



ALABAMA DEPARTMENT OF REVENUE

Alabama Pass-Through Entity Nonresident Agreement

For the year January 1 – December 31, 20____, or other tax year beginning _____ 20____, ending _____ 20____.

OWNER / SHAREHOLDER SOCIAL SECURITY NUMBER / FEIN _____

OWNER / SHAREHOLDER TAX YEAR _____

NAME _____

LEGAL RESIDENT ADDRESS _____

CITY _____

STATE OF LEGAL RESIDENCE _____ ZIP _____

OWNER / SHAREHOLDER'S ENTITY TYPE _____

SUBCHAPTER K ENTITY / S CORPORATION FEIN _____

SUBCHAPTER K ENTITY / S CORPORATION TAX YEAR _____

NAME _____

ADDRESS _____

CITY _____

STATE _____ ZIP _____

AGREEMENT

As a consideration of allowing the above named entity to elect to be an Subchapter K entity/S Corporation under the provisions of Alabama law, I hereby agree as follows:

- (1) That I will timely file a nonresident income tax return with the Alabama Department of Revenue and include therein my pro rata share of the income, loss and deductions of the above named entity **for any taxable year** in which I am a owner/shareholder and will pay any tax liability due thereon.
- (2) That I hereby irrevocably appoint the registered agent of the above entity and any agent or officer of the entity present in Alabama as my agent for service of process of any documents from the Alabama Department of Revenue in connection with my income tax returns or those of the entity, and that I hereby consent to personal jurisdiction by the State of Alabama in connection with my income tax returns or those of the entity. In addition, I hereby appoint the following person or firm in Alabama as agent for service of process: (OPTIONAL)

- (3) That this agreement will be binding upon my heirs, representatives, assigns, successors, executors and administrators.
- (4) That I understand this agreement may not be revoked or cancelled after the due date (with extensions) of the entity's Alabama return.

SIGNATURE OF OWNER / SHAREHOLDER

TITLE OR STATUS

(If shares are jointly owned, each owner must execute a separate agreement. If held as trustee or custodian, indicate title or status. If executed under power of attorney, so state.)

State of _____ County of _____

Before me, the undersigned authority, personally appeared _____, who by me being first duly sworn, did depose and say that he/she is a nonresident of the State of Alabama, was a owner/shareholder of the named entity during the taxable year indicated, has authority to execute this agreement, and has freely done so. Sworn to and subscribed before me this _____ day of _____, 20____.

SIGNATURE OF NOTARY PUBLIC

Instructions for Completion of Schedule NRA

Schedule NRA must be completed by each nonresident owner/shareholder of the entity for whom an agreement has not been previously filed. Once filed, Schedule NRA remains in effect until the owner/shareholder notifies the entity in writing that the Schedule NRA has been revoked. A copy should be filed with Form 65 or Form 20S in the initial year only. A copy of Schedule NRA should be maintained for future reference.

If the Schedule NRA is not submitted timely by the entity on behalf of the nonresident owner/shareholder, when applicable, the entity must complete the Form PTE-C on behalf of that owner/shareholder and pay to the state an amount equal to the highest income tax rate applicable to individuals (if the owner/shareholder is an individual, trust, or partnership) or to corporations (if the owner is a corporation), multiplied by the owner's pro rata share of income allocated and apportioned to this State as reflected in the entity's return for the period in question. In the spaces provided at the top of the form, insert the name and legal resident address of the owner/shareholder. Also include the taxpayer identification number (Social Security Number or Federal Employer Identification Number) and the tax year of the owner. **BE SURE TO ENTER THE LEGAL RESIDENCE OF THE OWNER/SHAREHOLDER.**

For the Subchapter K entity/S corporation, enter the Federal Employer Identification Number (FEIN), tax year, name, and address.

In paragraph (2) on Schedule NRA, you may elect to insert the name and address of an agent in Alabama (selected by you) that you wish to have for service of documents in connection with the Alabama Income Tax Returns of the owner/shareholder or the entity. This agency designation is OPTIONAL with the owner/shareholder and is in ADDITION to the agents designated by regulation.

This agreement must be signed by the owner/shareholder in the space provided. If the signature is by an attorney-in-fact, agent, or trustee, enter the proper title or status of the signer in the space provided. The owner may authorize any other person, including an officer, or employee of the entity to execute this agreement on his/her behalf, if a properly executed power of attorney is filed with this Department not later than the date on which this agreement is submitted. If interest/shares of the Alabama partnership/S corporation are jointly owned, each owner must execute a separate agreement. The agreement must be executed before a notary public or some other officer authorized to administer oaths in the state of legal residence of the owner. Note: Officer does not refer to an officer of the entity unless that person is a notary public or is otherwise authorized to administer an oath by the laws of the state of residence of the owner.

For further information concerning Subchapter K entities, see Section 10-8A-1108, 40-18-24.1, and 40-18-176, **Code of Alabama 1975**.

For further information concerning S corporations, see Reg. 810-3-160.01 and Sections 40-18-176, **Code of Alabama 1975**.