

**ALABAMA DEPARTMENT OF REVENUE
REVENUE PROCEDURE 2010-01**

DATE: April 29, 2010

SUBJECT: Departmental Policy Relating to New Estimated Payment Requirement for Corporations and Trusts Created by the Enactment of Alabama Act 2010-568

(1) Authority and Purpose.

This revenue procedure is issued pursuant to Section 40-2A-5, Code of Alabama 1975, to prescribe the application of Alabama's estimated tax payment requirements to corporations and trusts whose estimated tax payment obligations were changed with the enactment of Alabama Act 2010-568. Alabama Act 2010-568 was enacted on April 22, 2010, and is effective for tax years beginning after December 31, 2009.

(2) Procedure.

(A) As the due date of the first estimated tax payment for calendar year 2010 had passed prior to the enactment of Act 2010-568, the Department will impose no addition to tax (as described in IRC Sections 6654(a) and 6655(a)) with respect to any April 15, 2010 estimated payment required pursuant to Act 2010-568, but not otherwise required pursuant to prior law.

(B) For such a corporation or trust for whom the requirement to make estimated tax payments was imposed by Act 2010-568, but which was exempt under prior law, the Department will not impose the addition to tax (as described in IRC Sections 6654(a) and 6655(a)) with respect to the second, third, and fourth installment payments for calendar year 2010, as long as the payments are timely made, each in an amount of at least 25% of the required annual payment determined pursuant to Act 2010-568.

(5) Effective Date. This Revenue Procedure is effective immediately.

Tim Russell
COMMISSIONER OF REVENUE