

810-3-78-.01 Credit for Tax Withheld.

(1) (a) An employee or other payee from whose wages or other remuneration income tax is withheld, and/or a recipient of proceeds from a wager from which income tax was withheld pursuant to §40-18-91, Code of Alabama 1975, is allowed a credit for the amount withheld on his or her income tax return for the tax year during which the tax was withheld.

(b) An employee from whose wages a job development fee (JDF) is withheld pursuant to §41-10-44.8b., Code of Alabama 1975, is allowed a credit for the amount withheld on his or her income tax return for the tax year during which the JDF was withheld.

(2) (a) Credit will be allowed only if a copy of the withholding statement, Form W-2, is attached to the return.

(b) In the case of withholding from proceeds of a wager, credit will only be allowed if a copy of the statement required to be furnished the recipient under Rule 810-3-75-.01, is attached to the return of the claimant of the credit.

(c) In the case of withholding from a nonwage payment, credit will only be allowed if a copy of the Form 1099 or other information return is attached to the return of the claimant of the credit.

(3) A fiscal year taxpayer is allowed a credit on the fiscal year return for income taxes withheld during the calendar year which ends within the fiscal year. For example, a taxpayer having a fiscal year ending July 31, 2014, is entitled to credit for tax withheld during calendar year 2013.

Author: Neal Hearn

Authority: §§40-2A-7(a)(5), 40-18-78, 40-18-91, 41-10-44.8(a)(2), 41-10-44.8(b),  
Code of Alabama 1975

History: Adopted September 30, 1982.

Amended June 17, 1988.

Amended: Filed March 20, 1989, effective April 24, 1989.

Amended: Filed May 13, 1994, effective September 30, 1994.

Amended: Filed May 3, 2000, effective June 7, 2000.

Amended: Filed July 17, 2015, effective August 21, 2015.