

Alabama Department of Revenue

News Release

March 4, 2004

Alabama Taxpayers Opt for E-File Applications over Paper

Montgomery—Recent filing numbers reported by the Alabama Department of Revenue indicate that many taxpayers prefer the click of a mouse button to pen and paper when filing their state tax returns.

Individual Taxes

Through March 3, 2004, over 500,000 Alabama taxpayers have opted to electronically file their 2003 individual income tax returns, compared to 163,757 paper filers. The ADOR expects to receive over 1.8 million paper and electronically-filed returns during the 2004 filing season. Last year, electronically-filed returns totaled 653,825 and comprised over 36 percent of all 2002 individual income tax returns received by the ADOR.

Business Taxes

In the business tax areas, e-filing is required for some Alabama taxpayers. Beginning Oct. 1, 2003, any business taxpayer required to file state and state-administered local sales, use, rental, and lodgings taxes must file these returns electronically. During the February 2004 collection period, over 97 percent of all such business returns were electronically filed and over \$121 million in sales, use, lodgings, and rental tax payments were received through electronic funds transfers.

In February, the ADOR expanded its business tax mandatory electronic filing program to include the following business taxes: utility gross receipts, utility service use, mobile telecommunications services, pharmaceutical providers, Alabama nursing home privilege, direct pay sales and direct pay motor fuel taxes. All business taxpayers filing these returns also must now file electronically.

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Taxpayers Opt for E-File...
Add One
March 4, 2004

Last November, ADOR offered e-filing to all Alabama employers filing state income tax withholding returns. Although not required to file electronically as some other business taxpayers, over 12,000 Alabama employers have chosen to electronically transmit their monthly and quarterly Alabama withholding returns.

All taxpayer return information whether paper or electronically-filed and received by the ADOR is confidential information, protected by state and in some tax areas, by federal law.

For more information concerning ADOR's electronic filing programs, visit the department's Web site at www.ador.state.al.us.

–30–

Media contact for more information: ADOR Media Affairs Office: Carla A. Snellgrove or Carolyn Blackstock: (334) 242-1390; FAX: (334) 242-0550