

HELP SHEET

Alabama
Department of Revenue

Pathway TO REGISTRATION

Helpful steps in
Enrolling for
Licenses and
Payroll account numbers

...and much more

Pathway TO REGISTRATION

All Businesses:

◆ Contact the Internal Revenue Service (1-800-829-1040 for tax information, or 1-800-829-3676 for forms and publications) to determine if:

- A federal Employer's Identification Number (EIN) is needed (Form SS-4).
- Requirements for federal Estimated Income Tax are met (proprietors, partners, corporate shareholders, etc.), (Form 1040ES).
- Federal Self-Employment Tax is required.

You may request the following forms and/or publications from the IRS: SS-4 (EIN application form), Form W-4 (Federal Exemption Certificate), Circular E (Federal Tax Tables), 1040ES (Federal Declaration of Estimated Income Tax), Publication 334 (Tax Guide for Small Businesses) and/or other forms or publications.

IRS forms and publications may be downloaded from the IRS Web site at www.irs.gov.

◆ Contact the Alabama Department of Revenue's Taxpayer Service Center in your area or visit the department's Web site at www.revenue.alabama.gov to determine what (if any) state and local taxes apply.

- ◆ Determine if a privilege license is required (see below). If so, purchase it.
 - County and State Licenses – County Courthouse (Probate Judge or License Commissioner).
 - City Licenses – City Hall.

◆ Contact the local county tax assessor's office in the county or counties in which you own property in order to meet the requirements of assessing all of your real property.

◆ Contact the Alabama Department of Revenue, Individual Income Tax Section at (334) 242-1000 to determine if requirements for Alabama Individual Estimated Income Tax (Form 40ES) are met (proprietors, partners, corporate shareholders, etc.).

- Proprietors, partners and certain other individuals must report estimated earnings and remit the income tax on those earnings quarterly. (See Alabama Form 40ES and Federal Form 1040ES.)

◆ At year-end, resident individuals must file Alabama Form 40 and Federal Form 1040 to report actual yearly earnings. (See Forms 40, 1040, and Schedule C for instructions.) Nonresident individuals that receive income from business operations in Alabama must be covered by a composite return or file Alabama Form 40NR to report Alabama income earned.

◆ You must keep all financial and accounting records that clearly reflect income and expenses from three (3) to six (6) years or dependent on your situation.

◆ If you are late with any tax return, contact the appropriate agency immediately. Instructions will be given as to what course of action you must follow. Reply to all correspondence from these agencies immediately.

◆ Contact the Small Business Development Center closest to you in order to determine what, if any, other requirements there may be. The Small Business Development Centers around Alabama are good sources for determining local requirements, any requirements exclusive to the type of business you are in, marketing information for your business, how to obtain small business loans, etc.

All Businesses That Have Employees:

Contact the IRS to determine if federal withholding requirements apply (see previous).

First time applicants may register online for an Alabama withholding tax account number at www.myalabamataxes.alabama.gov by selecting “Obtain a New Tax Account #” or they may contact the Alabama Department of Revenue’s Business Registration Unit at (334) 242-1584 to request Form COM:101 (Combined Registration Application/Change Form). This form and other withholding tax forms are available online at www.revenue.alabama.gov/withholding/index.cfm.

Contact the Alabama Department of Labor to obtain requirements for Worker’s Compensation Insurance at (334) 242-2868 or 1-800-528-5166 and State

Unemployment Compensation tax at (334) 242-8830. Additional information can be obtained at www.labor.alabama.gov.

Contact city and county officials to determine if any occupational taxes are applicable.

Have all employees complete Forms A-4 (state) and W-4 (federal) and keep these on file.

Withhold income tax from your employees according to the Alabama Withholding Tax Tables and the Federal Circular E using the information on the A-4 and W-4.

File your Alabama Form A-1 or A-6 and remit payment for Alabama income tax withheld to the Alabama Department of Revenue. File Federal Forms 941 (Federal income tax withheld, social security and Medicare) and 940 (Federal unemployment) and remit payments to the appropriate agencies. (See the appropriate forms and instructions for the due dates, penalties, etc.)

At the end of the year, complete Form A-3 (state) and Form W-3 (federal). These should be filed with the appropriate agency along with the proper copies of Forms W-2. Furnish each employee with a copy of the Form W-2 on or before the last day of January.

If you have “contract labor,” please contact the Alabama Taxpayer Service Center in your area for verification that it actually is “contract labor” and/or that withholding is required.

All Retail Businesses:

(Businesses which sell tangible personal property to the end user or the consumer.)

◆ Check previous categories to determine if any apply.

◆ First time applicants may register online through the My Alabama Taxes Website at www.myalabamataxes.alabama.gov or contact the Alabama Department of Revenue, Business Registration Unit at (334) 242-1170, and request Form COM:101 (Combined Registration Form) to register for sales and local** or seller’s use tax license*. This form can also be obtained from the department’s Web site at www.revenue.alabama.gov/salestax/index.html.

◆ Contact city and county officials to determine if there are any other local sales and use taxes that you must register to collect and report. A current list of all city and county tax rates are available on the department’s Web site at www.revenue.alabama.gov/salestax/index.html.

**Rental businesses must register for a state rental tax license, and lodgings establishments (e.g., hotels, motels, etc.) must register for a state lodgings tax license.*

***The ADOR collects and administers local sales, use, lodgings and rental taxes on behalf of approximately 200 cities and counties; however, the department does not administer these local taxes for all counties or cities.*

All Wholesalers (Businesses which sell exclusively to retailers, manufacturers, or other wholesalers) and/or Manufacturers:

- ◆ Check previous categories to determine if any apply.
- ◆ Contact ADOR's Sales and Use Tax Division or any local Taxpayer Service Center to determine if a Certificate of Exemption, Consumers Use Tax Account, or other registration is required.

All Corporations and Limited Liability Entities:

- ◆ Check previous categories to determine if any apply.
- ◆ Contact the Secretary of State's Office.
 - Foreign corporations (those that are incorporated in states other than Alabama) must qualify to do business in Alabama with the Alabama Secretary of State. Call the Secretary of State's office at (334) 242-5324 or visit www.sos.alabama.gov to obtain an application for certificate of authority (Form CD-2). Form CD-2 must be filed with the Secretary of State along with a \$150 qualification fee and a certified copy of the articles of incorporation.
 - Domestic corporations (those that are incorporated in Alabama) must incorporate by first reserving the corporate name with the Alabama Secretary of State and then filing articles of incorporation (original and two copies) and the certificate of name reservation with the probate judge of the county in which the corporation has its initial registered office, along with the appropriate filing fees (\$100 for Secretary of State and a probate judge fee of a minimum of \$50). Contact the Secretary of State's Office at (334) 242-5324 or visit www.sos.alabama.gov for more information.
 - Contact the Alabama Secretary of State's office at (334) 242-5324 or visit www.sos.alabama.gov for questions regarding organizing domestic (those that are created in Alabama) or registering foreign (those that are created in

states other than Alabama) limited liability entities (Limited Partnerships, Limited Liability Partnerships and Limited Liability Companies).

- ◆ File and remit Alabama Business Privilege Tax.
 - All corporations and limited liability entities (Limited Partnerships, Limited Liability Partnerships, and Limited Liability Companies) are required to file and pay Alabama Business Privilege Tax no later than 2½ months after the taxpayer comes into existence, qualifies, or registers to do business or commences to do business in Alabama. Contact the Alabama Department of Revenue at (334) 353-7923 or www.revenue.alabama.gov/incometax/bpt_index.htm to obtain an initial Schedule BPT-IN with appropriate Business Privilege Tax forms.

All Contractors:

- ◆ Check previous categories in order to determine if any of the other requirements previously mentioned will apply.
- ◆ Contact the Alabama Department of Revenue, Sales and Use Tax Division toll free at 1-866-576-6531 or (334) 242-1490, to determine if any taxes will apply to your business activity (e.g., sales tax, contractor's gross receipts tax, consumers use tax, etc.).
- ◆ Contact the Contractor's Licensing Board at (334) 272-5030 for additional licensing requirements.

All Other Business Types Not Listed Here:

If your business falls into a category that has not been covered, you should:

- Check previous categories to determine if any of the above requirements apply to your business.
- Contact the Alabama Department of Revenue's Taxpayer Service Center in your area to determine what (if any) state taxes apply.
- Contact the IRS at 1-800-829-1040 to determine what (if any) federal taxes will apply.
- In Alabama there is no one central licensing authority for the various regulatory and professional licenses which may be required for businesses and individuals. You may wish to consult with your accountant and/or make inquiries at the local level to ensure that you have met all necessary licensing requirements.

Alabama Department of Revenue Offices

- ◆ **Auburn/Opelika Taxpayer Service Center**
3300 Skyway Drive, Auburn, AL (36830)
3320 Skyway Drive, Suite 808
Opelika, AL 36801
Phone: 334-887-9549
- ◆ **Dothan Taxpayer Service Center**
121 Adris Place (36303)
P.O. Box 5739
Dothan, AL 36302-5739
Phone: 334-793-5803
- ◆ **Gadsden Taxpayer Service Center**
701 Forrest Avenue (35901)
P.O. Drawer 1190
Gadsden, AL 35902-1190
Phone: 256-547-0554
- ◆ **Huntsville Taxpayer Service Center**
4920 Corporate Drive, Suite H (35805)
P.O. Box 11487
Huntsville, AL 35814-1487
Phone: 256-837-2319
- ◆ **Jefferson/Shelby Taxpayer Service Center**
2020 Valleydale Road, Suite 208
Hoover (35244)
P.O. Box 1927
Pelham, AL 35124
Phone: 205-733-2740
- ◆ **Mobile Taxpayer Service Center**
955 Downtowner Boulevard (36609)
P.O. Drawer 160406
Mobile, AL 36616-1406
Phone: 251-344-4737
- ◆ **Montgomery Taxpayer Service Center**
2545 Taylor Road (36117)
P.O. Box 327490
Montgomery, AL 36132-7490
Phone: 334-242-2677
- ◆ **Shoals Taxpayer Service Center**
201 South Court Street, Suite 200
Florence (35630)
P.O. Box 219
Florence, AL 35631-0219
Phone: 256-383-4631
- ◆ **Tuscaloosa Taxpayer Service Center**
1434 22nd Avenue (35401)
P.O. Box 2467
Tuscaloosa, AL 35403-2467
Phone: 205-759-2571
- ◆ **TDD Number**
334-242-3061

Small Business Development Centers

- ◆ Small Business Development Center
Greater Birmingham Area
Innovation Depot
1500 1st Avenue N.
Birmingham, AL 35203
Phone: 205-348-1582 FAX: 348-6974
- ◆ Small Business Development Center
University of North Alabama
135 Keller Hall, One Harrison Plaza
Box 5250
Florence, AL 35632-0001
Phone: 256-765-4629 FAX: 765-4813

- ◆ Small Business Development Center
University of Alabama in Huntsville
225 Church Street
Madison County Chamber of
Commerce, Suite 319
Huntsville, AL 35899
Phone: 256-824-6422 FAX: 824-4339
- ◆ Small Business Development Center
Jacksonville State University
113A Merrill Hall, 700 Pelham Road N.
Jacksonville, AL 36265-1602
Phone: 256-782-5271 FAX: 782-5179
- ◆ Small Business Development Center
University of North Alabama
Keller Hall, Room 148
Box 5250
Florence, AL 35632-0001
Phone: 205-765-4629 FAX: 765-4813
- ◆ Small Business Development Center
University of West Alabama
Guy Hunt Technical Complex, R122
Station 35
Livingston, AL 35470
Phone: 205-652-3665
FAX: 652-3516
- ◆ Small Business Development Center
Auburn University
570 Devall Drive, Ste 303, Office 334
Auburn University, AL 36832
Phone: 334-844-4220 FAX: 844-4268
- ◆ Small Business Development Center
Troy University
100 Industrial Blvd.
Troy, AL 36081
Phone: 334-674-2425 FAX: 670-9740
- ◆ Small Business Development Center
Alabama State University
915 South Jackson Street
Montgomery, AL 36101
Phone: 334-229-4138 FAX: 229-4129
- ◆ Small Business Development Center
University of South Alabama
Mitchell College of Business,
Room 229
5811 USA Drive South
Mobile, AL 36688-0002
Phone: 251-460-6004 FAX: 460-6246
- ◆ Alabama International Trade Center
University of Alabama
621 Greensboro Avenue
Box 870396
Tuscaloosa, AL 35487-0396
Phone: 205-348-1687 FAX: 348-6974

For further information,
please contact the
Office of
Taxpayer Advocacy
at
334-242-1055



PUBLISHED BY THE
**Alabama Department
of Revenue**

www.revenue.alabama.gov

Revised September 2015