

# Alabama Department of Revenue

News Release

April 12, 2002

## Alabama to Follow Federal Depreciation Provisions Enacted by the Job Creation and Worker Assistance Act of 2002

Montgomery—The Alabama Department of Revenue will follow the federal rules for computing the additional depreciation deduction provided under the recently-enacted Job Creation and Worker Assistance Act of 2002, according to State Revenue Commissioner Cynthia Underwood.

Alabama will allow the 30 percent bonus depreciation and the modified depreciation limits on certain types of assets as outlined in the economic stimulus bill. **The assets must be acquired and placed in service after Sept. 10, 2001, and before Sept. 11, 2004.** In addition to the bonus depreciation, the taxpayer is also entitled to the regular first-year depreciation on the remaining value of the asset. The deduction will remain through 2004 unless new legislation is enacted by the legislature.

“Because of the timeframe involved and the impending April 15 reporting date, the department wants to ensure that all affected taxpayers are aware of these changes,” explained Underwood. “Additional information concerning other provisions of the Job Creation and Worker Assistance Act of 2002 and the effect on Alabama income tax law will be forthcoming. Notices and information bulletins will be posted on the department’s Web site at [www.ador.state.al.us](http://www.ador.state.al.us).”

For more information concerning Alabama’s individual and corporate income tax reporting and filing requirements, contact the department at (334) 242-1000 or visit the department’s Web site at [www.ador.state.al.us](http://www.ador.state.al.us).

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