## **Alabama Department of Revenue**

News Release April 1, 2004

## Cities Capitalize on State's New Business Tax Filing System

Four Alabama cities recently announced their plans to partner with the Alabama Department of Revenue in providing electronic tax filing services to their business taxpayers.

Huntsville, Gulf Shores, Daphne, and Robertsdale city officials all recently signed agreements with the ADOR which allow their business taxpayers to file respective city sales, use, rental, and lodgings tax returns free of charge using the state's new business tax electronic filing system.

"We are very pleased that we were able to come together and share our resources to provide the electronic filing service to these cities. Our partnership shows how state and local governments can work together to improve our operational efficiencies, save valuable taxpayer dollars in operating costs, and provide taxpayers with the convenience of electronic filing at no cost to them," said ADOR Department Secretary Lewis A. Easterly.

Beginning April 1, 2004, business taxpayers filing a Huntsville or Gulf Shores sales, use, rental, or lodgings tax return will have the added convenience of electronically filing their local return along with their state returns. Robertsdale and Daphne business taxpayers will have access to the new filing system beginning May 1, 2004.

The Internet-based tax-filing system is free to filers and is part of the Alabama Department of Revenue's (ADOR) new business tax paperless filing and payment program.

The agreements signed by the four cities stipulate that the ADOR will provide only the access to the filing service. The new filing service will cost the cities 50 cents per filing transaction. The cities retain full control over all local tax administration, collection, auditing, and enforcement matters.

"The ADOR is simply serving as an electronic filing conduit," explained Easterly.

The ADOR mandated electronic filing for state sales, use, lodgings, and rental taxes last October. In March almost 99 percent of all business tax filers electronically filed their state sales, use, lodgings and rental tax returns and over 74 percent of the monthly state sales, use, lodgings, and rental tax collections were paid through electronic fund transfers, according to the ADOR.

For more information concerning the new paperless business tax filing and payment program, visit ADOR's Web site at <a href="www.ador.state.al.us">www.ador.state.al.us</a> or contact ADOR's local tax representatives Angela Till or John Paradise at (334) 242-1175.

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