

810-3-15-.19 Optional Standard Deduction.

(1) A deduction is allowed for resident individual taxpayers filing Form 40 or nonresident individual taxpayers filing Form 40NR who elect to claim an optional standard deduction instead of itemizing their nonbusiness expenses for medical and dental care, taxes (other than federal income taxes), interest, contributions, casualty and theft losses, long-term health care premiums, and miscellaneous deductions allowable by Code of Alabama 1975, §40-18-15. For tax years beginning January 1, 1982, the maximum optional standard deduction:

(a) for a single taxpayer, head of family, or a married taxpayer filing a separate return, is 20% of adjusted gross income, or \$2,000, whichever is less.

(b) for married taxpayers filing a joint return, is 20% of adjusted gross income or \$4,000, whichever is less.

(c) for a nonresident, is the amount determined under subparagraph (1)(a) or (1)(b) above, apportioned by the percentage of Alabama adjusted total income to total income from all sources.

(2) Adjusted gross income is determined in accordance with Code of Alabama 1975, §40-18-14.2.

(3) Federal income taxes paid or accrued during the taxable year may be deducted in addition to the optional standard deduction.

(4) If a husband and wife file separate returns and one spouse itemizes deductions, the other spouse will not be allowed to claim the optional standard deduction but must also itemize deductions.

(5) For tax years beginning January 1, 1985, the election to claim the optional standard deduction is revocable. If a taxpayer claims itemized deductions which are less than the allowable optional standard deduction, an amended return may be filed claiming the optional standard deduction. If a taxpayer claims the optional standard deduction which is less than the allowable itemized deductions, an amended return may be filed claiming the itemized deductions.

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Authority: §§40-2A-7(a)(5) and 40-18-15, Code of Alabama 1975.  
History: Adopted September 30, 1982.  
Amended July 27, 1988.  
Amended September 18, 1996, effective date October 23, 1996.  
Repealed and New: Filed December 14, 1999, effective January 18, 2000.