

# Alabama Department of Revenue

News Release

Jan. 10, 2008

## Alabama Tax Booklet Correction—Standard Deduction Table

*Montgomery*—The Alabama Department of Revenue issued an immediate taxpayer advisory today urging Alabama taxpayers who were mailed an Alabama Form 40, Alabama Form 40NR (non-resident return), or Alabama Form 40-A (short return) tax booklet to note an error in the standard deduction table contained in the tax return instruction booklets. **The standard deduction table contained in the printed booklets should not be used in calculations.**

The ADOR will be notifying all affected taxpayers who were mailed Alabama Form 40, 40NR, and 40-A tax booklets of the error and provide them with a corrected standard deduction table. The corrected standard deduction table provided by the ADOR could result in an increased refund for the taxpayer.

Alabama's income tax laws were amended in 2006 to raise the filing threshold through increased standard deductions and dependent exemptions beginning with the 2007 tax year. The increased standard deduction phase-out amounts for taxpayers with adjusted gross incomes up to \$30,000 were shown incorrectly in the printed tax booklets. The corrected table reflects new income brackets for the phase-out of the increased standard deduction. Please refer to the corrected table shown below.

All online tax booklets posted on ADOR's Web site at [www.revenue.alabama.gov](http://www.revenue.alabama.gov) have been updated with the correct standard deduction table.

Taxpayers who plan to file electronically during 2008 are not included in this advisory, as software preparation programs contain the correct standard deduction table and instructional guides. However, if a taxpayer has purchased an "off-the-shelf" software preparation package, the taxpayer should download

the appropriate updates from the software vendor's Web site to ensure that the correct Alabama standard deduction table is included.

“We sincerely regret any inconvenience and confusion this error may cause. **All paper-filed returns reflecting standard deduction calculations will be reviewed to ensure no overpayment by taxpayers occurred as a result of this error.** Our immediate concern now is to get the word out to those affected taxpayers who received paper return booklets from the department to ensure that they are aware of the error in the standard deduction table contained in the booklet,” said acting Revenue Commissioner Cynthia Underwood.

### Corrected Standard Deduction

Married Filing Joint		Married Filing Separate		Head of Family		Single	
Alabama Adjusted Gross Income	Standard Deduction	Alabama Adjusted Gross Income	Standard Deduction	Alabama Adjusted Gross Income	Standard Deduction	Alabama Adjusted Gross Income	Standard Deduction
0 – 20,499	7,500	0 – 10,249	3,750	0 – 20,499	4,700	0 – 20,499	2,500
20,500 – 20,999	7,325	10,250 – 10,499	3,662	20,500 – 20,999	4,565	20,500 – 20,999	2,475
21,000 – 21,499	7,150	10,500 – 10,749	3,574	21,000 – 21,499	4,430	21,000 – 21,499	2,450
21,500 – 21,999	6,975	10,750 – 10,999	3,486	21,500 – 21,999	4,295	21,500 – 21,999	2,425
22,000 – 22,499	6,800	11,000 – 11,249	3,398	22,000 – 22,499	4,160	22,000 – 22,499	2,400
22,500 – 22,999	6,625	11,250 – 11,499	3,310	22,500 – 22,999	4,025	22,500 – 22,999	2,375
23,000 – 23,499	6,450	11,500 – 11,749	3,222	23,000 – 23,499	3,890	23,000 – 23,499	2,350
23,500 – 23,999	6,275	11,750 – 11,999	3,134	23,500 – 23,999	3,755	23,500 – 23,999	2,325
24,000 – 24,499	6,100	12,000 – 12,249	3,046	24,000 – 24,499	3,620	24,000 – 24,499	2,300
24,500 – 24,999	5,925	12,250 – 12,499	2,958	24,500 – 24,999	3,485	24,500 – 24,999	2,275
25,000 – 25,499	5,750	12,500 – 12,749	2,870	25,000 – 25,499	3,350	25,000 – 25,499	2,250
25,500 – 25,999	5,575	12,750 – 12,999	2,782	25,500 – 25,999	3,215	25,500 – 25,999	2,225
26,000 – 26,499	5,400	13,000 – 13,249	2,694	26,000 – 26,499	3,080	26,000 – 26,499	2,200
26,500 – 26,999	5,225	13,250 – 13,499	2,606	26,500 – 26,999	2,945	26,500 – 26,999	2,175
27,000 – 27,499	5,050	13,500 – 13,749	2,518	27,000 – 27,499	2,810	27,000 – 27,499	2,150
27,500 – 27,999	4,875	13,750 – 13,999	2,430	27,500 – 27,999	2,675	27,500 – 27,999	2,125
28,000 – 28,499	4,700	14,000 – 14,249	2,342	28,000 – 28,499	2,540	28,000 – 28,499	2,100
28,500 – 28,999	4,525	14,250 – 14,499	2,254	28,500 – 28,999	2,405	28,500 – 28,999	2,075
29,000 – 29,499	4,350	14,500 – 14,749	2,166	29,000 – 29,499	2,270	29,000 – 29,499	2,050
29,500 – 29,999	4,175	14,750 – 14,999	2,078	29,500 – 29,999	2,135	29,500 – 29,999	2,025
30,000 and over	4,000	15,000 and over	2,000	30,000 and over	2,000	30,000 and over	2,000

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