

ALABAMA DEPARTMENT OF REVENUE
ADMINISTRATIVE CODE

CHAPTER 810-3-74

Payment of Amounts Withheld

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810-3-74-.01 Withholding Returns and Payments.

(1) Every employer required to deduct and withhold tax from the wages of employees under §40-18-71, Code of Alabama 1975, and those persons required to withhold income tax on proceeds of a wager pursuant to §40-18-91 and payers who have elected to voluntarily withhold income tax, shall remit such withheld taxes to the Department as follows:

(a) Form A-6 must be filed and the tax withheld remitted by every withholding tax agent if the amount withheld in either the first or second month of any calendar quarter exceeds one thousand dollars (\$1,000.00). Form A-6 must cover only one month. Monthly withholding tax returns (Form A-6) and monthly withholding tax payments are required only for those months in which the tax withheld in that month exceeds one thousand dollars (\$1,000.00). Amounts withheld which do not exceed one thousand dollars may also be remitted monthly; however, such payments must be accompanied by Form A-6. Unless prior approval has been obtained from the Department of Revenue, only one payment and one Form A-6 may be filed each month.

(b) Form A-1 "Employer's Quarterly Return of Income Tax Withheld" must be filed by every withholding tax agent and payment made of the total amount of tax withheld, less any tax previously remitted on Form A-6, on or before the last day of the month following the end of the calendar quarter. Form A-1 must accompany all quarterly payments of amounts withheld. Unless prior approval has been obtained from the Department of Revenue, only one payment and one Form A-1 may be filed each quarter.

(c) Unless prior approval has been granted by the Department, employers and withholding tax agents must use preprinted Forms A-1 and A-6 provided by the Department. Employers and withholding tax agents must contact the Department in order to obtain approval to produce their own forms.

(2) Form A-1 must not include more than one calendar quarter of the year. A portion of one calendar quarter may not be included with a portion of another calendar quarter in a single return, even though the entire period does not exceed three months.

(3) A withholding tax agent who temporarily ceases to withhold tax, including an employer engaged in seasonal activities, shall continue to file returns unless the withholding tax account is made inactive. A quarterly return shall be filed by the employer or withholding tax agent for each quarter even though no tax has been withheld.

(4) If an employer or withholding tax agent ceases to pay wages or withhold tax, the last Form A-1 or Form A-6 filed must be marked "Final Return" in the space provided on the return.

(5) Employers or withholding tax agents may submit their monthly withholding tax returns (Form A-6) and payments and their quarterly withholding tax returns (Form A-1) and payments electronically. Electronic returns and payments must be submitted through the web site or phone system provided by the Department. Employers or withholding tax agents making withholding tax payments of \$750 or more are required to file the payment and return electronically.

(6) Employers or withholding tax agents, who are required to submit their withholding tax via electronic funds transfer (EFT), must also file their withholding tax returns electronically. Withholding tax payments may be submitted voluntarily through EFT; however, if the payment is submitted through EFT, the withholding tax return must also be submitted electronically. Electronic payments submitted without an electronic return are subject to the failure to timely file return penalty. Employers and withholding tax agents who are not required to file via EFT and choose to send a check must also send an approved paper withholding tax coupon.

(7) Accountants or tax filing services who file withholding tax returns and payments on behalf of employers must register with the Department as a bulk filer and must utilize their bulk filer registration when filing withholding tax returns on behalf of their clients.

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Authority: §§ 40-2A-7(a)(5), 40-18-74 and 40-18-91, Code of Alabama 1975

History: Adopted through APA September 30, 1982. Amended June 17, 1988.

Amended: Filed with LRS March 20, 1989, effective April 24, 1989.

Amended: Filed July 10, 2003, effective August 14, 2003.

Amended: Filed July 22, 2004, effective August 26, 2004.

Amended: Filed March 3, 2008, effective April 7, 2008.