

Alabama Department of Revenue

Information Release

Sept. 4, 2012

ADOR Advisory to Taxpayers Filing Alabama Schedule CR

Montgomery—The Alabama Department of Revenue (ADOR) announced today an important advisory affecting Alabama taxpayers who file the Alabama Individual Income Tax Schedule CR (Credit for Taxes Paid to Other States). The ADOR issued the advisory to inform affected taxpayers of the department's decision to withdraw a change to the 2011 Schedule CR and instead address procedures for calculating the credit for taxes paid to other states, as allowed under Alabama law, through the Administrative Procedures Act rule-making process.

Guidance for Taxpayers Who Have Filed

The ADOR advises taxpayers who have filed the 2011 Alabama Individual Income Tax Schedule CR (Credit for Taxes Paid to Other States), along with their 2011 tax year individual income tax return, that they may file an amended 2011 tax year return using the updated 2011 Schedule CR fill-in form found on ADOR's website at <http://revenue.alabama.gov/incometax/2011itforms.html>. The 2011 Schedule CR (fill-in form) has been updated to calculate the credit for taxes paid to other states in the same manner as done in previous tax years, prior to the 2011 Schedule CR form change. The ADOR advises that if the amended return results in an overpayment of taxes, a refund will be approved for issuance.

Guidance for Taxpayers Who Have Not Filed Pending Oct. 15, 2012, Extension

Taxpayers who have not filed their 2011 Alabama Individual Income Tax Return and the 2011 Schedule CR (Credit for Taxes Paid to Other States) should use the updated 2011 Schedule CR fill-in form for their original filing. The 2011 Schedule CR (fill-in form) has been updated to calculate the credit for taxes paid to other states in the same manner as done in previous tax years, prior to the 2011 Schedule CR form change.

Guidance for Tax Preparers

The ADOR advises tax preparers whose clients will be filing their original tax return or amended 2011 tax return and are claiming credit for taxes paid to other states to use the updated fill-in form Schedule CR available on ADOR's website. The 2011 Schedule CR (fill-in form) has been updated to calculate the credit for taxes paid to other states in the same manner as done in previous tax years, prior to the 2011 form change. The various tax preparation software programs have not been revised to reflect this change; consequently, they will not perform the correct calculations based on prior years' Schedule CR formats.

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