

**CERTIFICATION OF ADMINISTRATIVE RULES
FILED WITH THE LEGISLATIVE SERVICES AGENCY
OTHNI LATHRAM, DIRECTOR**

(Pursuant to Code of Alabama 1975, §41-22-6, as amended).

I certify that the attached is/are correct copy/copies of rule/s as promulgated and adopted on Friday, October 18, 2024, and filed with the agency secretary on Friday, October 18, 2024.

AGENCY NAME: Alabama Department of Revenue

INTENDED ACTION: Amend

RULE NO.: 810-3-75-.01

(If amended rule, give specific paragraph, subparagraphs, etc., being amended)

RULE TITLE: Withholding Statement Furnished Employees

ACTION TAKEN: State whether the rule was adopted with or without changes from the proposal due to written or oral comments:

Adopted without changes

NOTICE OF INTENDED ACTION PUBLISHED IN VOLUME XLII, ISSUE NO. 11, AAM, DATED FRIDAY, AUGUST 30, 2024.

STATUTORY RULEMAKING AUTHORITY:

§§40-2A-7(a)(5), 41-10-44.8(a)(2),
41-10-44.8(b), 40-18-74, 40-18-91,
Code of Ala. 1975; Act 2023-421 and
Act 2024-437

(Date Filed)
(For IRS Use Only)
REC'D & FILED
OCT 21, 2024
LEGISLATIVE SVC AGENCY

Vernon Barnett

Vernon Barnett

Certifying Officer or his or her
Deputy

(NOTE: In accordance with §41-22-6(b), as amended, a proposed rule is required to be certified within 90 days after completion of the notice.)

810-3-75-.01 Withholding Statement Furnished Employees.

(1) (a) Each employer, on or before January 31 of each year or within thirty days after termination of the employment, shall furnish each employee a withholding statement (Form W-2) for the preceding year, in duplicate, showing:

1. The total wages paid,
2. The amount of Alabama income tax withheld,
3. The amount of federal income tax withheld,
4. The name and address of the employee,
5. The social security number of the employee, and
6. The employer's name, address, Federal Identification Number and Alabama withholding tax account number.
7. Qualifying severance payments exempt from Alabama income tax pursuant to Section 40-18-19.1, Code of Ala. 1975, must not be shown on the Form W-2 as Alabama wages, but must be disclosed on the form as "Exempt Severance Payments," which can be abbreviated as "ESP."
8. Qualifying overtime wages exempt from Alabama income tax pursuant to Act 2023-421 and Act 2024-437 must not be shown on the Form W2 as Alabama wages, but must be disclosed on the form as "Exempt Overtime Wages," which can be abbreviated as "EX OT WAGES."

(b) Each person paying proceeds from a wagering transaction subject to withholding as described in Section 40-18-91, Code of Ala. 1975, shall furnish the recipient a statement of the amount of winnings subject to withholding and the amount of tax withheld in the same manner and at the same time as required by U.S. Treasury Department Regulation 31.3402(q)-1(f). A true and correct copy of such statement required to be furnished by said Treasury regulation, together with a statement of the amount of Alabama income tax withheld pursuant to Section 40-18-91, Code of Ala. 1975, shall be sufficient.

(c) If it becomes necessary to correct a Form W-2 after it has been delivered to an employee, the new statement should be marked "Corrected by Employer." IRS Form W-2C may be used for this purpose. If the withholding statement is lost or destroyed, the employer is authorized to furnish substitute copies to the employee; however, each substitute must be marked "Reissued by Employer." A copy of each corrected statement must be filed promptly with the Department. A copy of reissued statements should not be filed with the Department.

Author: Neal Hearn

Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 41-10-44.8(a)(2), 41-10-44.8(b), 40-18-74, 40-18-91.

History: Adopted September 30, 1982. Amended June 17, 1988; amended February 8, 1989, filed March 20, 1989. **Amended:** Filed August 26, 1994; effective September 30, 1994. **Amended:** Filed

May 3, 2000; effective June 7, 2000. **Amended:** Filed July 17, 2015; effective August 21, 2015. **Amended:** Filed December 4, 2017; effective January 18, 2018. **Amended:** Published October 31, 2024; effective December 15, 2024.