

810-3-79-.01

Overpayment of Tax

(1) (a) If the Income Tax Return of a taxpayer shows an overpayment of tax because of withholding from wages and/or payments of estimated tax, the overpayment will first be applied against any income tax liability of earlier years owed by the taxpayer. The balance, at the election of the taxpayer, will be refunded or credited as a payment-of estimated tax for the following year.

(b) Refunds of less than one dollar are made only on written request of the taxpayer who has made the overpayment.

(2) Interest rates are equal to the rate set by the United States Secretary of the Treasury pursuant to Internal Revenue Code Section 6621.

(3) Interest on overpayment of tax shall not begin to accrue until 90 days after the due date for filing the return or the date the return is filed, whichever is later.

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Authority: §§ 40-1-44, 40-2A-7(a)(5), and 40-18-79 Code of Ala. 1975.
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