

**ALABAMA DEPARTMENT OF REVENUE  
ADMINISTRATIVE CODE**

**CHAPTER 810-3-78  
CREDIT FOR TAX WITHHELD**

**810-3-78-.01****Credit For Tax Withheld.**

(1) 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.

(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.

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**Statutory Authority:** Code of Ala. 1975, §§40-2A-7(a)(5), 40-18-78.

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