Alabama Department of Revenue

News Release Aug. 20, 2004

ADOR Hits 1 Million Mark in Business Tax Filings

Montgomery—Two months shy of its one-year anniversary, the Alabama Department of Revenue's Paperless Business Tax Filing Program hit the 1 million mark in tax filings. Since Oct. 1, 2003, business taxpayers have filed over 1 million sales, use, rental, lodgings, and withholding tax returns electronically and transmitted electronically over \$3.03 billion in tax payments to the state.

"This is indeed impressive," said State Revenue Commissioner Tom Surtees.

"And everyone involved in the filing process—especially Alabama's business taxpayers—is commended on making a tremendous transition from a paper-filing environment to an electronic one. We are very pleased with the program's success and its acceptance by taxpayers.

"Last October, the ADOR reached a milestone in its customer service efforts, processing capabilities, and operating efficiency levels in the business tax area. Our move to a paperless filing system has totally changed the way we do business on a daily basis within the ADOR," said Surtees.

The ADOR estimates that it saves approximately one dollar for every return that is electronically filed.

"These are real, measurable savings," added Surtees.

Since last October, business taxpayers who file state and state-administered local sales, use, rental, and lodgings taxes are required to file these returns electronically. In February 2004, the ADOR expanded its business tax mandatory electronic filing program to include the utility gross receipts, utility service use, mobile telecommunications services, pharmaceutical providers, Alabama nursing home privilege, direct pay sales and direct pay motor fuel taxes.

Last November, ADOR offered e-filing to all Alabama employers filing state income tax withholding returns.

According to the ADOR, business taxpayers can choose to file their taxes

electronically, by using the Internet, or by telephone, using the ADOR's telephone-based

filing system. Both systems are free to filers. There are no filing or transaction fees that

must be paid before a return is electronically filed.

Surtees reminds taxpayers that all taxpayer return information—whether paper or

electronically-filed and received by the ADOR—is confidential information, protected

by state and in some tax areas, by federal law.

For more information concerning ADOR's electronic filing programs, visit the

department's Web site at www.ador.state.al.us.

-30-

Media contact for more information: ADOR Media Affairs Office: Carla A.

Snellgrove or Carolyn Blackstock: (334) 242-1390; FAX: (334) 242-0550