

## ADOR to Acquire New Integrated Tax System

According to State Revenue Commissioner Tom Surtees, the Alabama Department of Revenue has contracted with Fast Enterprises for installation of a new integrated tax computer system that will replace the department's automated system within the next five years. The department's current system has been in place since 1987.

In early August, Fast Enterprises began to install and adapt its software product, GenTax, to meet the specific accounting, billing, and taxpayer compliance needs of the state revenue agency. The department's new system will be called the Revenue Integrated Tax System or RITS.

"The first phase will involve the sales and use tax area. Implementation schedules will then focus on several miscellaneous business taxes, corporate taxes, and individual income tax," explained Surtees. "Additional implementation phases and schedules will follow until all agency-administered taxes are on the new system."

The new integrated tax system has a price tag of \$22 million, spread over a five-year implementation period, with an annual \$2 million maintenance cost after full implementation. Currently, the department's maintenance and usage costs for its existing computer system total approximately \$2.9 million annually.

"The track records of other states implementing the integrated software have shown that the system works to pay for itself through additional revenues from enhanced taxpayer compliance. We expect similar results here in Alabama.

"We estimate that after full implementation of the new integrated system, the state will realize a total revenue benefit of some \$23 million annually," said Surtees.

The estimated \$23 million will come

from improved audit tracking and collection efforts, elimination of mainframe computer usage and programming costs, and reduced personnel and document storage costs.

"Our current system is a mainframe-based system with integrated data, but lacks many integrated functions. In today's 'real-time' processing, our current system is cumbersome to use, difficult to change, and expensive to maintain," explained Surtees.

The new system will use all of the capabilities available to modern personal computers and networks, including the

integrated use of "off-the-shelf" word processing, spreadsheet, and database software programs. The software programs will be adapted to fit the unique aspects of the department's accounting, processing, billing, and compliance needs and can be modified to meet future needs significantly easier, quicker and cheaper than mainframe programming.

Since the late 1980s, the ADOR has sought an integrated tax system that would allow the department to track or link multiple taxes paid and/or owed by a single taxpayer. Several computerized systems were

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## New Law Eliminates FHVUT Installment Payment

Truckers and other owners of heavy highway vehicles will no longer be able to pay their federal highway use tax through installments, according to a press release issued by the Internal Revenue Service June 23, 2005.

This change was included in the American Jobs Creation Act of 2004 and applies to filers of Form 2290, Heavy Highway Vehicle Use Tax Return.

Beginning with the Form 2290 for the tax year that begins on July 1, 2005 and ends on June 30, 2006, the balance due shown on the form must be paid in full by the due date of the return. In most cases, the deadline for filing the return and paying any tax due is August 31, 2005. Payment can be made by check, money order or electronically through the Electronic Federal Tax Payment System (EFTPS).

In previous years, taxpayers who timely filed Form 2290 could choose to pay the tax in up to four equal installments. Ordinarily, these installment payments were due on the last day of August, December, March and June. About 148,000 taxpayers chose this option last year, the IRS said.

In general, the highway use tax applies to trucks, truck tractors and buses with a gross taxable weight of 55,000 pounds or more. Ordinarily, vans, pick-ups and panel trucks are not taxable because they fall below the 55,000-pound threshold.

For trucks and other taxable vehicles in use during July, the Form 2290 and payment are due on August 31. The tax is based on weight and normally ranges from \$100 to \$550 per vehicle. A variety of special rules, discussed in the instructions for Form

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# ADOR Continues Outreach Efforts

**W**ith more and more taxpayers discovering the convenience and ease of electronic filing, the number of state and national e-filers continues to climb. Alabama Department of Revenue efforts to familiarize the taxpaying public include education outreach programs such as the one recently presented to Alabama public library representatives.

The Alabama Public Library Service, located at 6030 Monticello Drive, Montgomery, was the site of a recent presentation by ADOR representatives who explained electronic filing and payment options available to the public through the department's Web site, [www.revenue.alabama.gov](http://www.revenue.alabama.gov).

Taxpayers are able to visit public libraries statewide, using library facilities to enter the ADOR Web site to file and pay their individual income taxes, make extension requests and download necessary forms to meet their filing obligations.

Department Secretary Lewis Easterly and Director of Office of Economic Development Bill Morrison gave an overview of ADOR functions in their introductory remarks. Individual and Corporate Tax Forms Officer Jayne Stinson, along with Revenue Examiner Veronica Jennings, explained the step-by-step process of accessing forms through electronic format. Sales, Use and Business Tax's Donna Joyner, Local Tax Manager, explained the state's free paperless filing program.

**Revenue Review** is published quarterly by the Alabama Department of Revenue Media Affairs Section. Comments or suggestions should be sent to: [carolyn.blackstock@revenue.alabama.gov](mailto:carolyn.blackstock@revenue.alabama.gov), telephone (334) 242-1390 or (334) 242-1175. Tom Surtees, Commissioner; Cynthia Underwood, Assistant Commissioner; Lewis A. Easterly, Department Secretary; Carla A. Snellgrove, Public Information Manager; Carolyn Blackstock, Editor; and Mickey Godwin, layout and design.



Lewis Easterly, Alabama Department of Revenue Secretary, gives an overview of electronic filing capabilities provided by the department.



ADOR presenters to the Alabama Public Library Service (Left to right): Bill Morrison, Director, Office of Economic Development, Local Government Liaison; Donna Joyner, Sales, Use and Business Tax, Local Tax Manager; Jayne Stinson, Individual and Corporate Tax, Forms Officer, Data Integrity; Veronica Jennings, Individual and Corporate Tax, Revenue Examiner, Audit and Computer Support.



# Joint Audit Training Update

Revenue's Field Activities Joint Audit Program continues with training sessions in the Gordon Persons Building. Sales tax auditors and income tax auditors met for intensive cross-training in August, listening to presentations by State Revenue Commissioner Tom Surtees and by Huntsville Taxpayer Service Center District Coordinator Richard Batchelor.

Batchelor, who has 41 years of experience with the State Department of Revenue, conducted the training sessions.



Commissioner Tom Surtees takes questions from sales tax auditors and income tax auditors at a recent training session.



(Shown left to right) Sales, Use and Business Tax Director Joe Cowen, Huntsville TSC District Coordinator Richard Batchelor, and Field Operations Manager Brenda Luloff listen as Commissioner Surtees addresses field auditors in both the Individual and Corporate Tax Division and the Sales, Use and Business Tax Division.

## Walker County Man Pleads Guilty to State Tax Charges

**A** former Jasper auto dealer pleaded guilty May 18, 2005, in Jefferson County District Court to state tax charges filed by the Alabama Department of Revenue.

Troy Davis Barnette, 40, of 800 Highway 78, Jasper, Ala., pleaded guilty May 18, 2005, before Jefferson County District Judge Robert G. Cahill to three counts of willful failure to file Alabama individual income tax returns for tax years 2000, 2001, and 2002.

Judge Cahill sentenced Barnette to 12 months in jail, suspended, and placed Barnette on probation for two years. As a condition of his probation, Judge Cahill ordered Barnette to pay more than \$15,000 in delinquent income taxes, penalties, and interest. Judge Cahill also ordered Barnette to file his 2003 and 2004 state individual tax returns within 60 days and to remain current in all future tax filings with the Alabama Department of Revenue.

State income tax revenues are earmarked for the state's Education Trust Fund (ETF) and are one of the major funding components for the ETF.

## Indiana Announces Tax Amnesty

**T**he Indiana Department of Revenue announces a Tax Amnesty program, to run from September 15 through November 15, 2005. The program is an opportunity for individuals and businesses to pay and file past-due taxes free of penalty, interest and collection fees, without fear of criminal or civil prosecution.

Those eligible taxpayers who refuse to participate will be subject to substantial penalty. For more information, visit the department's web site at [www.in.gov/dor/amnesty](http://www.in.gov/dor/amnesty). To view House Bill 1004, visit the Legislative Services' web site.

## ADOR Represented at Probate Judges' Summer Conference

**O**fficials from the Alabama Department of Revenue Property Tax Division and Motor Vehicle Division gave presentations to county officials at the annual Probate Judges' Summer Conference in August. Held at Perdido Beach Resort, the conference provided a forum for department officials to conduct question-and-answer sessions.



Shown here is Vehicle Valuation Supervisor Shelley Tice, ADOR Property Tax Division, discussing various topics of interest to county officials, such as changes in tag types and renewal months, and tags exempt from the payment of ad valorem taxes.



Motor Vehicle Division Assistant Director Brenda Coone discusses recent motor vehicle-related legislation and technological advances such as digital tags and e-title application.

## FHVUT Installment Payment Eliminated

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2290, apply to vehicles with minimal road use, logging or agricultural vehicles, vehicles transferred during the year and those first used on the road after July.

State governments are required to receive proof of payment of the federal highway use tax as a condition of vehicle registration. Schedule 1 of the Form 2290 is stamped and returned to filers for this purpose. This process remains unchanged.

The Jobs Act also eliminated reduced tax rates for vehicles registered in Canada and Mexico. For vehicles with a base registration in either country, the tax rate was 25% below the regular rate.

In addition, the Jobs Act made elec-

tronic filing mandatory for taxpayers who file highway use tax returns for 25 or more vehicles. The availability of electronic filing for Forms 2290 is pending. Taxpayers should continue to file paper returns. The IRS will notify taxpayers when the electronic filing program is available.

The electronic payment option continues to be available, and the IRS urges taxpayers to enroll in EFTPS and pay their tax obligations this way.

The new Form 2290 and its instructions are now available on [irs.gov](http://irs.gov), the tax agency's Web site. The form and instructions will be mailed automatically to taxpayers who filed last year.



# Reminders

## E-File Available through Oct. 17

E-file is still an option for Alabama taxpayers who have not yet filed their 2004 Alabama or federal returns.

Electronic preparation and filing programs will be available through Oct. 17, 2005—the deadline of the additional state and federal two-month filing extension request.

For those taxpayers who need to file their 2004 state or federal returns, but did not seek an extension, E-file remains the best choice. E-file speeds the returns to the appropriate tax agency, reducing penalty and interest amounts for those taxpayers who owe taxes.

For a listing of online electronic filing providers, visit ADOR's Web site at [www.revenue.alabama.gov](http://www.revenue.alabama.gov) or the IRS Web site at [www.irs.gov](http://www.irs.gov).

The IRS e-file and the Free File Alliance program offer a variety of free federal electronic filing programs. Some providers extend the free filing programs to state returns, provided taxpayers meet certain eligibility requirements.

Each participating software company sets its own free filing eligibility requirements which vary among the different providers.

Taxpayers who do not qualify for the Free File Alliance may still file electronically by using one of the approved PC online providers or by seeking a tax professional's assistance.

## Estimated Tax Filing Reminder – Sept. 15, 2005

Taxpayers who paid additional tax in 2005 when filing their 2004 annual return are reminded to carefully review their 2005 tax-year obligations to determine if estimated tax-filing requirements have been met for this tax year.

The next estimated tax-filing and payment date is Sept. 15, 2005. Estimated tax forms (40ES) are available from the department's Web site at [www.revenue.alabama.gov](http://www.revenue.alabama.gov) and may be downloaded and printed using the "FORMS Search" feature. Fill-in forms are also available at <http://www.revenue.alabama.gov/incometax/2005itforms.html>.

For more information concerning an individual's Alabama estimated income tax filing requirements, contact the Alabama Department of Revenue, Individual and Corporate Tax Division at (334) 242-1000. For federal information, visit the IRS Web site at [www.irs.gov](http://www.irs.gov).

## MARK YOUR CALENDARS... TRAINING OPPORTUNITIES

### IRS 2005 Federal/State e-file Seminars

Homewood, Huntsville, and Mobile are host cities to this year's Federal/State e-file Seminars, sponsored by the Internal

Revenue Service in coordination with the Alabama Department of Revenue.

Pre-registration is requested as space is limited. Registration forms can be downloaded from the department's Web site at [www.revenue.alabama.gov/incometax/whatsnew.htm](http://www.revenue.alabama.gov/incometax/whatsnew.htm).

The seminars will begin at 1 p.m. and conclude at 5 p.m. Topics include the latest updates on the IRS e-file program and Alabama's e-file initiatives for the 2006 filing season, information on navigating IRS Electronic Services, updates on the federal electronic wage reporting service, and latest efforts in combating e-file fraud. Seminar dates and locations are detailed below.

Date	Location
Sept. 20, 2005	Birmingham/Homewood Public Library 1721 Oxmoor Road Homewood, AL
Sept. 22, 2005	Huntsville Public Library Auditorium 915 Monroe Huntsville, AL
Sept. 27, 2005	University of South Alabama Student Center Ballroom Alumni Drive Mobile, AL

For additional information concerning the seminars, contact Nora Gunn of the IRS at (205) 912-5524 or by email at [Nora.S.Gunn@irs.gov](mailto:Nora.S.Gunn@irs.gov).

### Auburn University 2005 Tax Practitioner Seminars

Mark your calendars for the upcoming Auburn University 2005 Tax Practitioner Seminars. The two-day seminars begin Nov. 1 and continue through Dec. 9, 2005. ADOR's Web site features a link to the Auburn University Outreach Program Office, sponsor of the seminars in conjunction with the Internal Revenue Service and the Alabama Department of Revenue. For registration information, visit <http://www.auburn.edu/outreach/tax/> or call (334) 844-5100. Seminar dates and locations are detailed below.

Dates	Location
Nov. 1-2	Florence, University of North Alabama
Nov. 3-4	Huntsville, University of Alabama-Huntsville
Nov. 14-15	Demopolis, Demopolis Higher Education Center
Nov. 16-17	Dothan, Dothan Conference Center
Nov. 21-22	Birmingham, Jeff State Community College
Nov. 29-30	Bessemer, Bessemer Civic Center
Dec. 1-2	Montgomery, Auburn University Montgomery
Dec. 5-6	Auburn, Auburn University Hotel & Dixon Conference Center
Dec. 8-9	Mobile, Marriot Mobile-Airport Blvd.

# 2005 Legislation

The following synopses highlight significant revenue-related legislation passed during the 2005 Regular Session and during the First Special Session of the Alabama Legislature.

## 2005 Regular Session

### Local Legislation

#### 2005-37 (HB147)

##### Albertville Property Tax Increase

Authorizes the City of Albertville to increase the property tax rate on all taxable property within the city for public school purposes. The maximum rate is equal to \$1.35 on each \$100 (13.5 mills on each dollar) of assessed value. *Effective March 14, 2005.*

#### 2005-105 (HB208)

##### Constitutional Amendment; City of Prichard; Alabama Foreign Trade Investment Zone

A proposed amendment to the Constitution of Alabama of 1901, to authorize the governing body of the City of Prichard to establish an Alabama Foreign Trade Investment Zone as a special tax district for the purpose of importing duty free and quota free articles eligible under the United States General System of Preferences and the Africa Growth and Opportunities Act. It would also authorize the special tax district to specify that the value of land and improvements on the land within the district shall be assessed and taxed for ad valorem tax purposes by county tax officials under a single site valuation system; and to provide further for the contractual powers of nonprofit organizations. *Effective upon voter approval.*

#### 2005-90 (HB577)

##### Millbrook Property Tax Increase

Authorizes the City of Millbrook to increase the property tax rate on all taxable property within the city to a maximum rate equal to \$2.00 on each \$100 (20 mills on each dollar) of assessed value. *Effective March 14, 2005.*

#### 2005-127 (HB590)

##### Lauderdale County Excise Taxes

Amends Act No. 2002-293, 2002 Regular Session (Acts 2002, p. 613), which authorizes the Colbert County Commission to impose certain excise taxes on persons and corporations engaged in the business of selling, distributing, storing or withdrawing from storage, gasoline in the county, to include certain other municipalities within the definition of authorized municipality. *Effective May 12, 2005.*

#### 2005-133 (HB675)

##### Clarke County Additional Motor Vehicle Fee

Authorizes the Clarke County Commission to levy an additional fee of \$25.00 for each motor vehicle tag in the county. *Effective May 13, 2005.*

#### 2005-134 (HB680)

##### Chambers County Sales and Use Tax

Authorizes the Chambers County Commission to levy additional county sales and use tax in any area of the county at the rate necessary to equalize the total rate of all sales and use tax levied throughout the county at the highest rate of combined state, municipal, and county sales and use tax in effect in any area of the county immediately prior to the effective date of this act. *Effective upon voter approval.*

#### 2005-136 (HB687)

##### Colbert County Excise Taxes

Amends Act No. 2002-293, 2002 Regular Session (Acts 2002, p. 613), which authorizes the Colbert County Commission to impose certain excise taxes on persons and corporations engaged in the business of selling, distributing, storing or withdrawing from storage, gasoline in the county and which provides that such taxes shall be used for economic development; to include certain other municipalities within the provisions of the act and to provide that such taxes shall terminate when such original securities, or refunding securities hereafter issued to retire such original securities, shall have been paid in full unless extended by a referendum. *Effective May 13, 2005.*

#### 2005-143 (HB712)

##### Madison County Issuance Fee

Authorizes the county commission to impose an additional issuance-fee in the office of the license director. The fee, not to exceed \$.75, is to be collected on each motor vehicle registration, boat renewal or registration, manufactured home registration, business license application, or other instrument registered or application applied for in the office of the license director. The special issuance fee shall be in addition to all other fees, taxes, and other charges provided by law. *Effective May 13, 2005.*

#### 2005-144 (HB713)

##### Madison Property Tax Increase

Authorizes the City of Madison to increase the property tax rate on all taxable property within the city for public school purposes. The maximum rate is equal to \$3.15 on each \$100 (31.5 mills on each dollar) of assessed value. *Effective May 13, 2005.*

#### 2005-163 (HB796)

##### Tobacco Tax Reduction and Refund for Chambers County

Amends Section 1(2) of Act 2003-248, 2003 Regular Session, to reduce the tobacco tax on cigarette-sized, and near cigarette-sized, cigars *retroactive to Aug. 1, 2003*. Any wholesaler who paid the tax without collecting the tax as provided in Act 2003-248, 2003

Regular Session, may apply for a refund in an amount which represents the difference between the amount paid under Act 2003-248 and the amount that would have been paid under this amendatory act.

### 2005-164 (HB797)

#### Tobacco Tax Reduction and Refund for Randolph County

Amends Section 1(2) of Act 2003-213, 2003 Regular Session, to reduce the tobacco tax on cigarette-sized, and near cigarette-sized, cigars *retroactive to Aug. 1, 2003*. Any wholesaler who paid the tax without collecting the tax as provided in Act 2003-213, 2003 Regular Session, may apply for a refund in an amount which represents the difference between the amount paid under Act 2003-213 and the amount that would have been paid under this amendatory act.

### 2005-165 (HB798)

#### Tobacco Tax Reduction and Refund for Clay County

Amends Section 1(2) of Act 2003-220, 2003 Regular Session, to reduce the tobacco tax on cigarette-sized, and near cigarette-sized, cigars *retroactive to Aug. 1, 2003*. Any wholesaler who paid the tax without collecting the tax as provided in Act 2003-220, 2003 Regular Session, may apply for a refund in an amount which represents the difference between the amount paid under Act 2003-220 and the amount that would have been paid under this amendatory act.

### 2005-199 (HB810)

#### Etowah County Lodgings Surcharge

Levies a \$1.50 per night per room surcharge in Etowah County on accommodations supplied for a period of 30 continuous days or less in any place. *Effective May 25, 2005*.

## General Legislation

### 2005-74 (SB311)

#### Sales and Use Tax Exemption

Relating to Class 2 municipalities. Exempts from county sales and use tax the gross proceeds of the sale or sales of materials or supplies to any person for the use in fulfilling a contract for the painting, repair, conversion, modification, or reconditioning of aircraft of 30,000 pounds gross weight or greater; provided, however, that the exemption herein shall only apply to those materials and supplies which enter into and become a component part of the aircraft. *Effective April 19, 2005*.

### 2005-112 (HB540)

#### Tax Increment District

Amends Section 11-99-4, *Code of Alabama 1975*, to require that the governing body of a Class 3 municipality creating a tax increment district to make a finding that the total equalized value of taxable property within a proposed district and all existing districts does not exceed 20 percent of the equalized value of the property within the municipality. *Effective May 5, 2005*.

### 2005-193 (SB42)

#### Current Use Qualification Procedure

Amends Section 40-7-25.2, *Code of Alabama 1975*, to provide further for timely notification/qualification procedure, by county tax assessors and revenue commissioners, for applying for current use value of certain taxable property. *Effective Aug. 1, 2005*.

## 2005 Special Session

### 2005-215 (SB12)

#### Proposed Property Tax Amendment

Proposed amendment to the Constitution of Alabama of 1901 calling for a statewide minimum property tax levy of ten mills in each school district in the state for use of general school purposes. *Effective upon voter approval*.

### 2005-305 (HB10)

#### Film Production; Extension of Tax Incentive/Exemption

Amends Act 2001-975, 2001 Third Special Session, to extend to September 30, 2006, the effective date for certain sales, use, and lodging tax exemptions for film production companies working in the state. This Act also provides an exemption from all state, county, and municipal taxes, licenses, fees, and charges for the Hudson-Alpha Institute for Biotechnology.

### 2005-306 (HB19)

#### Lee County Sales and Use Taxes

Authorizes the Lee County Commission to levy sales and use taxes outside the corporate limits of the cities of Auburn, Opelika, and Phenix City, generally paralleling the state sales and use taxes. *Effective Aug. 2, 2005*.

### 2005-308 (SB33)

#### Private School Distinctive License Plates

Amends Section 32-6-67 of the *Code of Alabama 1975*; allows the legislative oversight committee to approve applications for distinctive license plates for private K-12 schools. *Effective Nov. 1, 2005*.

### 2005-310 (SB61)

#### Lee County Sales and Use Taxes

Authorizes the Lee County Commission to levy sales and use taxes outside the corporate limits of the cities of Auburn, Opelika, and Phenix City, generally paralleling the state sales and use taxes. *Effective Aug. 2, 2005*.

### 2005-322 (SB75)

#### Designated Agent Payment Method for Certificate of Title

Amends Sections 32-8-6 and 32-8-35, *Code of Alabama 1975*, relating to the method of payment by designated agents for applications for certificate of title. The act allows the Department of Revenue to prescribe the method of payment. *Effective Nov. 1, 2005*.

# Administrative Rules

## Effective June 10, 2005:

### Amended:

810-6-1-.45

Contractors Furnishing and Erecting Building Materials Under Contract with the United States

810-6-1.46

Contractor's Liability

810-6-1.46.01

Bleacher Systems, Lockers, Backstops, and Other Fixtures Installed in Gymnasiums

810-6-1-.97

Materials Used on Road and Bridge Projects

810-6-1-.133

Pump Installed for a County or Municipality by a Contractor

810-6-3-.32

Historical Preservation Authorities

810-6-3-.33

Industrial Development Board

810-6-3-.38

Medical Clinic Boards

810-6-3-.69.02

Exemption for United States, State, County, City and Other Exempt Entities from the Payment of Sales Tax, and Purchases Made Through the Use of Purchasing Agents

810-6-3-.77

Exemption for Certain Purchases by Contractors and Subcontractors in Conjunction with Construction Contracts with Certain Governmental Entities, Public Corporations, and Educational Institutions

810-6-1-.81.01

Interior Decorators and Interior Designers

810-6-4-.20

Seller Must Collect and Pay Tax Due

## Effective Aug. 26, 2005:

### Amended:

810-5-9-.03

Filing an Application with the Base Jurisdiction

### Repealed:

810-5-1-.448

Registrants to File Schedule D When Required

810-5-1-.455

Will Bill Jurisdictions

## Effective Sept. 9, 2005:

### Amended:

810-6-3-.76

Property Purchased for Export and Sales Tax Refunds on Certain Purchases of Tangible Personal Property in Alabama for Export to and Use in a Foreign Country.

## New Integrated Tax System (Continued from Page 1)

created, and processing and billing functions automated, but the systems were not linked or integrated. Different taxes administered by the ADOR were given different levels of automation, further impeding the ability to integrate or link all tax types with taxpayers' accounts.

According to the ADOR, the new system will allow the department to be more responsive to Alabama taxpayers in answering questions about their individual or business tax accounts. ADOR staff can access taxpayer account information immediately and obtain a comprehensive view of all the different tax types and activities associated with a particular taxpayer. The department's current automated system does not allow that capability.

"When taxpayers call or visit our offices, our examiners will be able to find what they need to know on our system quickly and provide this information to the taxpayer or to the taxpayer's representative," explained Surtees.

The new system will also provide the ADOR with improved compliance tools to help with audit selection and non-filer identification.

State tax agencies that have recently implemented the GenTax software include Idaho, New Mexico, Montana, Georgia, and Louisiana.

## Statement of Gross Tax Collections

Through End of 3rd Quarter  
(April, May, June 2005)

	FYTD '2004-2005	FYTD '2003-2004	% Change
Business Privilege Tax	\$ 73,732,493.13	\$ 67,224,653.13	9.68
Gasoline	305,172,083.29	302,220,488.71	0.98
Income Tax-Corporate	330,043,167.20	237,739,622.34	38.83
Income Tax-Individual	2,285,664,944.57	2,061,690,950.16	10.86
Income Tax (Total)	2,615,708,111.77	2,299,430,572.50	13.75
Motor Fuels	112,443,673.30	96,366,223.66	16.68
Oil & Gas Privilege (8%)	72,209,931.87	50,899,943.72	41.87
Oil & Gas Production (2%)	26,354,402.93	20,378,275.16	29.33
Sales	1,349,597,770.47	1,275,202,187.13	5.83
Use Tax	174,826,155.22	156,169,577.10	11.95
Utility Gross Receipts	262,296,628.53	254,669,296.28	2.99
<b>SUBTOTAL (Listed Taxes)</b>	<b>4,992,341,250.51</b>	<b>\$4,522,561,217.39</b>	<b>10.39</b>
<b>SUBTOTAL (OTHER TAXES)</b>	<b>849,807,532.07</b>	<b>733,314,270.44</b>	<b>15.89</b>
<b>TOTAL (ALL TAXES)</b>	<b>5,842,148,782.58</b>	<b>\$5,255,875,487.83</b>	<b>11.16</b>



# 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 tax return and payment due.
- Motor fuel tax return and payment due.
- Natural minerals severance 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.
- 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 (September-December 2005)

**Sept.**

- 15** • 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.
  - Quarterly Dry Cleaning Trust Fund Fee return and payment due.
  - Manufactured home registration and fee due.

- Motor fuel identification markers issued.
- Motor vehicle dealers, reconditioners, rebuilders and wholesalers license tax due.
- Store and chain store license tax due.
- Utility license (2.2%) return and first quarterly payment due.

**14** • Annual wholesale oil license return and payment due.

**20** • Quarterly sales tax return and payment due.  
 • Quarterly use tax return and payment due.  
 • Quarterly rental or leasing tax return and payment due.

**30** • Forest products severance tax return and payment due.

**31** • Quarterly withholding return and payment due from employer.  
 • Quarterly IFTA tax return and payment due.  
 • Annual business privilege licenses delinquent after this date.  
 • Store and chain store licenses delinquent after this date.

**Nov.**

**30** • Last day to register and pay fee for manufactured homes without penalty.

**Dec.**

**15** • Fourth installment of estimated corporate income tax due (for calendar-year taxpayers).

**31** • Property tax due on real and personal property delinquent after this date.  
 • Expiration of the previous calendar year's motor fuel identification markers.  
 • Property tax assessments delinquent after this date.  
 • Last day to claim exemptions/abatements on ad valorem tax assessments.

# IRS Interest Rate Set to Remain at 6%

The interest rate for the calendar quarter beginning July 1, 2005, remains at six percent (6% APR) for underpayments, according to the Internal Revenue Service's "News Room" webpage, citing Revenue Ruling 2005-35.

According to §40-1-44, *Code of Alabama 1975*, the Alabama Department of Revenue will calculate interest on underpayments and overpayments (where applicable) at this same annual rate (6%), with the exception of land sold by the state for taxes, which shall be calculated at 12% in accordance with Sec. 40-5-9. (Historical rates shown below.)

## Interest Rates By Calendar Quarter

(Estab'd by: 26 USCA 6621; 40-1-44, *Code of Alabama 1975*)

	1-Q	2-Q	3-Q	4-Q
1982	20%	20%	20%	20%
1983	16%	16%	11%	11%
1984	11%	11%	11%	11%
1985	13%	13%	11%	11%
1986	10%	10%	9%	9%
1987	9%	9%	9%	10%
1988	11%	10%	10%	11%
1989	11%	12%	12%	11%
1990	11%	11%	11%	11%
1991	11%	10%	10%	10%
1992	9%	8%	8%	7%
1993	7%	7%	7%	7%
1994	7%	7%	8%	9%
1995	9%	10%	9%	9%
1996	9%	8%	9%	9%
1997	9%	9%	9%	9%
1998	9%	8%	8%	8%
1999	7%	8%	8%	8%
2000	8%	9%	9%	9%
2001	9%	8%	7%	7%
2002	6%	6%	6%	6%
2003	5%	5%	5%	4%
2004	4%	5%	4%	5%
2005	5%	6%	6%	