810-3-75-.03 Annual Returns of Withholding Tax Information.

(1) On or before the last day of January each year, every withholding tax agent who has paid Alabama wages of $1,500 or more or has withheld Alabama income tax, must file with the Department of Revenue the wage and tax information as described in Rule 810-3-75-.01 for the previous calendar year. This submission consists of two parts:

(a) Form A-3, Annual Reconciliation of Alabama Income Tax Withheld, and

(b) A copy of Form W-2 for each employee (see Rule 810-3-75-.01), and/or a copy of each statement required by Rule 810-3-75-.01 to be furnished to a recipient of proceeds from a wager subject to withholding pursuant to §40-18-91, Code of Alabama 1975. If tax has been withheld from a non-wage payment, a copy of the Form 1099 used to report this payment must be submitted. See Rule 810-3-75-.04.

1. All employers and withholding agents submitting 25 or more Forms W-2 and/or information returns, if Alabama income tax has been withheld, must submit this information and Form A-3 electronically through the Department's web site.

(i) Withholding agents submitting less than 25 wage and tax statements and/or information returns may voluntarily submit this information electronically.

(ii) Employers or withholding agents who electronically file their monthly or quarterly withholding tax returns and payments during the year are also required to submit their wage and tax information electronically through the Department's website.

(2) Penalties.

(a) Any person who fails to comply with the requirements of this section shall be subject to the penalties provided for in §40-2A-11, Code of Alabama 1975.

(b) In addition to the penalties provided for in §40-2A-11, the $50 civil penalty provided for in §40-29-74, Code of Alabama 1975, shall also apply.

Author: Neal Hearn
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