



TIM RUSSELL
Commissioner

State of Alabama Department of Revenue

(www.revenue.alabama.gov)
50 North Ripley Street
Montgomery, Alabama 36132

CYNTHIA UNDERWOOD
Assistant Commissioner
LEWIS A. EASTERLY
Secretary

September 26, 2008

NOTICE

**TO: All Alabama Underground & Aboveground Storage Tank
Trust Fund Charge Taxpayers (Cargo Tank Permits)**

SUBJECT: Limited Liability Companies – LLCs

On March 16, 1998, the Alabama Department of Revenue issued Revenue Procedure 98-001 which states, “For purposes of the taxing statutes in Title 40, Code of Alabama 1975, all LLCs which, pursuant to Act 97-920, includes both single member and multiple member LLCs...will be classified as they are classified for federal income tax purposes...” Based upon Act 1997-920 and Revenue Procedure 98-001, the Alabama Department of Revenue is to treat all multi-member LLCs as partnerships, and to ignore or “disregard” single member LLCs unless the taxpayer has filed Form 8832 electing to be treated as a corporation for Federal income tax purposes.

The purpose of this notice is to determine if motor fuels distributors who have been issued a cargo tank permit and that are limited liability companies are single-member or multi-member, and whether or not the companies have classified under the Internal Revenue Service (IRS) “check-the-box” election as a corporation.

Enclosed with this notice is the applicable application that will need to be completed in order to update our files. Please complete the enclosed application and return it to this office, at the below address, by October 17, 2008.

Should you have questions, we may be reached at the below address or telephone number.

Alabama Department of Revenue
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Tobacco Tax Section
P. O. Box 327556
Montgomery, Alabama 36132-7556
(334) 242-9627