

810-3-25-.07 Estates and Trusts, Miscellaneous Information.

(1) Estates and trusts are required to file Alabama Form 41, Fiduciary Income Tax Return, on the date the taxpayer's federal return is due or would be due if the federal return was required.

(a) The entity will be granted an extension of time for filing the fiduciary return in the same manner as allowed by federal law.

(2) (a) The fiduciary is required to make and file the return and pay the tax on the taxable income of an estate or trust. An extension of time granted to file the fiduciary return pursuant to this section is not an extension of time for payment of tax. The amount of tax due must be paid on or before the due date of the return without regard to the extension to file the return.

Payment of the tax must be made via the paper Payment Voucher or by Electronic Funds Transfer (EFT) in accordance with Rules 810-13-1-.01 and 810-13-1-.03.

(b) If a fiduciary receives income which is to be distributed to a nonresident beneficiary, the fiduciary must file with his or her return a schedule showing the amount of income distributed to each such beneficiary and the portion thereof which is exempt and the portion which is subject to Alabama tax.

(3) (a) For rules on recognition of gain or loss on transfer of property to or from an estate, trust, or beneficiary, see §40-18-8, Code of Ala. 1975.

(b) For rules on basis of property transferred to or from an estate, trust, or beneficiary, see §40-18-6, Code of Ala. 1975.

(4) The Internal Revenue Code contains provisions similar to those of §40-18-25, Code of Ala. 1975. Decisions and interpretations of the federal courts and agencies will be given due weight in interpreting this section.

Authors: Chris Sherlock, Christina Hall, Nancy Butler, Ron Bedsole, Ann F. Winborne, CPA, Richard H. Henninger, and Ed Cutter, CPA

Authority: §§40-2A-7(a)(5) and 40-18-25, Code of Alabama 1975.

History: Adopted September 30, 1982. **Amended:** June 17, 1988; filed July 27, 1988. **Amended:** Filed March 31, 2000; effective May 5, 2000. **Amended:** Filed December 27, 2006; effective January 31, 2007. **Amended:** Filed November 26, 2008; effective December 31, 2008. **Amended:** Filed April 14, 2017; effective May 29, 2017. **Amended:** Filed November 16, 2018; Effective December 31, 2018.