

Alabama Department of Revenue

Information Release

Sept. 12, 2012

ADOR Updated Advisory to Taxpayers Filing Alabama Schedule CR

Montgomery—Last week the Alabama Department of Revenue (ADOR) announced an important advisory affecting Alabama taxpayers who file the Alabama Individual Income Tax Schedule CR (Credit for Taxes Paid to Other States). Today the ADOR issued additional guidance to taxpayers who have already filed their 2011 return or will be filing their 2011 returns in the coming weeks.

Guidance for Taxpayers Who Have Filed

The ADOR recommends that taxpayers not file amended returns to correct for this issue. The ADOR has in place a mechanism for identifying all 2011 returns that have been filed or will be filed along with an accompanying Schedule CR. The ADOR will identify the 2011 return and automatically recalculate the limitation based on the 2010 rules. If the recalculation 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) have two options available to them.

The First Option: Taxpayers may file their returns electronically or use computer-generated returns (bar-code) that include the 2011 Schedule CR without the current update. The ADOR will identify these returns and automatically recalculate the limitation based on the 2010 rules. If the recalculation results in an overpayment of taxes, a refund will be approved for issuance.

The Second Option: Taxpayers may use the updated 2011 Schedule CR fill-in form for their original filing, 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 Schedule CR form change. Electronic filing is not available with this option, nor will the bar-code return filing accept the updated Schedule CR. This option requires the taxpayer to file a paper return using the updated 2011 Schedule CR.

For more information on these filing options available to taxpayers, please contact the department's Individual and Corporate Tax Division at 334.242.1099.