

Revenue REVIEW

3rd Quarter
FY 2015
(April, May, June 2015)

A Quarterly Publication of the Alabama Department of Revenue

ONE SPOT Program Expanding



Gov. Bentley signs House Bill 130 on May 12.

Commissioner Julie Magee attended the governor's signing of House Bill 130, which expands the state's ONE SPOT program. The expansion allows motels and hotels to pay lodgings taxes online and removes the fee charged to local governments that choose to use the ONE SPOT filing system.

The goal is to make it easier for business owners to pay taxes and file the necessary paperwork, while keeping costs in check.

Magee Attends IRS Security Summit



Commissioner Magee has become a significant presence at national tax fraud prevention seminars. Here, she represents Alabama at the June 11 IRS Security Summit in Washington, D.C.

In her continuing role as an advocate for tax fraud reform, Commissioner Magee attended the IRS Security Summit in Washington, D.C., on June 11. In announcing three working groups (fraud, information sharing, cyber security and enforcement), IRS Commissioner John Koskinen adopted a fourth, suggested by Magee.

"During the meeting, he adopted my suggestion of creating a working group to study the financial products (prepaid debit and prepaid gift cards) tied to refunds and how they can be used to facilitate fraud," explained Magee.

2015 Back-to-School Sales Tax Holiday Aug. 7 through 9

Alabama's 10th Back-to-School Sales Tax Holiday will begin at 12:01 a.m. on Friday, Aug. 7, and end at midnight on Sunday, Aug. 9.

"This is a perfect opportunity for parents to purchase needed school supplies and get a tax break at the same time," said State Revenue Commissioner Julie Magee. "This is a win-win situation for parents, shoppers and retailers, because consumers will be buying non-exempt items as well."

Participation is required for all retailers, with local governments having the choice to participate or opt out of the holiday. "Taxpayers, especially parents, will reap extra benefits if their city and county choose to participate, as they could be exempt from paying state, municipal and county taxes on their purchases," explained Magee.

Local governments had until July 7 to notify the Alabama Department of Revenue of their decision to participate in this year's sales tax holiday. This year, 301 localities are participating.

For more information on the sales tax holiday, including a list of tax-exempt items, go to <http://revenue.alabama.gov/salestax/SalesTaxHol.cfm>.



ADOR's Deputy Commissioner Curtis Stewart (fourth from right), Business and License Tax Division Director Janet Stathopoulos, Bonita Calhoun and Pamela Hill were among state agency representatives who attended Gov. Bentley's signing of Act 2015-054 (SB 133). The bill transfers responsibility for the collection of the \$0.02/gallon inspection fee (on gasoline and certain other fuel products) to ADOR. The fee was previously collected separately by Agriculture and Industries. Representatives from the Department of Transportation, Agriculture and Industries were also present, with House sponsor Rep. Paul W. Lee.

Administrative Rules

Effective July 10, 2015

Adopted:

810-5-1-.216 Redesign and Reissue of Stillman College Distinctive License Plates

Amended:

810-14-1-.06 Revenue Rulings

Effective Aug. 5, 2015

Amended:

810-6-3-.24 Foreign Government

Repealed:

810-6-3-.24.01 Foreign Diplomatic and Consular Officials

Quarterly/Annual Tax Activity

(Continued From Page 5)

- Quarterly rental or leasing tax return and payment due.

30 • Quarterly forest products' severance tax return and payment due.

31 • Quarterly NPM payment due into escrow.

- Quarterly withholding return and payment due from employer.
- Quarterly IFTA tax return and payment due.
- Quarterly Construction Employer Fee due.
- Annual business privilege licenses delinquent after this date.
- Store and chain store licenses delinquent after this date.

Interest Rates Remain the Same for Third Quarter of 2015

Interest rates for the calendar quarter which began July 1 remained at three (3) percent, according to Internal Revenue Bulletin No. 2015-26, dated June 29, 2015.

Under Sect. 40-1-44, *Code of Alabama 1975*, the Department of Revenue will calculate interest on underpayments and overpayments (where applicable) at this same annual rate (3 percent); however, land sold by the state for taxes shall be calculated at 12 percent in accordance with Sect. 40-5-9. (Historical rates shown right.)

Statement of Gross Tax Collections

Through End of 3rd Quarter FY 2015
(April, May and June 2015)

	FYTD 2014-15	FYTD 2013-14	% Change
Business Privilege Tax	\$ 128,758,410.32	\$ 115,009,524.72	11.95
Gasoline	308,588,132.76	299,393,271.32	3.07
Income Tax-Corporate	426,308,129.33	351,805,589.51	21.18
Income Tax-Individual	3,056,250,156.21	2,907,538,123.84	5.11
Income Tax (Total)	3,482,558,285.54	3,259,343,713.35	6.85
Motor Fuels	106,010,399.84	104,825,139.23	1.13
Oil & Gas Privilege (8%)	41,692,644.94	64,638,972.46	(35.50)
Oil & Gas Production (2%)	14,240,115.12	20,553,405.66	(30.72)
Sales	1,604,056,766.52	1,547,534,130.70	3.65
Use Tax	240,191,620.44	238,018,403.90	0.91
Utility Gross Receipts	301,744,651.60	304,003,195.17	(0.74)
SUBTOTAL	\$6,227,841,027.08	\$5,953,319,756.51	4.61
SUBTOTAL (OTHER TAXES)	\$1,280,379,812.74	\$1,261,834,329.03	1.47
TOTAL (ALL TAXES)	\$7,508,220,839.82	\$7,215,154,085.54	4.06

Interest Rates By Calendar Quarter

(Established by: 26 USCA §6621; §40-1-44, *Code of Alabama 1975*)

	1ST QTR	2ND QTR	3RD QTR	4TH QTR
2001	9%	8%	7%	7%
2002	6%	6%	6%	6%
2003	5%	5%	5%	4%
2004	4%	5%	4%	5%
2005	5%	6%	6%	7%
2006	7%	7%	8%	8%
2007	8%	8%	8%	8%
2008	7%	6%	5%	6%
2009	5%	4%	4%	4%
2010	4%	4%	4%	4%
2011	3%	4%	4%	3%
2012	3%	3%	3%	3%
2013	3%	3%	3%	3%
2014	3%	3%	3%	3%
2015	3%	3%	3%	

Tax Calendar

Required Monthly Returns Tax Activity

10th • Medicaid-related tax return and payment due for nursing facilities.

- Tobacco use tax return and payment due.

15th • Gasoline information return due from carriers, transporters, and warehouses.

- Lubricating oils information return due from carriers, transporters, and warehouses.
- Motor carrier mileage tax return and payment due.
- Oil and gas production tax and privilege tax return and payment due two months following month of production.
- Withholding return and payment due from those employers required to remit on a monthly basis

20th • Aviation fuel tax return and payment due.

- Coal severance tax return and payment due.
- Coal transporters' and purchasers' returns due.
- Contractors' gross receipts tax return and payment due.
- Gasoline tax return and payment due.
- Iron ore severance tax return and payment due.
- Local solid minerals tax returns and payments due.
- Lodgings tax return and payment due.
- Lubricating oils tax return and payment due.
- Medicaid tax return and payment due from pharmaceutical service providers.
- Mobile telecommunications service tax return and payment due.
- Motor fuel tax return and payment due.
- Pari-mutuel pool tax return and payment due.
- Rental or leasing tax return and payment due.
- Sales tax (state and local) return and payment due.
- Scrap Tire Environmental Fee due.
- Tobacco tax (state and county) return and payment due.
- Underground and aboveground storage tank trust fund charge due.
- Uniform Natural Minerals tax return and payment due.
- Use tax return and payment due.
- Utility gross receipts tax return and payment due.

30th • Hazardous waste fee return and payment due.

Last day of month • State horse wagering fee return and payment due.

Quarterly/Annual Tax Activity

(Aug., Sept. and Oct., 2015)

Aug.

10 • Quarterly NPM certification and bank verification due.

Sept.

1 • Third installment of estimated corporate income tax due (for calendar-year taxpayers).

- Third installment of estimated personal income tax due.

25 • Hydroelectric gross receipts' return and payment due.

Oct.

1 • Property tax on real and personal property due.

- Automotive dismantlers and parts recyclers' license due.
- Business privilege license fee due.
- Automotive dismantlers and parts recyclers' annual MV records fee due.
- Quarterly Dry Cleaning Trust Fund Fee return and payment due.
- Manufactured home registration and fee due.
- Motor fuel identification markers issued.
- Motor vehicle dealer, rebuilder, wholesaler and off-site licenses due.

Note: Effective Oct. 1, 2003, dealer license plates and manufacturer license plates will be issued through county license plate issuing officials.

- Store and chain store license tax due.
- Utility license (2.2 percent) return and first quarterly payment due.

10 • Quarterly Hospital Assessment for Medicaid Tax due.

14 • Annual wholesale oil/import license fee return and payment due.

20 • Quarterly sales tax return and payment due.

- Quarterly Solid Waste Disposal Fee return and payment due.
- Quarterly use tax return and payment due.

(Continued On Page 4)