

Your Rights As A Taxpayer

Your rights are guaranteed by law under the Taxpayers' Bill of Rights and Uniform Revenue Procedures Act. They are as follows:

- ◆ **You** have the right to receive a clear and simple written description of your role and the Department's role during an audit or examination **before** the audit or examination proceedings begin.
- ◆ **You** have the right to a written description of the basis for any preliminary assessment, the basis for any penalty imposed by the Department regarding any preliminary assessment, and a method describing how you can request an administrative review of any preliminary assessment.
- ◆ **You** have the right to receive a written description of how to exercise your right of appeal to the Alabama Tax Tribunal or to circuit court at or before the issuance of a final assessment.
- ◆ **You** have the right to have examinations conducted during regular business hours and to arrange for a convenient time.
- ◆ **You** have the right to be assisted or represented by your authorized representative during dealings with the Department, and in any appeal to the Alabama Tax Tribunal.
- ◆ **You** have the right to know the criteria and procedures used to select taxpayers for examination. This information is available upon request.
- ◆ **You** have the right, after giving reasonable advance notice to the Department, to make an audio recording of any in-person interview with a Department representative.
- ◆ **You** have the right to obtain assistance from the Taxpayer Advocate on matters that have been pending for an unreasonable length of time.
- ◆ **You** have the right to apply for the abatement of any penalties attributable to erroneous written advice if furnished to you by an employee of the Department.

Taxpayer Service Centers:

Auburn/Opelika - 3300 Skyway Drive (36830)
3320 Skyway Dr., Suite 808, Opelika (36801)
Phone (334) 887-9549

Dothan - 121 Adris Place (36303)
P.O. Box 5739 (36302-5739)
Phone (334) 793-5803

Gadsden - 701 Forrest Avenue (35901)
P.O. Drawer 1190 (35902-1190)
Phone (256) 547-0554

Huntsville - 4920 Corporate Dr., Suite H (35805)
P.O. Box 11487 (35814-1487)
Phone (256) 837-2319

Jefferson/Shelby - 2020 Valleydale Road, Suite 208, Hoover, AL (35244)
P.O. Box 1927, Pelham, AL (35124)
Phone (205) 733-2740

Mobile - 851 E. I-65 Service Road South, Suite 100 (36606)
P.O. Box 160406 (36616-1406)
Phone (251) 344-4737

Montgomery - 2545 Taylor Road (36117)
P.O. Box 327490 (36132-7490)
Phone (334) 242-2677

Shoals - 201 South Court Street, Suite 200, Florence (35630)
P.O. Box 219 (35631-0219)
Phone (256) 383-4631

Tuscaloosa - 1434 22nd Avenue (35401)
P.O. Box 2467 (35403-2467)
Phone (205) 759-2571

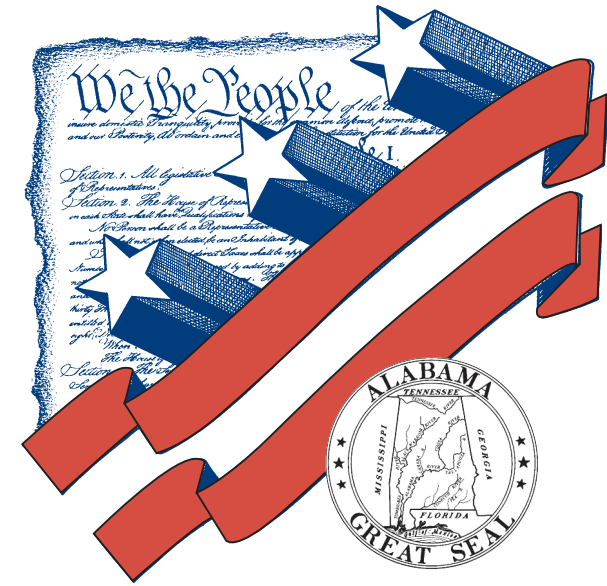
Office of Taxpayer Advocacy

50 N. Ripley Street, Room 1226
Montgomery, AL 36132
Phone (334) 242-1055

www.revenue.alabama.gov

To request tax forms, please write:

Alabama Department of Revenue
Tax Forms
P.O. Box 327470
Montgomery, AL 36132-7470



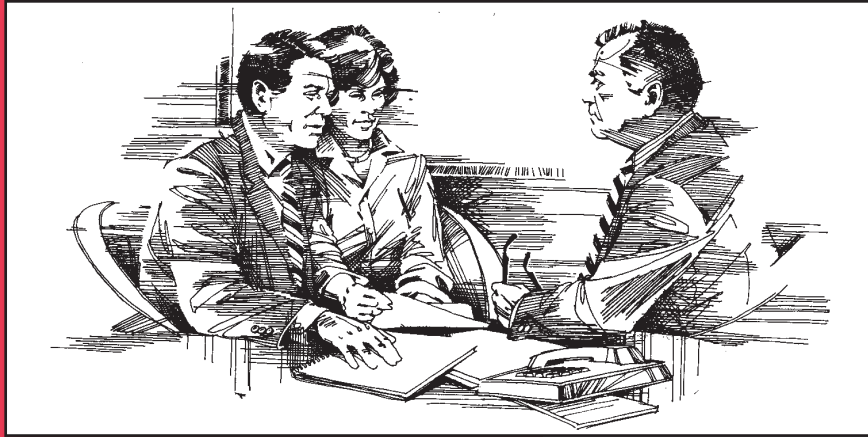
Alabama

TAXPAYERS'

Bill Of Rights

Alabama Department of Revenue

Role of The Department and The Taxpayer During an Audit



Audit Contact

In most cases, the Department accepts tax returns as filed. However, if we select your return for audit and the audit cannot be completed through correspondence, then your tax records will be reviewed by an examiner. The audit process will begin with the examiner giving you reasonable notice of your audit and then scheduling an appointment to meet with you during the Department's normal business hours (or other hours in special cases). When your appointment is made, the examiner will notify you in writing as to the necessary books and records required for your audit.

Throughout any examination process, you may represent yourself or with proper written authorization, you may elect to have an "authorized representative" act on your behalf. When you meet with the examiner you have the right to have an authorized representative present, or the authorized representative may represent you in your absence. In order for this representative to act on your behalf, you must (prior to your audit appointment) sign a "Power of Attorney and Declaration of Representative" form 2848A or such other form (such as a federal power of attorney form 2848)

which designates you as the taxpayer, identifies the type of tax or assessment, identifies your authorized representative, and states the effective date of representation. To obtain a "Power of Attorney and Declaration of Representative" form 2848A, you may call our Taxpayer Service Center nearest you, or write:

Alabama Department of Revenue
Tax Forms
P.O. Box 327470
Montgomery, AL 36132-7470

To download a form from the department's Web site, go to www.revenue.alabama.gov/services/collections/.

If you wish, you may audio record any in-person interview with a Department employee, provided you notify the department at least 24 hours prior to your interview. Likewise, we may audio record an in-person interview with you, provided we notify you at least 24 hours prior to your interview or if you have arranged to audio record your interview. In order to obtain a copy of any transcript or audio recording made by the Department, you must make a written request and pay the established fee.

Time Limitations

In most cases, the Department has three years

from the date a tax return is due or filed, whichever is later, to audit your tax return and assess any additional tax, penalty, and interest due. A taxpayer also generally has three years to claim a refund of any tax overpaid. However, if the tax was paid by withholding or estimated payments, and you failed to timely file a return, any refund must be claimed within two years from the original due date of the return. This authority is granted under Title 40, Chapter 2A, **Code of Alabama 1975**.

There are, however, certain circumstances in which the time limitations to assess additional tax may be extended. Some of those circumstances are as follows:

1. The Internal Revenue Service (IRS) adjusts your federal income tax return and these changes affect your Alabama return.
2. You signed an agreement with the Department to extend the time period to adjust your state or local tax return.
3. You omitted more than 25 percent of the taxable base that should have been reported on your tax return.
4. You failed to file a return or intentionally misstated or fraudulently filed your tax return.

After The Audit

After your audit, the Department will take one of the following three actions:

1. Accept your tax return(s) as filed;
2. Issue a "preliminary assessment" which will state any additional tax, penalty, and interest we believe you owe; or
3. Issue a refund of tax and any applicable interest to you.

If we propose any changes to your tax return, we will explain the reasons. Please inquire about anything that is unclear to you.

If you do not agree with the Department's decision in your case, you may appeal this decision by

filing a written "petition for review" to request a conference on your case. The petition for review must be filed within 30 days of the date of mailing or personal service of the preliminary assessment, whichever occurs first. To request a petition for review form, you may call our Taxpayer Service Center nearest you, or write:

Alabama Department of Revenue
Tax Forms
P.O. Box 327470
Montgomery, AL 36132-7470

Forms may also be downloaded from the department's Web site at www.revenue.alabama.gov/forms/?d=sales-use (Sales and Use Tax) or www.revenue.alabama.gov/forms/?d=individual-corp (Individual & Corporate Tax).

The Department will review your petition and schedule a conference if requested or otherwise necessary.

During this conference you will have the opportunity to discuss your case with a designated hearings officer from the division whose actions you are contesting. This conference will allow both you and the Department to present each side of the issue and to review any additional information being presented.

Based on the outcome of this conference, the Department will either cancel, change, or affirm its previous action. If you do not timely file your petition for review or the Department determines from the conference that the preliminary assessment is due to be upheld in whole or in part, the Department will enter a final assessment.

If the preliminary assessment is not withdrawn or made final by the Department within five (5) years from the date of entry, the preliminary assessment may be appealed to the Alabama Tax Tribunal or Circuit Court. If a final assessment is entered, you will be notified in writing and advised that you may appeal to either the Alabama Tax Tribunal or to circuit court.