

810-2-8-.04 Business Privilege Tax - Transition Rules from a Calendar Year Basis To a Fiscal Year Basis.

(1) **Scope.** This rule is issued pursuant to Section 40-2A-7(a)(5), Code of Alabama 1975, to provide guidance to business entities subject to the Business Privilege Tax to transition from a calendar year tax basis to a fiscal year tax basis and provide for the computation of a tax obligation when an accounting period change is made.

(2) **Definitions.** The following terms have the meanings ascribed to them for purposes of this rule:

(a) Business Privilege Tax. The tax levied by Section 40-14A-22, Code of Alabama 1975.

(b) Calendar Year Tax Period. The period from January 1 of each year through December 31 of that year.

(c) Fiscal Year Tax Period. Any 365 consecutive day period other than a calendar year tax period.

(d) Determination Period. A taxpayer's taxable period that precedes the taxpayer's current taxable period.

(e) Determination Date. The date upon which the Business Privilege Tax accrues.

(3) **Applicability of Taxing Statutes.**

(a) Pursuant to Section 40-14A-2(b), for taxable years 2000 and 2001, all taxpayers subject to the tax levied in Section 40-14A-22, shall have a determination date of January 1 following the determination period. For all taxable years ending after December 31, 2000, the determination date shall be the first day of the taxable year following the determination period.

(b) If the taxpayer has a change of accounting period, that change shall follow the rules provided in Section 40-18-30(a), Code of Alabama 1975.

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Authority: Sections 40-2A-7(a)(5) and 40-14A-1, 40-14A-2, 40-14A-22 and 40-18-30(a), Code of Alabama 1975.

History: New rule: Filed March 20, 2001, effective April 24, 2001.