

810-3-39-.01 Corporation Returns.

(1) (a) Each corporation, joint stock company, or association, except as provided in (b), subject to Alabama income tax shall file a separate return for each tax year, including organizations subject to taxation on unrelated business taxable income as provided in Section 40-18-32, Code of Alabama 1975. The return (Form 20C for corporations and organizations with unrelated business taxable income, and Form 20S for an Alabama S corporation) shall be filled out completely and in accordance with the instructions. The return must be signed by one of the following officers: the president, vice-president, treasurer, assistant treasurer, secretary, assistant secretary, chief accounting or financial officer. The individual preparing the return, if a paid preparer, must also sign the return, and his or her address should be shown.

(b) In lieu of filing separate entity returns in Alabama, a group of related corporations may elect to be treated as an Alabama affiliated group filing a consolidated corporate income tax return. Qualifications for an "Alabama affiliated group" are found in Section 40-18-39(b)(1), Code of Alabama 1975. For more information about filing an Alabama consolidated return, see Alabama Rule 810-3-39-.03.

(2) If the property or business of a corporation is operated by a receiver, trustee, or assignee, such person shall make a return for the corporation in the same manner as the corporation would otherwise make the return. Any tax due on the basis of such return shall be collected in the same manner as if collected from the corporation.

(3) Nexus. A corporation having "substantial nexus" with Alabama is subject to Alabama income tax. A corporation has "substantial nexus" with Alabama if certain thresholds are exceeded pursuant to Section 40-18-31.2, Code of Alabama 1975.

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Authority: §§ 40-18-39 and 40-2A-7(a)(5) Code of Alabama 1975.

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