

# Alabama Department of Revenue

News Release

Jan. 14, 2011

## Construction Employer Fee Rate Adjusted

*Montgomery*—The Alabama Department of Revenue announced today that the quarterly construction employer fee rate has been adjusted from .0009 to .0015, effective with the Jan. 31, 2011, return and payment.

Prior to the fee adjustment, the rate averaged \$90 per \$100,000 of construction payroll. The rate adjustment now sets the fee at \$150 per \$100,000.

The rate adjustment is required by Act 2009-561, which authorizes the fee and requires that the fee rate be adjusted after the first five quarterly filings and payments to produce net collections totaling \$1,750,000 annually. Act 2009-561 requires that the revised fee rate be used for each collection period thereafter.

The fee is paid by licensed contractors performing work on commercial or industrial construction projects located in the state of Alabama. The fee does not apply to home builders and licensed residential home builders who contract for single family residential building projects.

Collections from the fee are earmarked for the Alabama 21<sup>st</sup> Century Authority for the benefit of the Alabama Construction Recruitment Institute and its recruitment and training promotion programs, aimed at identifying and attracting individuals to construction craft trades.

For more information concerning construction employers' filing requirements, taxpayers may contact the ADOR at 334.242.1300 or visit the department's Web site at [www.revenue.alabama.gov](http://www.revenue.alabama.gov).

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