

For Pass Through Entities Only:

Upon receipt of the Innovating Alabama Tax Credit award letter from ALDOR, pass-through entities must submit a credit claim through My Alabama Taxes to pass the credit to its owners. The owners of a pass-through entity will not be allowed to claim the Innovating Alabama Tax Credit if the following procedures are not completed by the pass-through entity.

- Login to My Alabama Taxes.
 - Once logged in, navigate to the **Pass-Through Entity**.
 - Click on the 'Submit a Credit Claim' link under "Tax incentives' and complete the following required fields:
 - Credit Type – Select "Innovating Alabama Tax Credit" from the drop-down menu.
 - Filing Period – Enter the tax period in which the Innovating Alabama Tax Credit is being claimed.
 - Credit Amount – Enter the amount of the Innovating Alabama Tax Credit as provided in the Innovating Alabama Award letter from ALDOR.
 - Provide the owner(s) information as requested under 'Owners.' Entities with numerous partners can select "Download Owner Information Spreadsheet" to enter owner information and percentage of ownership. Once downloaded, save the file. Then use the Import Tab to load the table in the credit claim. For future claims, you can modify the spreadsheet as needed (i.e., adding/deleting partners or changing ownership percentage).
 - Attachments – Attach the Innovating Alabama Credit award letter from ALDOR and any other pertinent information you'd like to include.
 - Please review the information in full (and print a copy for your records). Once reviewed, submit the credit claim.

Once the Innovating Alabama Tax Credit claim is submitted through My Alabama Taxes, ALDOR will review the claim. The Office of Economic Development may require additional information if the supporting documents are incomplete or not provided. Please note that lack of proper documentation to support the credit claim will delay the process.

When ALDOR reviews the requested credit claim, the pass-through entity will be sent a web notice letting them know whether the credit claim submission has been approved or denied. If the credit claim submission is approved, the owners will be sent the Innovating Alabama Credit award letter notifying them of the amount of credit they are entitled to claim on their income tax returns. The approved amount of the credit must be listed on the taxpayer's income tax return at the time the return is filed. For more information, email incentives@revenue.alabama.gov or call 334-242-1175.