

810-3-75-.03 Annual Returns Of Withholding Tax Information.

(1) On or before the last day of January each year, every withholding tax agent who has paid Alabama wages of \$1,500 or more or has withheld Alabama income tax, must file with the Department of Revenue the wage and tax information as described in Rule 810-3-75-.01 for the previous calendar year. This submission consists of two parts:

- (a) Form A-3, Annual Reconciliation of Alabama Income Tax Withheld, and
- (b) A copy of Form W-2 for each employee (see Rule 810-3-75-.01), and/or a copy of each statement required by Rule 810-3-75-.01 to be furnished to a recipient of proceeds from a wage subject to withholding pursuant to §40-18-91, Code of Ala. 1975. If tax has been withheld from a non-wage payment, a copy of the Form 1099 used to report this payment must be submitted. See Rule 810-3-75-.04.

1. All employers and withholding agents submitting 10 or more Forms W-2 and/or information returns, if Alabama income tax has been withheld, must submit this information and Form A-3 electronically through the Department's web site.

(i) Withholding agents submitting less than 10 wage and tax statements and/or information returns may voluntarily submit this information electronically.

(ii) Employers or withholding agents who electronically file their monthly or quarterly withholding tax returns and payment during the year are also required to submit their wage and tax information electronically through the Department's website.

(2) Penalties.

(a) Any person who fails to comply with the requirements of this section shall be subject to the penalties provided for in §40-2A-11, Code of Ala. 1975.

(b) In addition to the penalties provided for in §40-2A-11, the \$50 civil penalty provided for in §40-29-74, Code of Ala. 1975, shall also apply.

Author: Neal Hearn

Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-2A-11, 40-18-75, 40-18-91, 40-29-74.

History: Filed December 1, 1987. Amended February 8, 1989, filed March 20, 1989. **Amended:** Filed May 3, 2000; effective June 7, 2000. **Amended:** Filed September 6, 2006; effective October 11, 2006. **Amended:** Filed November 26, 2008; effective December 31, 2008. **Amended:** Filed September 15, 2014; effective December 20, 2014. **Amended:** Filed January 27, 2015; effective March 3, 2015. **Amended:** Filed July 17, 2015; effective August 21, 2015. **Amended:** Published January 31, 2025; effective March 17, 2025.