PPT, 20S, 65, and PTE-C |
| VALBusiness2015V1.0\ALBusiness\ALForms | Contain the xsd files for the forms and schedules related to the Alabama Forms 20C, 20CC, CPT, PPT, 20S, 65, and PTE-C. |
| VALEstateTrust2015V1.0\Common | Contain the xsd files that make up the Common Schema set as issued by FTA/TIGERS. |
| VALEstateTrust2015V1.0\StateEstateTrust | Contain the return structure for each type of Fiduciary filing as issued by FTA/TIGERS. |
| VALEstateTrust2015V1.0\ALCommon | Contain the xsd files common to the Alabama Fiduciary Returns. |
| VALEstateTrust2015V1.0\VALEstateTrust | Contain the xsd files specific to the Alabama Form 41. |
| VALEstateTrust2015V1.0\VALEstateTrust\ALForms | Contain the xsd files for the forms and schedules related to the Alabama Form 41. |

Annotations

Each Alabama return schema includes annotations for each element indicating the description of the element, Schedule and Line numbers on the return, and reference numbers to the Business Rules Spreadsheet.

Example from BusinessReturnAL20C.xsd/ Schedule20cB.xsd:



Generated by XMLSpy

www.altova.com

Software developers should apply data from the spreadsheet or tax forms to the appropriate data element from the XML schema.

All XML data must be well formed.

Special Characters

DECIMAL PLACES FOR RATIOS AND PERCENTAGES:

Ratios and percentages will use one position in front of the decimal and up to 6 decimal places.

Examples: 100% = 1.000000
 37.3% = 0.37300

All dollar amounts should be reported in whole dollars. Please see the below regulation for specific rules.

810-3-40-.02 Whole Dollar Reporting.

(1) Whole Dollar Reporting Mandatory. Effective December 31, 1998, all tax forms, declarations, statements or other documents submitted to the Individual and Corporate Tax Division shall be completed using whole dollar amounts only.

(2) Rounding to Nearest Whole Dollar Amount. Amounts of 49 cents or less shall be rounded down to the nearest whole dollar amount. Amounts of 50 to 99 cents shall be rounded up to the nearest whole dollar amount.

Author: Judy A. Robbins
 Authority: §§40-2A-7(a)(5) and 40-18-40, Code of Alabama 1975
 History: New rule: Filed May 3, 2000, effective June 7, 2000.

SPECIAL CHARACTERS:

Many business names include special characters such as the ampersand “&”. The ampersand is strictly illegal inside an XML element and will generate an error. Illegal XML Characters must be replaced by entity references.

There are 5 predefined entity references in XML:

| | | |
|--------|---|----------------|
| < | < | less than |
| > | > | greater than |
| & | & | ampersand |
| ' | ' | Apostrophe |
| " | " | quotation mark |

Note: Only the characters "<" and "&" are strictly illegal in XML. Apostrophes, quotation marks and greater than signs are legal, but it is a good habit to replace them.

For example: The following example for “Pack & Move Incorporated” would create an XML error:

```
<HdrName>
  <CorporationName>
    <BusinessNameLine1>PACK & MOVE INCORPORATED</BusinessNameLine1>
  </CorporationName>
</HdrName>
```

The following is a valid XML statement for “Pack & Move Incorporated”:

```
<HdrName>
  <CorporationName>
    <BusinessNameLine1>PACK &amp; MOVE INCORPORATED</BusinessNameLine1>
  </CorporationName>
</HdrName>
```

Version Control for Schemas and Business Rules

Each tax return transmission file, and acknowledgement file has a corresponding XML schema and a respective set of business rules that are used to validate the filed tax return. Each XML transmission file schema, XML schema, and business rule document has a separate version number. It is important to note the following principles regarding version numbers:

The transmission file’s schema version (number) and the tax return(s) schema version number may be different. The tax return’s schema version number and its associated business rule number will be the same. This ensures that a set of rules enforce the appropriate schema version.

Each business rule document’s version number identifies the version of the business rule. The version number on the set of rules dictates the schemas for which the rules are enforced and the version number on the schemas dictates which rules should be invoked for that schema version.

The “Active Validating Schema Version” specifies the business rule and schema version that will be used to validate a tax return that has been received by the IRS during a timeframe. This provides a mechanism for different versions to be accepted at the same time. It also enables an older version to be validated against a newer version’s set of schemas and business rules. The IRS will publish all valid schema/business rule versions and the versions that will be used to valid it.

VERSION NUMBERING SCHEME:

The version number includes the tax year for which the schema and business rule document applies (YYYY), the version initial (v), and the four-digit version number (NN.NN). Note: The version initial is case sensitive. The version number of MeF business rules that are invoked for the MeF XML schemas will always have the same version number as the schema version, thereby, providing a mechanism that aligns the various versions of schemas with their applicable business rules. The structure of the version number and a few examples are given below:

AL 2015v1.0
AL 2015v1.1
AL 2016v1.0
AL 2016v1.1

The version number will change with each new tax year and each tax year's subsequent changes. New versions are generated with changes to the tax return's XML schema structure, content, and business rules. These changes will increase the version number when the new version is published. Major changes will increase the left digit and minor changes increase the right digit. This includes the following:

- A new tax year. The tax year part of the version number will change with each subsequent tax year and the version number is reset to 1.0.
- Additions, deletions, and updates to a schema's data elements. This includes any schema modification to a form and/or attachment. Even if the tax return's business rules were not affected by the additions, deletions, and updates to the tax return's schemas, the business rule's version number will be changed to maintain the alignment between the MeF schemas and the applicable business rules.
- Additions and deletions to the business rules. Even if the business rule change(s) did not affect the tax return's schema, the tax return's schema version will be changed to maintain the alignment between the tax return's schema and the applicable business rules. The valid versions for all MeF tax return schemas and business rules may differ since each tax return represents a separate schema-business rules combination. A schema and/or business rule change to a tax return may not affect another tax return. In this case, the other tax return types may not need to be changed.

How does MeF use Versions?

The return data shall contain the return version used to compose it. The IRS shall publish the schema version that will be used to validate the return, called 'active validating schema version', at any point in time during the processing year. The returns can be filed using any published schema version. They will be validated against the 'active validating schema version' at the time the return is processed. If the return data conforms to the rules enforced by the 'active validating schema version', it will be accepted.

Expected Values:

EXPECTED VALUES FOR SUBMISSION TYPES IN STATE MANIFEST:

| | |
|--------------------|-------------|
| Form CPT Returns: | CPT |
| Form PPT Returns: | PPT |
| Form 20CC Returns: | 20CC |

Form 20C Returns: **20C**
 Form 20S Returns: **20S**
 Form 65 Returns: **65**
 Form PTE-C Returns: **PTEC**
 Form 41 Returns: **41**

EXPECTED VALUES FOR SUBMISSION CATEGORY IN STATE MANIFEST:

Form CPT Returns: **CORP**
 Form PPT Returns: **PART**
 Form 20C Returns: **CORP**
 Form 20CC Returns: **CORP**
 Form 20S Returns: **CORP**
 Form 65 Returns: **PART**
 Form PTE-C Returns: **CORP/PART- based on if the Entity Type is SubChapterK-PART,**
 20S-CORP
 Form 41 Returns: **ESTRST**

Income Tax Form Specifications

For complete form specifications for all tax types please refer to the Business Rules documents and schemas for complete details, validations and error codes. The business rules documents are located on our secure website. Please contact the Business MeF Coordinators for more information regarding the secure site at corporate.efile@revenue.alabama.gov. The following documents are available on the ADOR website; Publication AL 4165BPT, AL4165PTE, AL4165F and AL4165C Error Reject Codes for each form.

Business Rule Documents by form type:

| | |
|--------|------------------------------------|
| ALCPT | AL_CPT_BusinessRules 2016v1.0.xls |
| ALPPT | AL_PPT_BusinessRules 2016v1.0.xls |
| AL20C | AL_20C_BusinessRules 2015v1.0.xls |
| AL20CC | AL_20CC_BusinessRules 2015v1.0.xls |
| AL20S | AL_20S_BusinessRules 2015v1.0.xls |
| AL65 | AL_65_BusinessRules 2015v1.0.xls |
| ALPTEC | AL_PTEC_BusinessRules 2015v1.0.xls |
| AL41 | AL_41_BusinessRules 2015v1.0.xls |