

APA-1

TRANSMITTAL SHEET FOR NOTICE
OF INTENDED ACTION

Control: 810

Department or Agency: Alabama Department of Revenue

Rule No.: 810-3-75-.03

Rule Title: Annual Returns Of Withholding Tax Information

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

Friday, November 15, 2024

REC'D & FILED
NOV 15, 2024
LEGISLATIVE SVC AGENCY

ALABAMA DEPARTMENT OF REVENUE

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Department of Revenue

RULE NO. & TITLE: 810-3-75-.03 Annual Returns Of Withholding Tax
Information

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:

This rule is being amended to bring the department into alignment with the IRS threshold to electronically file withholding tax informational returns that went into effect January 31, 2024.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

A public hearing will be conducted at 1:30 P.M. on Tuesday, January 7, 2025 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 Cameran Clark, 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, January 7, 2025

CONTACT PERSON AT AGENCY:

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)

810-3-75-.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 wager 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 ~~25~~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 ~~25~~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 ; effective .