

APA-1

### Transmittal Sheet For Notice Of Intended Action

Control: 810

Department or Agency: Revenue

Rule Nos: 810-1-6-.04

Rule Title: Electronic Filing and Payment of Taxes to be Provided Through the Paperless Filing and Payment System

New;  Amended;  Repealed;  Adopt by Reference

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 and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that result from the absence of the proposed rule? N/A

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

Does the proposed rule relate to or effect any matter of litigation which the agency is a party to concerning the subject matter of the purposed rule? No

\*\*\*\*\*  
Does the proposed rule have any 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



Date 07/22/2019

APA-2

ALABAMA DEPARTMENT OF REVENUE  
Tax Policy and Governmental Affairs

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-1-6-.01

Signature Requirements of Tax Returns and Other Documents of All Types Filed by Electronic Methods

INTENDED ACTION

New, Repealed

SUBSTANCE OF PROPOSED ACTION:

The department proposes to In compliance with the Red Tape Reduction Act 2013-88, the above mentioned rule and the corresponding chapter have been reviewed and the department has determined that a consolidation of multiple rules within the rule chapter provides more accurate guidance to taxpayers.

RULE NO. & TITLE

810-1-6-.04

Electronic Filing and Payment of Taxes to be Provided Through the Paperless Filing and Payment System

810-1-6-.13

Requirements For Third-Party Bulk Filers

INTENDED ACTION

Amend

SUBSTANCE OF PROPOSED ACTION:

The department proposes to In compliance with the Red Tape Reduction Act 2013-88, the above mentioned rule and the corresponding chapter have been reviewed and the department has determined that a consolidation of multiple rules within the rule chapter provides more accurate guidance to taxpayers.

RULE NO. & TITLE

810-1-6-.02

Scope Of The Rules

810-1-6-.03

Definitions

810-1-6-.05

Tax Types Covered And Requirements For Tax Returns

810-1-6-.06

Electronic Payment Requirements And Determining Timely Payment

810-1-6-.07

Determining Timely Filing Of Electronic Returns

810-1-6-.12

Taxes Required To Be Filed Electronically

INTENDED ACTION

Repeal

SUBSTANCE OF PROPOSED ACTION:

The department proposes to In compliance with the Red Tape Reduction Act 2013-88, the above mentioned rule and the corresponding chapter have been reviewed and the department has determined that a consolidation of multiple rules within the rule chapter provides more accurate guidance to taxpayers.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **01:45 PM on Tuesday, September 10, 2019, Room 1203, First Floor**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. 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 appear at the hearing to present their views.


**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

Tuesday, September 10, 2019

**CONTACT PERSON AT AGENCY:**

Meagan Barrett

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



Michael D. Gamble, Secretary  
Alabama Department of Revenue

810-1-6-.04 Electronic ~~Filing And~~ Payment Of Taxes To Be Provided Through ~~The Paperless Filing And Payment System.~~

~~(1) Under the authority of Chapter 30 of Title 40, Code of Ala. 1975, the department shall sponsor a paperless filing and payment system for the purpose of providing taxpayers with the capability to electronically file and pay the taxes enumerated in Rule 810-1-6-.05. The system will provide two electronic filing and payment options: to file and/or pay via the Internet or using the toll-free interactive voice response/touchtone telephone system (IVR). The paperless filing and payment system is the only means available to taxpayers for electronically filing returns for the taxes enumerated in Rule 810-1-6-.05(1).~~

~~(2) (1) The system shall have an e-file/e-pay application and an e-pay only application. The e-file/e-pay application shall electronic filing and payment system will provide the taxpayer with the capability of electronically filing a return and paying the tax due by electronic funds transfer using Automated Clearing House (ACH) debit or credit method, except as noted in section (4) (3). An ACH debit method taxpayer who is not required to pay the tax due by electronic funds transfer can utilize the system to electronically file a return and choose to make payment by check rather than authorizing an electronic payment. However, payment by check option is not available for electronically filed Income Tax Withholding and Non-State Administered Local Tax returns. A taxpayer with prior approval from the department to pay by ACH credit method can utilize the system to electronically file a return without authorizing electronic payment through the system. The e-pay only application shall provide the taxpayer with the capability of making an ACH debit method payment or additional payment for returns, outstanding invoices, assessments, and other taxes and fees due the department. The e-pay only application cannot be utilized to make a payment for tax types for which a taxpayer has approval from the department to pay by ACH credit method or to make a payment to a non-state administered locality.~~

~~(3) (2) The submission of a tax return and/or the initiation of an ACH debit method payment via through the **paperless** filing and payment system by the taxpayer or by the taxpayer's authorized representative shall qualify as electronic signature of the person with the responsibility for filing the tax return. The taxpayer is responsible for the accuracy of the tax return information submitted to the department regardless of whether the return is filed by the taxpayer or by the authorized representative. **A taxpayer filing returns or making payments for a business or corporate tax may utilize the View History feature of the paperless filing and payment system to review all of his returns and payments submitted through the system for a period of at least one year.**~~

~~(4) (3) International ACH Transactions.~~

~~(a) Effective September 18, 2009, the National Automated Clearing House Association (NACHA) Operating Rules were amended to require all internationally funded payments sent via the ACH network to be identified as International ACH Transactions (IATs). All IAT entries must carry sufficient information to comply with the requirements of the U. S. Treasury Department's Office of Foreign Assets Control (OFAC).~~

(b) In order to remain in compliance with the rules National Automated Clearing House Association (NACHA) Operating rules, as amended from time to time, the Department of Revenue department may prohibit the initiation of an ACH debit method payment by a taxpayer through the **paperless** filing and payment system when the transaction is an International ACH Transaction as defined by NACHA guidelines. A taxpayer who is prohibited from initiating an ACH debit method payment through the system must make tax payments of \$750 or more by ACH credit method. ACH credit payment method requires pre-registration and department approval. Tax payments made through ACH credit method must be initiated through the taxpayer's financial institution separate from the filing of the return.

**Author:** Deborah Lee and Cameran Clark  
**Authority:** Code of Ala. 1975, §§40-2A-7(a)(5), 40-30-1, 40-30-2, 40-30-3, 40-30-4, 40-30-5, 40-30-6, and 40-30-7, Code of Ala. 1975.  
**History:** **New Rule:** Filed August 30, 2001; effective October 4, 2001.  
**Repealed and New Rule:** Filed September 30, 2009; effective November 4, 2009.  
**Amended:** Filed July 22, 2019;