

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 810
Department or Agency: Alabama Department of Revenue
Rule No.: 810-3-78-.01
Rule Title: Credit For Tax Withheld
Intended Action: Amend

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? NA

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

Cameran Clark
Cameran Clark

Date

Monday, August 19, 2024

REC'D & FILED
AUG 19, 2024
LEGISLATIVE SVC AGENCY

ALABAMA DEPARTMENT OF REVENUE

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Revenue

RULE NO. & TITLE: 810-3-78-.01 Credit For Tax Withheld

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:

Pursuant to the Red Tape Reduction Act 2013-88, this rule has been reviewed and is being amended to remove outdated references to the credit for the Job Development Fee withheld as there are no further projects.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

A public hearing will be conducted at 1:30 P.M. on Tuesday, October 8, 2024, via web-conference. To participate in the upcoming web-conference public hearing please contact the Tax Policy and Governmental Affairs Division at Taxpolicy@revenue.alabama.gov or 334-242-1380 to obtain the appropriate sign-in information for a specific public hearing date. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132 at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also may present their views during the web-conference.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, October 8, 2024

CONTACT PERSON AT AGENCY:

Nicci Adams
Alabama Department of Revenue 4131
Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380

Cameran Clark

Cameran Clark

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

810-3-78-.01

Credit For Tax Withheld.

(1) ~~(a)~~ An employee or other payee from whose wages or other remuneration income tax is withheld, and/or a recipient of proceeds from a wager from which income tax was withheld pursuant to §40-18-91, Code of Ala. 1975, is allowed a credit for the amount withheld on his or her income tax return for the tax year during which the tax ~~was withheld.~~

~~(b) An employee from whose wages a job development fee (JDF) is withheld pursuant to §41-10-44.8b., Code of Ala. 1975, is allowed a credit for the amount withheld on his or her income tax return for the tax year during which the JDF was withheld.~~

(2) (a) Credit will be allowed only if a copy of the withholding statement, Form W-2, is attached to the return.

(b) In the case of withholding from proceeds of a wager, credit will only be allowed if a copy of the statement required to be furnished the recipient under Rule 810-3-75-.01, is attached to the return of the claimant of the credit.

(c) In the case of withholding from a nonwage payment, credit will only be allowed if a copy of the Form 1099 or other information return is attached to the return of the claimant of the credit.

(3) A fiscal year taxpayer is allowed a credit on the fiscal year return for income taxes withheld during the calendar year which ends within the fiscal year. For example, a taxpayer having a fiscal year ending July 31, 2014, is entitled to credit for tax withheld during calendar year 2013.

Author: Neal Hearn

Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-18-78, ~~41-10-44.8(a)(2), 41-10-44.8(b).~~

History: Adopted September 30, 1982. Amended June 17, 1988; Amended February 8, 1989, filed March 20, 1989; effective April 24, 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: Published ; effective .