

FORM **40** Alabama **2025**
Individual Income Tax Return
 RESIDENTS & PART-YEAR RESIDENTS



For the year Jan. 1 - Dec. 31, 2025, or other tax year:

• Beginning: _____ • Ending: _____

• Your social security number _____ • Spouse's SSN if joint return _____

• Check if primary is deceased
 • Primary's deceased date (mm/dd/yyyy) _____

• Check if spouse is deceased
 • Spouse's deceased date (mm/dd/yyyy) _____

• Your first name _____ • Initial _____ • Last name _____

• Spouse's first name _____ • Initial _____ • Last name _____

• Present home address (number and street or P.O. Box number) _____

▶ CHECK BOX IF AMENDED RETURN •

• City, town, or post office _____ • State _____ • ZIP code _____

• Check if address is outside U.S. Foreign Country _____

Filing Status/Exemptions

•1 \$1,500 Single •3 \$1,500 Married filing separate. • Complete Spouse SSN _____ NRA

•2 \$3,000 Married filing joint •4 \$3,000 Head of Family (with qualifying person). Complete Schedule HOF

	A – Alabama tax withheld		B – Income	
	• 5a		• 5b	
5a Alabama Income Tax Withheld (from Schedule W-2, line 18, column G)				
5b Wages, salaries, tips, etc. (from Schedule W-2, line 18, column I plus J):				
6 Interest and dividend income (also attach Schedule B if over \$1,500)				
7 Other income (from page 2, Part I, line 8)				
8 Total income. Add amounts in the income column for line 5b through line 7				
9 Total adjustments to income (from page 2, Part II, line 16)				
10 Adjusted gross income. Subtract line 9 from line 8.				

Deductions

11 Box a or b **MUST** be checked.
 Check box a, if you **itemize deductions**, and enter amount from Schedule A, line 27.
 Check box b, if you **do not** itemize deductions, and enter **standard deduction** (see instructions)

• a **Itemized Deductions** • b **Standard Deduction**

• 11	
• 12	
• 13	
• 14	
• 15	

12 Federal tax deduction (see instructions)
DO NOT ENTER THE FEDERAL TAX WITHHELD FROM YOUR FORM W-2(S)

13 Personal exemption (from line 1, 2, 3, or 4)

14 Dependent exemption (from page 2, Part III, line 2)

15 **Total deductions.** Add lines 11, 12, 13, and 14

Tax

16 **Taxable income.** Subtract line 15 from line 10

17 **Income Tax due.** Enter amount from tax table or check if from • Form NOL-85A

18 **Net tax due Alabama.** Check box if computing tax using Schedule OC • , otherwise enter amount from line 17 ..

19 Additional taxes (from Schedule ATP, Part I, Line 3)

20 **Alabama Election Campaign Fund.** You may make a voluntary contribution to the following:

a Alabama Democratic Party \$1 \$2 none

b Alabama Republican Party \$1 \$2 none

21 **Total tax liability and voluntary contribution.** Add lines 18, 19, 20a, and 20b

• 16	
• 17	
• 18	
• 19	
• 20a	
• 20b	
• 21	

Payments

• 22	
• 23	
• 24	
• 25	
• 26	
• 27	
• 28	
• 29	

22 **Alabama income tax withheld** (from column A, line 5a)

23 2025 estimated tax payments/Automatic Extension Payment

24 Amended Returns Only – Previous payments (see instructions)

25 **Refundable Credits.** Enter the amount from Schedule OC, Section F, line F6 ...

26 Payments from Schedule CP, Section B, Line 1

27 **Total payments.** Add lines 22, 23, 24, 25, and 26

28 Amended Returns Only – Previous refund (see instructions)

29 **Adjusted Total Payments.** Subtract line 28 from line 27

AMOUNT YOU OWE

30 If line 21 is larger than line 29, subtract line 29 from line 21, and add line 31 and enter **AMOUNT YOU OWE**.
 Place payment, along with Form 40V, loose in the mailing envelope. (**FORM 40V MUST ACCOMPANY PAYMENT.**)

31 Penalties (from Schedule ATP, Part II, line 3) (see instructions)

• 30	
• 31	

OVERPAID

32 If line 29 is larger than line 21, subtract line 21 from line 29, and enter **AMOUNT OVERPAID**

33 Amount of line 32 to be applied to your **2026 estimated tax**

• 32	
• 33	

Donations

34 **Total Donation Check-offs** from Schedule DC, line 2

• 34	
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REFUND

35 **REFUNDED TO YOU.** (CAUTION: You must **sign** this return on the reverse side.)
 If line 32 is greater than zero, subtract lines 31, 33, and 34 from line 32

• 35	
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For Direct Deposit, check here • and complete Part V, Page 2.



PART I

1	Alimony received	• 1
2	Business income or (loss) (attach Federal Schedule C or C-EZ) (see instructions)	• 2
3	Gain or (loss) from sale of Real Estate, Stocks, Bonds, etc. (attach Schedule D)	• 3
4	Retirement Income (attach Schedule RS)	• 4
5	Rents, royalties, partnerships, estates, trusts, etc. (attach Schedule E)	• 5
6	Farm income or (loss) (attach Federal Schedule F)	• 6
7	Other income (state nature and source — see instructions)	• 7
8	Total other income. Add lines 1 through 7. Enter here and also on page 1, line 7	• 8

PART II

1a	Your IRA deduction	• 1a
b	Spouse's IRA deduction	• 1b
2	Payments to a Keogh retirement plan and self-employment SEP deduction	• 2
3	Penalty on early withdrawal of savings	• 3
4	Alimony paid. Recipient's last name _____ SSN • _____	• 4
5	Adoption expenses	• 5
6	Moving Expenses (Attach Federal Form 3903) to: City _____ State _____ ZIP _____	• 6
7	Self-employed health insurance deduction	• 7
8	Payments to Alabama College Counts 529 Fund or Alabama PACT Program	• 8
9	Health insurance deduction for small employer employee (see instructions)	• 9
10	Costs to retrofit or upgrade home to resist wind or flood damage	• 10
11	Deposits to a catastrophe savings account	• 11
12	Contributions to a health savings account	• 12
13	Deposits to an Alabama First-Time and Second Chance Home Buyer Savings Account (see instructions)	• 13
14	Firefighter's Insurance Premium	• 14
15	Contributions to an Achieving a Better Life Experience (ABLE) savings account	• 15
16	Total adjustments. Add lines 1 through 15. Enter here and also on page 1, line 9	• 16

PART III

1	Total number of dependents from Schedule DS, line 1b	• 1
2	Amount allowed. Multiply total number of dependents claimed on line 1 by the amount on the dependent chart in the instructions. Enter amount here and on page 1, line 14	• 2

PART IV

1 **Residency** Check only one box Full Year • Part Year From _____ 2025 through _____ 2025.

2 Did you file an Alabama income tax return for the year 2024? • Yes • No If no, state reason _____

3 Give name and address of present employer(s). Yours _____
Your Spouse's _____

4 Enter the Federal Adjusted Gross Income • \$ _____ and Federal Taxable Income • \$ _____ as reported on your 2025 Federal Individual Income Tax Return.

5 Do you have income which is reported on your Federal return, but not reported on your Alabama return (other than your state tax refund)? • Yes • No
If yes, enter source(s) and amount(s) below: (other than state income tax refund)

Source • _____	Amount • _____
Source • _____	Amount • _____

PART V For Direct Deposit of your refund, complete 1, 2, 3, and 4 below. (See instructions to see if you qualify.)

1 Routing Number: _____ 2 Type: Checking Savings 3 Account Number: _____

4 Is this refund going to or through an account that is located outside of the United States? Yes No

Drivers License Info

DOB (mm/dd/yyyy) • _____	Your state • _____	DL# • _____	Iss date (mm/dd/yyyy) • _____	Exp date (mm/dd/yyyy) • _____
DOB (mm/dd/yyyy) • _____	Spouse state • _____	DL# • _____	Iss date (mm/dd/yyyy) • _____	Exp date (mm/dd/yyyy) • _____

• I authorize a representative of the Department of Revenue to discuss my return and attachments with my preparer.
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here In Black Ink
Keep a copy of this return for your records.

Your Signature _____	Date _____	Daytime Telephone Number _____	Your Occupation _____
Spouse's Signature (if joint return, BOTH must sign) _____	Date _____	Daytime Telephone Number _____	Spouse's Occupation _____
Preparer's Signature _____	Date _____	Check if Self-employed <input type="checkbox"/> •	Preparer's SSN or PTIN _____ E.I. Number _____
Firm's Name (or yours if self employed) _____	Address _____	Daytime Telephone No. _____	ZIP Code _____

**SCHEDULES
A, B, & DC
(FORM 40)**



(Schedules B and DC are on back page)

ATTACH TO FORM 40 — SEE INSTRUCTIONS FOR SCHEDULE A

Name(s) as shown on Form 40

Your social security number

The itemized deductions you may claim for the year 2025 are similar to the itemized deductions claimed on your Federal return; however, the amounts may differ. Please see instructions before completing this schedule. **PART-YEAR RESIDENTS:** A resident of Alabama for only a part of the year should list below only those deductions actually paid while a resident of Alabama.

		1		00		
Medical and Dental Expenses	<i>CAUTION: Do not include expenses reimbursed or paid by others.</i>					
	1 Medical and dental expenses.....	1		00		
	2 Enter amount from Form 40, line 10.	2		00		
	3 Multiply the amount on line 2 by 4% (.04). Enter the result.....	3		00		
	4 Subtract line 3 from line 1. Enter the result. If zero or less, enter -0-.....				• 4	00
Taxes You Paid	5 Real estate taxes.....	5		00		
	6 FICA Tax (Social Security and Medicare) and Federal Self-Employment Tax.....	6		00		
	7 Railroad Retirement (Tier 1 only).....	7		00		
	8 Other taxes. (List – include personal property taxes.) ▶	8		00		
	9 Add the amounts on lines 5 through 8. Enter the total here.....				• 9	00
Interest You Paid	10a Home mortgage interest and points reported to you on Federal Form 1098.....	10a		00		
	b Home mortgage interest not reported to you on Federal Form 1098. (If paid to an individual, show that person's name and address.) ▶	10b		00		
	11 Vehicle loan interest (see instructions). If more than 2 VINs, see instructions.					
	a • Date new vehicle purchased: _____ Vehicle VIN: _____	•11a		00		
	b • Date new vehicle purchased: _____ Vehicle VIN: _____	•11b		00		
	c Qualified vehicle loan interest. Enter the amount from line 8 of the Qualified loan interest worksheet in Form 40 instruction booklet.....	•11c		00		
	12 Points not reported to you on Form 1098.....	12		00		
	13 Investment interest. (Attach Form 4952A.).....	13		00		
	14 Add the amounts on lines 10a, 10b, 11c, 12 and 13. Enter the total here.....				• 14	00
Gifts to Charity	<i>CAUTION: If you made a charitable contribution and received a benefit in return, see instructions.</i>					
	15 Contributions by cash or check (If more than \$250, see instructions).....	15		00		
	16 Other than cash or check. (You MUST attach Federal Form 8283 if over \$500.).....	16		00		
	17 Carryover from prior year.....	17		00		
	18 Add the amounts on lines 15 through 17. Enter the total here.....				• 18	
Casualty and Theft Loss (Attach Form 4684)	19a Enter the loss from Federal Form 4684, either A <input type="checkbox"/> line 15, or B <input type="checkbox"/> line 16.....	19a		00		
	b Enter 10% of your Adjusted Gross Income (Form 40, line 10) if box B is checked, otherwise enter zero.....	19b		00		
	c Subtract line 19b from line 19a. If zero or less, enter -0-.....				• 19c	00
Job Expenses and Most Other Miscellaneous Deductions	20 Unreimbursed employee expenses — job travel, union dues, job education, etc. You MUST attach Federal Form 2106 if required. See instructions. ▶	20		00		
	21 Other expenses (investment, tax preparation, safe deposit box, etc.). List type and amount. ▶	21		00		
	22 Add the amounts on lines 20 and 21. Enter the total.....	22		00		
	23 Multiply the amount on Form 40, line 10 by 2% (.02). Enter the result here.....	23		00		
	24 Subtract line 23 from line 22. Enter the result. If zero or less, enter -0-.....				• 24	00
Other Miscellaneous Deductions	25 Other (from list in the instructions). List type and amount. ▶				• 25	00
Qualified Long-Term Care Ins. Premiums	<i>CAUTION: Do not include medical premiums.</i>					
	26 Enter amount here.....				• 26	00
Total Itemized Deductions	27 Add the amounts on lines 4, 9, 14, 18, 19c, 24, 25, and 26. Enter the total here. Then enter on Form 40, page 1, line 11 and check 11a, Itemized Deductions.....				• 27	00



Name(s) as shown on Form 40 (Do not enter name and social security number if shown on other side)

Your social security number

SCHEDULE B – Interest And Dividend Income

If you received more than \$1500 of interest and dividend income, you must complete Schedule B. See instructions.

List Payers and Amounts		A Exempt Interest	B Taxable Interest and Dividends
1 I N T E R E S T		00	00
		00	00
		00	00
		00	00
		00	00
		00	00
		00	00
		00	00
		00	00
		00	00
2 D I V I D E N D S			00
			00
			00
			00
			00
			00
			00
			00
			00
			00
3	TOTAL TAXABLE INTEREST AND DIVIDENDS Enter here and on Form 40, page 1, line 6	• 3	00

SCHEDULE DC – Donation Check-Offs

1 You may donate all or part of your overpayment. (Enter the amount in the appropriate boxes.)

a Senior Services Trust Fund	• 1a	00	j Alabama Veterinary Medical Foundation	• 1j	00
b Alabama Arts Development Fund	• 1b	00	Spay-Neuter Program	• 1k	00
c Alabama Nongame Wildlife Fund	• 1c	00	k Cancer Research Institute	• 1l	00
d Child Abuse Trust Fund	• 1d	00	l Children First Trust Fund	• 1m	00
e Alabama Veterans Program	• 1e	00	m State Parks Division of the Department of Conservation and Natural Resources	• 1n	00
f Foster Care Trust Fund	• 1f	00	n Department of Mental Health – 2023	• 1o	00
g Mental Health	• 1g	00	o Alabama Medicaid Agency		
h Alabama Breast & Cervical Cancer Program	• 1h	00			
i Alabama Military Support Foundation	• 1i	00			
2 Total Donations. Add lines 1a, b, c, d, e, f, g, h, i, j, k, l, m, n, and o. Enter here and on Form 40, page 1, line 34			• 2	00	



**SCHEDULE
DS & HOF 2025**
(Form 40 or 40NR)



Alabama Department of Revenue
Dependents Schedule

NAME(S) AS SHOWN ON TAX RETURN

PRIMARY'S SOCIAL SECURITY NUMBER SPOUSE'S SOCIAL SECURITY NUMBER

Schedule DS – Dependents Schedule

See instructions for definition of a dependent. **NOTE:** If you checked filing status 3 (Married filing separate), you may claim **only** the dependent(s) for whom you **separately** furnished over 50% of the total support.

1a Dependents. Do not include yourself or your spouse. (See Instructions)

First Name	Last Name	• Dependent's Social Security Number	Dependent's Relationship to you	Did you provide more than one-half dependent's support?

1b Total number of dependents claimed above. Enter total here and on Form 40, Page 2, Part III, line 1 or Form 40NR, Page 2, Part V, line 1

• 1b



**SCHEDULE
DS & HOF 2025**
(Form 40 or 40NR)



PAGE 2

NAME(S) as shown on tax return (Do not enter name and social security number if shown on other side)

PRIMARY SOCIAL SECURITY NUMBER _____

SPOUSE SOCIAL SECURITY NUMBER _____

Schedule HOF – Head of Family Schedule

Complete the following information:

Enter the dependent/qualifying person's name here: _____

Dependents/qualifying person's Social Security Number: _____

What is the dependent's/qualifying person's relationship to you: _____

Do you rent or own the home maintained for the dependent/qualifying person? Rent Own

Are you married, divorced, or legally separated? Yes No

If you answered yes, please provide the following information:

Date of Marriage? _____

Date of Divorce? _____

Date of Legal Separation? _____

Did the dependent(s)/ qualifying person(s) reside with you in your home? Yes No

Did you pay more than 50% of the dependent(s)/ qualifying person(s) support? Yes No



SCHEDULE
ATP

ALABAMA DEPARTMENT OF REVENUE
INCOME TAX ADMINISTRATION DIVISION
Additional Taxes & Penalties

2025

NAME(S) AS SHOWN ON THE TAX RETURN

SOCIAL SECURITY NUMBER

PART I Additional Taxes

1	Consumer Use Tax (see instructions). If you certify that no use tax is due, check box <input type="checkbox"/>	• 1		
2	Catastrophe savings tax (see instructions)	• 2		
3	Total Additional Taxes. Add line 1 and line 2. Enter here and also on Form 40, page 1, line 19	• 3		

PART II Penalties

1	Estimated Tax Penalty (see instructions). Farmers and Fishermen that meets IRC §6654, check box <input type="checkbox"/>	• 1		
2	First-time Second chance Home Buyer Savings Account penalty (from Schedule HBC, Part IV, Line 4)	• 2		
3	Total penalties. Add line 1 and line 2. Enter here and also on Form 40, page 1, line 31	• 3		



First Time and Second Chance Home Buyer Savings Account Deduction

NAME(S) AS SHOWN ON TAX RETURN

PRIMARY'S SOCIAL SECURITY NUMBER _____ SPOUSE'S SOCIAL SECURITY NUMBER _____

This schedule is required to be submitted with Form 40 if claiming a deduction for deposits made into any First Time and Second Chance Home Buyer Savings Account or if excluding any interest earned on the account. Any deduction or exclusion for deposits or interest is limited to the account holders only. Failure to include this form with your return will result in an automatic denial of the deduction or exclusion.

Part I - Designation of First Time and Second Chance Home Buyer Savings Account(s)

• 1.	Financial Institution Name:			
	Address:	City:	State:	Zip:
• 2.	Date Account Opened:			
• 3.	Account Number:			
• 4.	Account Holder(s): Primary:	Secondary:		
• 5.	Financial Institution Name:			
	Address:	City:	State:	Zip:
• 6.	Date Account Opened:			
• 7.	Account Number:			
• 8.	Account Holder(s): Primary:	Secondary:		

Part II - Deposits made into your First Time and Second Chance Home Buyer Savings Account(s)

1. Total deposits made by the account holder(s) this year:	• 1.	
2. Total principal and earnings in account(s) at year end:	• 2.	
3. Deduction Allowed (enter here and on Form 40, Page 2, Part II, Line 13):	• 3.	
Enter the lesser of Line 1 or \$5,000 for a filing status of Single or Head of Family or \$10,000 for a filing status of Married Filing Joint. If the account is greater than 10 years old or line 2 is greater than \$25,000 for individual accounts or \$50,000 for joint accounts, enter zero, no deduction is allowed.		
4. Interest/Earnings this year (enter on Schedule B, Line 1, Column A and Attach 1099):	• 4.	
You must attach a copy of the statement of account(s) showing all account transactions.		

Part III - Withdrawals made from your First Time and Second Chance Home Buyer Savings Account(s)

1. Amount of funds withdrawn from the account(s) this year	• 1.	
2. (a) Were the funds used for eligible expenses to purchase a home in the State of Alabama?	2a.	<input type="checkbox"/> Yes • <input type="checkbox"/> No
(b) Address of Residence Purchased		
• City: _____	• State: _____	• Zip: _____
You must attach a copy of the closing statement.		
3. Was the total amount of funds withdrawn deposited into another First Time and Second Chance Home Buyer Account? (If yes, you must provide statements for both accounts.)	3.	<input type="checkbox"/> Yes • <input type="checkbox"/> No
4. Non-qualified amounts withdrawn which were not used for eligible expenses to purchase a home or deposited in full into another First Time and Second Chance Home Buyer Savings account.	• 4.	
5. Non-qualified withdrawals for which a deduction was claimed for deposits must be added back to income for Alabama income tax purposes. Include amount from line 4 in which a deduction was claimed for deposits made into your First Time and Second Chance Home Buyer Savings Account on a prior year(s) tax return and any interest earned on the account which you excluded from income on a prior year(s) tax return (enter here and on Form 40, Page 2, Part I, line 7, Other Income)	• 5.	

Part IV - Penalty

1. Were the funds withdrawn by reason of account holder(s) death or disability?	1.	<input type="checkbox"/> Yes • <input type="checkbox"/> No
2. Were the funds withdrawn pursuant to a disbursement of assets under Bankruptcy?	2.	<input type="checkbox"/> Yes • <input type="checkbox"/> No
3. Were the funds withdrawn due to unemployment after the account holder(s) exhausted applicable unemployment compensation benefits? ...	3.	<input type="checkbox"/> Yes • <input type="checkbox"/> No
4. Penalty for Withdrawal for Purposes Other Than Eligible Costs (if you answered yes to lines 1, 2, or 3, enter 0; otherwise enter 10% of Part III, Line 4 here and on Schedule ATP, Part II, line 2):	• 4.	



SCHEDULE
W-2
(FORM 40, 40A, or 40NR)



2025

Alabama Department of Revenue
Wages, Salaries, Tips, etc.

Schedule W-2 must be completed fully and included with your return in order to receive proper credit for your Alabama income tax withheld. Attach a copy of all withholding statements to your return.

NAME(S) AS SHOWN ON TAX RETURN

PRIMARY'S SOCIAL SECURITY NO. SPOUSE'S SOCIAL SECURITY NO.

	A Employee's Social Security Number	B Employer's Identification Number (EIN)	C Statutory Employee	D Schedule C/C-EZ Filed?	E State Code	F Alabama Employer's State ID Number	G Alabama State Income Tax Withheld	H Federal Wages (Box 1 of Form W-2)	I Alabama State Wages (Box 16 of Form W-2)	J Additional Taxable Wages - Other States
• 1			<input type="checkbox"/>	<input type="checkbox"/>						
• 2			<input type="checkbox"/>	<input type="checkbox"/>						
• 3			<input type="checkbox"/>	<input type="checkbox"/>						
• 4			<input type="checkbox"/>	<input type="checkbox"/>						
• 5			<input type="checkbox"/>	<input type="checkbox"/>						
• 6			<input type="checkbox"/>	<input type="checkbox"/>						
• 7			<input type="checkbox"/>	<input type="checkbox"/>						
• 8			<input type="checkbox"/>	<input type="checkbox"/>						
• 9			<input type="checkbox"/>	<input type="checkbox"/>						
• 10			<input type="checkbox"/>	<input type="checkbox"/>						
• 11			<input type="checkbox"/>	<input type="checkbox"/>						
• 12			<input type="checkbox"/>	<input type="checkbox"/>						
• 13			<input type="checkbox"/>	<input type="checkbox"/>						
• 14			<input type="checkbox"/>	<input type="checkbox"/>						
• 15			<input type="checkbox"/>	<input type="checkbox"/>						
• 16	TOTAL ALABAMA TAX WITHHELD FROM W-2s. Total lines 1-15, Column G and enter the amount here . .									
• 17	ALABAMA TAX WITHHELD FROM 1099s AND W-2Gs. Enter the total Alabama Income Tax Withheld from Schedule RS, Part V, line 4, all Form 1099s and Form W-2Gs received. See instructions on where to report the income from these statements									
• 18	TOTAL WAGES AND TOTAL ALABAMA TAX WITHHELD FROM W-2s, 1099s, AND W-2Gs. See instructions.									

THIS SCHEDULE CAN ONLY BE SUBMITTED AND/OR PRINTED VIA LANDSCAPE



SCHEDULE
RS
(FORM 40 OR
FORM 40NR)



2025

Alabama Department of Revenue
Retirement Schedule
ATTACH TO FORM 40 OR FORM 40NR

NAME(S) AS SHOWN ON TAX RETURN

PRIMARY'S SOCIAL SECURITY NO. SPOUSE'S SOCIAL SECURITY NO.

Schedule RS must be completed fully and included with your return in order to receive proper credit for your Alabama income tax withheld. Attach a copy of all withholding statements (Form 1099-R) to your return.

PART I Retirement Distribution(s) Exempt from Alabama Income										
	A	B	C	D	E	F	G	H	I	
	FEIN	IRA	Distribution Code(s)	Account Number	Gross Distribution	State Code	State ID	Alabama Withheld	Reason Exempt	
• 1		<input type="checkbox"/>								
• 2		<input type="checkbox"/>								
• 3		<input type="checkbox"/>								
• 4		<input type="checkbox"/>								
• 5		<input type="checkbox"/>								
• 6		<input type="checkbox"/>								
• 7		<input type="checkbox"/>								
• 8	ALABAMA TAX WITHHELD from Retirement Distribution(s) Exempt from Alabama Income. Total lines 1-7, Column H and enter the amount here and Part 5, line 1. . . .									
PART II Primary's Fully or Partially Taxable Retirement Distributions										
	A	B	C	D	E	F	G	H	I	
	FEIN	IRA	Distribution Code(s)	Account Number	Gross Distribution	State Code	State ID	Alabama Withheld	Taxable to Alabama	
• 1		<input type="checkbox"/>								
• 2		<input type="checkbox"/>								
• 3		<input type="checkbox"/>								
• 4		<input type="checkbox"/>								
• 5		<input type="checkbox"/>								
• 6		<input type="checkbox"/>								
• 7		<input type="checkbox"/>								
• 8	ALABAMA TAX WITHHELD from Primary's Fully or Partially Taxable Retirement Distributions. Total lines 1-7, Column H and enter the amount here and Part 5, line 2. . .									
• 9	RETIREMENT INCOME TAXABLE TO ALABAMA. Total lines 1-7, Column I and enter the amount here.									
• 10	RETIREMENT EXCLUSION. Is the primary taxpayer 65 or older and receives taxable retirement? • <input type="checkbox"/> Yes • <input type="checkbox"/> No If "Yes", each taxpayer is eligible up to \$6,000 not to exceed the Retirement Income Taxable to Alabama on line 9. If "No", you do not qualify for this exclusion. Stop and go to line 11. (See instructions for more information)									
• 11	Primary's Alabama Taxable Retirement Distribution. Subtract line 10 from line 9. Enter the amount here and on Part 4, line 1.									



PART III Spouse's Fully or Partially Taxable Retirement Distributions										
	A	B	C	D	E	F	G	H	I	
	FEIN	IRA	Distribution Code(s)	Account Number	Gross Distribution	State Code	State ID	Alabama Withheld	Taxable to Alabama	
• 1		<input type="checkbox"/>								
• 2		<input type="checkbox"/>								
• 3		<input type="checkbox"/>								
• 4		<input type="checkbox"/>								
• 5		<input type="checkbox"/>								
• 6		<input type="checkbox"/>								
• 7		<input type="checkbox"/>								
• 8	ALABAMA TAX WITHHELD from Spouse's Fully or Partially Taxable Retirement Distributions. Total lines 1-7, Column H and enter the amount here and Part 5, line 3. . .									
• 9	RETIREMENT INCOME TAXABLE TO ALABAMA. Total lines 1-7, Column I and enter the amount here									
• 10	RETIREMENT EXCLUSION. Is the spouse 65 or older and receives taxable retirement? • <input type="checkbox"/> Yes • <input type="checkbox"/> No If "Yes", each taxpayer is eligible up to \$6,000 not to exceed the Retirement Income Taxable to Alabama on line 9. If "No", you do not qualify for this exclusion. Stop and go to line 11. (See instructions for more information)									
• 11	Spouse's Alabama Taxable Retirement Distribution. Subtract line 10 from line 9. Enter the amount here and on Part 4, line 2									
PART IV Total Alabama Taxable Retirement Distribution										
• 1	Primary's Alabama Taxable Retirement Distribution. Enter the amount from Part 2, line 11									
• 2	Spouse's Alabama Taxable Retirement Distribution. Enter the amount from Part 3, line 11									
• 3	Total Alabama Taxable Retirement Distribution. Add lines 1 and 2. Enter the amount here and on Form 40, Page 2, Part 1, Line 4 or Form 40NR, page 2, Part 1, Line 3, Column B									
PART V Alabama Tax Withheld										
• 1	Alabama tax withheld from Retirement Distribution(s) Exempt from Alabama Income. Enter the amount from Part 1, line 8									
• 2	Primary's Alabama tax withheld from a taxable retirement distribution. Enter the amount from Part 2, line 8									
• 3	Spouse's Alabama tax withheld from a taxable retirement distribution. Enter the amount from Part 3, line 8									
• 4	Total Alabama Tax Withheld from a 1099-R. Add lines 1, 2, and 3. Enter the amount here and include in the amount on Schedule W-2, line 17									



SCHEDULE
RS
(FORM 40 OR
FORM 40NR)



2025

Alabama Department of Revenue
Retirement Schedule
ATTACH TO FORM 40 OR FORM 40NR

NAME(S) AS SHOWN ON TAX RETURN

PRIMARY'S SOCIAL SECURITY NO. SPOUSE'S SOCIAL SECURITY NO.

Schedule RS must be completed fully and included with your return in order to receive proper credit for your Alabama income tax withheld. Attach a copy of all withholding statements (Form 1099-R) to your return.

PART I Retirement Distribution(s) Exempt from Alabama Income										
	A	B	C	D	E	F	G	H	I	
	FEIN	IRA	Distribution Code(s)	Account Number	Gross Distribution	State Code	State ID	Alabama Withheld	Reason Exempt	
• 1		<input type="checkbox"/>								
• 2		<input type="checkbox"/>								
• 3		<input type="checkbox"/>								
• 4		<input type="checkbox"/>								
• 5		<input type="checkbox"/>								
• 6		<input type="checkbox"/>								
• 7		<input type="checkbox"/>								
• 8	ALABAMA TAX WITHHELD from Retirement Distribution(s) Exempt from Alabama Income. Total lines 1-7, Column H and enter the amount here and Part 5, line 1. . . .									
PART II Primary's Fully or Partially Taxable Retirement Distributions										
	A	B	C	D	E	F	G	H	I	
	FEIN	IRA	Distribution Code(s)	Account Number	Gross Distribution	State Code	State ID	Alabama Withheld	Taxable to Alabama	
• 1		<input type="checkbox"/>								
• 2		<input type="checkbox"/>								
• 3		<input type="checkbox"/>								
• 4		<input type="checkbox"/>								
• 5		<input type="checkbox"/>								
• 6		<input type="checkbox"/>								
• 7		<input type="checkbox"/>								
• 8	ALABAMA TAX WITHHELD from Primary's Fully or Partially Taxable Retirement Distributions. Total lines 1-7, Column H and enter the amount here and Part 5, line 2. . .									
• 9	RETIREMENT INCOME TAXABLE TO ALABAMA. Total lines 1-7, Column I and enter the amount here.									
• 10	RETIREMENT EXCLUSION. Is the primary taxpayer 65 or older and receives taxable retirement? • <input type="checkbox"/> Yes • <input type="checkbox"/> No If "Yes", each taxpayer is eligible up to \$6,000 not to exceed the Retirement Income Taxable to Alabama on line 9. If "No", you do not qualify for this exclusion. Stop and go to line 11. (See instructions for more information)									
• 11	Primary's Alabama Taxable Retirement Distribution. Subtract line 10 from line 9. Enter the amount here and on Part 4, line 1.									



PART III Spouse's Fully or Partially Taxable Retirement Distributions										
	A	B	C	D	E	F	G	H	I	
	FEIN	IRA	Distribution Code(s)	Account Number	Gross Distribution	State Code	State ID	Alabama Withheld	Taxable to Alabama	
• 1		<input type="checkbox"/>								
• 2		<input type="checkbox"/>								
• 3		<input type="checkbox"/>								
• 4		<input type="checkbox"/>								
• 5		<input type="checkbox"/>								
• 6		<input type="checkbox"/>								
• 7		<input type="checkbox"/>								
• 8	ALABAMA TAX WITHHELD from Spouse's Fully or Partially Taxable Retirement Distributions. Total lines 1-7, Column H and enter the amount here and Part 5, line 3. . .									
• 9	RETIREMENT INCOME TAXABLE TO ALABAMA. Total lines 1-7, Column I and enter the amount here									
• 10	RETIREMENT EXCLUSION. Is the spouse 65 or older and receives taxable retirement? • <input type="checkbox"/> Yes • <input type="checkbox"/> No If "Yes", each taxpayer is eligible up to \$6,000 not to exceed the Retirement Income Taxable to Alabama on line 9. If "No", you do not qualify for this exclusion. Stop and go to line 11. (See instructions for more information)									
• 11	Spouse's Alabama Taxable Retirement Distribution. Subtract line 10 from line 9. Enter the amount here and on Part 4, line 2									
PART IV Total Alabama Taxable Retirement Distribution										
• 1	Primary's Alabama Taxable Retirement Distribution. Enter the amount from Part 2, line 11									
• 2	Spouse's Alabama Taxable Retirement Distribution. Enter the amount from Part 3, line 11									
• 3	Total Alabama Taxable Retirement Distribution. Add lines 1 and 2. Enter the amount here and on Form 40, Page 2, Part 1, Line 4 or Form 40NR, page 2, Part 1, Line 3, Column B									
PART V Alabama Tax Withheld										
• 1	Alabama tax withheld from Retirement Distribution(s) Exempt from Alabama Income. Enter the amount from Part 1, line 8									
• 2	Primary's Alabama tax withheld from a taxable retirement distribution. Enter the amount from Part 2, line 8									
• 3	Spouse's Alabama tax withheld from a taxable retirement distribution. Enter the amount from Part 3, line 8									
• 4	Total Alabama Tax Withheld from a 1099-R. Add lines 1, 2, and 3. Enter the amount here and include in the amount on Schedule W-2, line 17									



Alabama Department of Revenue

Composite Payments/Electing PTE Credits

NAME(S) AS SHOWN ON TAX RETURN	YOUR SOCIAL SECURITY NUMBER
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If you are claiming composite payment(s)/Electing PTE credits, complete the following information.

SECTION A

A Taxpayer's Social Security Number on Schedule K-1	B Check if this Taxpayer is a Disregarded Entity	C Disregarded Entity's Name	D Disregarded Entity's FEIN	E S-Corporation's, Partnership's, Estate's or Trust's Name	• F S-Corporation's, Partnership's, Estate's or Trust's FEIN	• G Amount of payment made by the S Corporation, Partnership, Estate or Trust on your behalf
	<input type="checkbox"/>					
	<input type="checkbox"/>					
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	<input type="checkbox"/>					

SECTION B 1. Total Composite Payment/Electing PTE Credits. Total of Column G enter here and on Form 40, page 1, line 26 or Form 40NR, page 1, line 23	• 1.
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(From Rental Real Estate, Royalties, Partnerships, S Corporations, Estates, Trusts, REMICs, etc.)

▶ **ATTACH TO FORM 40.** ▶ **SEE INSTRUCTIONS FOR SCHEDULE E (FORM 40).**

Name(s) shown on return	Your social security number
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PART I Income or Loss From Rental Real Estate and Royalties
Note: If you are operating under a Federal Employer Identification Number, report income and expenses from your business of renting personal property on Schedule C or C-EZ.

1 Show the kind and location of each Rental Real Estate Property :	2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days, or • 10% of the total days rented at fair rental value?	Yes	No
A	A		
B	B		
C	C		

	Properties			Totals (Add Columns A, B, and C)	
	A	B	C		
Income:					
3 Rents received	00	00	00	3	00
4 Royalties received	00	00	00	4	00
Expenses:					
5 Advertising	00	00	00		
6 Auto and travel	00	00	00		
7 Cleaning and maintenance	00	00	00		
8 Commissions	00	00	00		
9 Insurance	00	00	00		
10 Legal and other professional fees	00	00	00		
11 Management fees	00	00	00		
12 Mortgage interest	00	00	00	12	00
13 Other interest	00	00	00		
14 Repairs	00	00	00		
15 Supplies	00	00	00		
16 Taxes	00	00	00		
17 Utilities	00	00	00		
18 Other (list) ▶	00	00	00		
	00	00	00		
	00	00	00		
	00	00	00		
19 Add lines 5 through 18	00	00	00	19	00
20 Depreciation expense or depletion	00	00	00	20	00
21 Total expenses. Add lines 19 and 20	00	00	00		
22 Income or (loss). Subtract line 21 from line 3 (rents) or line 4 (royalties)	00	00	00		
23 Total Real Estate and Royalty income or (loss). Add columns A, B, and C from line 22 and enter the result here				23	00

(g) Name and Address	(h) Check One	(i) Employer Identification Number	(j) Amount
.....	<input type="checkbox"/>		00
.....	<input type="checkbox"/>		00
.....	<input type="checkbox"/>		00
.....	<input type="checkbox"/>		00
24 TOTAL INCOME FROM PARTNERSHIPS, S CORPORATIONS, ESTATES, AND TRUSTS. Add the amounts in column (j). Enter the total here and include on line 25 below. ▶			24 00
25 TOTAL INCOME OR (LOSS). Combine lines 23 and 24. Enter the total here and on Form 40, page 2, Part I, line 5 ▶			25 00



ATTACH TO YOUR TAX RETURN

Name(s) as shown on your return	Identifying number
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Type of return Individual Estate Trust

1 Interest expense on investment debts paid or accrued in 2025 (see instructions).	1		
2 Disallowed investment interest expense from 2024 Form 4952A, line 5.	2		
3 Total investment interest expense. Add lines 1 and 2.	3		
4 Net investment income (see instructions).	4		
5 Disallowed investment interest expense to be carried forward to 2026. Subtract line 4 from line 3. If zero or less, enter -0-.	5		
6 Investment interest expense deduction. Enter the smaller of line 3 or line 4 (see instructions).	6		

GENERAL INSTRUCTIONS

PURPOSE OF FORM

Interest expense paid by an individual, estate, or trust on a loan that is allocable to property held for investment (defined below), may not be fully deductible in the current year. Form 4952A is used to figure the amount of investment interest expense deductible for the current year and the amount, if any, to carry forward to future years.

For more details, refer to Federal Publication 550, Investment Income and Expenses.

CAUTION: The investment interest deduction for Alabama is computed as if the federal passive income limitation did not exist. Net capital gain from the disposition of investment property is included in investment income for Alabama purposes.

WHO MUST FILE

If you are an individual, estate, or trust, and you claim a deduction for investment interest expense, you must complete and attach Form 4952A to your tax return unless all of the following apply:

- Your only investment income was from interest or dividends,
- You have no other deductible expenses connected with the production of interest or dividends,
- Your investment interest expense is not more than your investment income,
- And you have no carryovers of investment interest expense from 2024.

ALLOCATION OF INTEREST EXPENSE UNDER TEMPORARY FEDERAL REGULATIONS SECTION 1.163-8T

If you paid or accrued interest on a loan and you used the proceeds of the loan for more than one purpose, you may have to allocate the interest paid. This is necessary because of the different rules that apply to investment interest, personal interest, trade or business interest, and home mortgage interest. See Federal Publication 550, Investment Income and Expenses.

SPECIFIC INSTRUCTIONS

LINE 1 – INVESTMENT INTEREST EXPENSE

Enter the investment interest paid or accrued during the tax year, regardless of when the indebtedness was incurred. Include interest paid or accrued on a loan (or part of a loan) that is allocable to property held for investment.

Be sure to include investment interest expense reported to you on Schedule K-1 from a partnership or an S corporation. Include amortization of bond premium on taxable bonds purchased after October 22, 1986, but before January 1, 1988, unless you elected to offset amortizable bond premium against the interest payments on the bond. A taxable bond is a bond on which the interest is includible in gross income.

Investment interest expense does not include the following:

- Home mortgage interest,
- Any interest expense that is capitalized, such as construction interest subject to Federal Section 263A.

LINE 4 – NET INVESTMENT INCOME

Net investment income is the excess, if any, of investment income over investment expenses. Include investment income and expenses reported to you on Schedule K-1 from a partnership or an S corporation. Also, include net investment income from an estate or a trust.

INVESTMENT INCOME

Investment income includes income (not derived in the ordinary course of a trade or business) from interest, dividends (reduced by qualified dividends per federal instructions), annuities, royalties, and net gain from the disposition of property held for investment (including capital gain distributions from mutual funds).

PROPERTY HELD FOR INVESTMENT

Property held for investment includes property that produces investment income. Property held for investment also includes an interest in an activity of conducting a trade or business in which you did not materially participate.

INVESTMENT EXPENSES

Investment expenses are your allowed deductions, other than interest expense, directly connected with the production of investment income. For example, depreciation or depletion allowed on assets that produce investment income is an investment expense.

If you have investment expenses that are included as a miscellaneous itemized deduction on line 21 of Schedule A (Form 40), or line 26 of Schedule A (Form 40NR), you may not have to use all of the amount for purposes of line 4 of Form 4952A. The 2% adjusted gross income limitation on Schedule A may reduce the amount.

To figure the amount to use, compare the amount of the investment expenses included on line 21 of Schedule A (Form 40) with the total miscellaneous expenses on line 24 of Schedule A. If you filed Schedule A (Form 40NR), compare the amount on line 26 with the amount on line 29. The smaller of the investment expenses included on line 21 (or line 26) or the total of line 24 (or line 29) is the amount to use to figure the investment expenses from Schedule A for line 4.

Example: Assume line 21 of Schedule A (Form 40) includes investment expenses of \$3,000, and line 24 is \$1,300 after the 2% adjusted gross income limitation. Investment expenses of \$1,300 are used to figure the amount of investment expense for line 4. If investment expenses of \$800 were included on line 21 and line 24 was \$1,300, investment expenses of \$800 would be used.

If you have investment expenses reported on a form or schedule other than Schedule A, include those expenses when figuring investment expenses for line 4.

LINE 6 – INVESTMENT INTEREST EXPENSE DEDUCTION

This is the amount you may deduct as investment interest expense.

INDIVIDUALS

Enter the amount from line 6 on line 13 of Schedule A (Form 40 or 40NR), even if all or part of it is attributable to a partnership or an S corporation. However, if any portion of this amount is attributable to royalties, enter that portion of the interest expense on Schedule E (Form 40 or 40NR).

ESTATES AND TRUSTS

Enter on Form 41, Page 3, Schedule C, Column C, Line 10.

Vehicle Loan Interest Spreadsheet

(Form 40 and 40NR)

Complete for Forms 40 and 40NR, Schedule A, line 11, if you have more than 2 qualifying vehicles. See Form 40 and 40NR instructions for more information.

	a. Date new vehicle purchased (mm/dd/yyyy)	b. Vehicle VIN	c. Vehicle Loan Interest
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21	Total Vehicle Loan Interest. Total Column c, lines 1 through 20. Enter here and line 1 of the Qualified Vehicle Loan Interest Worksheet.		

Qualified Vehicle Loan Interest Worksheet

1	Enter the sum of Schedule A, Lines 11a and 11b or total from vehicle loan spreadsheet.	1		00
2	Enter the smaller of the amount on line 1 or \$10,000.	2		00
3	Enter the amount from Form 40, line 10.	3		00
4	Enter \$100,000 (\$200,000 if married filing jointly).	4		00
5	Subtract line 4 from line 3. If zero or less, enter the amount from line 2 on line 8.	5		00
6	Divide line 5 by \$1,000. If the resulting number isn't a whole number, increase the result to the next higher whole number. (For example, increase 1.5 to 2, and increase 0.05 to 1.)	6		00
7	Multiply line 6 by \$200.	7		00
8	Qualified vehicle loan interest deduction. Subtract line 7 from line 2. If zero or less, enter -0-. Enter this amount on Form 40, Schedule A, line 11c.	8		00

Federal Income Tax Deduction Worksheet

1 Enter the tax as shown on line 22 on 2025 Form 1040/Form 1040-SR/Form 1040NR.	1		00
2 Net Investment Income Tax. Enter amount from line 17, 2025 Form 8960.	2		00
3 Federal Tax. Add Lines 1 and 2.	3		00
4a Earned Income Credit (EIC). Enter the amount from line 27a of 2025 Form 1040/Form 1040-SR.	4a		00
4b Additional Child Tax Credit. Enter the amount from Line 28 of 2025 Form 1040/Form 1040-SR/1040-NR.	4b		00
4c American Opportunity Credit. Enter the amount from line 29 of 2025 Form 1040/Form 1040-SR.	4c		00
4d Refundable Adoption Credit. Enter the amount from line 30 of 2025 Form 1040/Form 1040-SR/1040-NR.	4d		00
4e Credits from Forms 2439. Enter the amount from Schedule 3, Part II, line 13a of 2025 Form 1040/Form 1040-SR/Form 1040NR.	4e		00
5 Add lines 4a, b, c, d and e.	5		00
6 Subtract line 5 from line 3. If amount is negative enter zero also enter on line 12 of Form 40, line 9 of Form 40A or page 2, Part IV, line 4 of Form 40NR.	6		00