

Alabama Department of Revenue

News Release

Dec. 5, 2003

ADOR Launches Free Online Employer Tax Filing and Payment Program

Montgomery—Alabama employers can now take advantage of a new online tax filing and payment program introduced by the Alabama Department of Revenue just in time for the December 2003 filing.

“Beginning with the November 2003 state income tax withholding return, due December 15, Alabama employers can prepare, file and pay their state income tax withholding online,” explained State Commissioner of Revenue Dwight Carlisle.

Business taxpayers can choose either to file their taxes electronically using the Internet by accessing the department’s Web site at www.ador.state.al.us or file their taxes by telephone using the department’s new telephone-based filing system, and the good news is that both business tax-filing systems are free. There are no filing or transaction fees that must be paid before a return is electronically filed, and, according to Carlisle, since the telephone-based filing system is accessed by a 1-800 telephone number, no long-distance service charges apply to filers who prefer the telephone-based filing system over the Internet-based filing system.

During mid-November, the ADOR mailed notices to all Alabama employers informing them of the new electronic filing and payment program and providing them with the necessary Taxpayer Sign-On Identification Numbers and Access Codes.

To access either the Internet filing or telephone filing system, taxpayers will use their assigned ID numbers and access codes to enter the filing system of their choice and begin to prepare their returns. The department’s online filing service will calculate the taxes due for the reporting period, electronically submit the tax return information to the Alabama Department of Revenue, and provide confirmation to the business taxpayer that the return information has been

—More—

received. The actual payment of the taxes will be handled through electronic funds transfer—a process that allows tax payments to be electronically debited from the taxpayer’s bank account, upon approval, and electronically transferred to the Alabama Department of Revenue.

In addition to the obvious filing benefits offered to business taxpayers, Carlisle noted several cost-saving benefits of electronic filing.

“As more and more business taxpayers take advantage of electronic filing, the department’s printing, data entry, and mailing costs will be significantly reduced or even eliminated in some areas, resulting in greater overall savings to taxpayers,” explained Carlisle.

In September 2003, the ADOR announced its new mandatory sales, use, and business tax paperless filing and payment system, effective Nov. 1, 2003. During October and November 2003, over 100,000 state and state-administered local sales, use, lodgings, and rental tax returns were filed electronically. Carlisle estimates savings in the sales, use, and business tax filing area alone will total some \$1 million.

“While electronic filing is not mandated for other tax areas, we are working very hard to expand our online filing and payment programs to include all tax areas. Our goal is to have a paperless filing environment for all monthly and quarterly business tax returns,” said Carlisle.

For more information concerning the free state income withholding tax online filing option, contact the department’s Individual and Corporate Tax Division at (334) 242-1300, or visit the department’s Web site at www.ador.state.al.us.