

APA-1

Transmittal Sheet For Notice Of Intended Action

Control: 810

Department or Agency: Revenue

Rule Nos: 810-3-30-.01

Rule Title: Permission to Change Accounting Period.

New; Amended; Repealed; Adopt by Reference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 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 03/20/2018

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10/96

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-3-30-.01

Rule Title: Permission to Change Accounting Period

_____ New X Amend _____ Repeal _____ Adopt by Reference

- NO This rule has no economic impact.
 YES This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND

BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE
BENEFITS AND BURDEN COMPARISON:

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:
10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:
11. OTHER COMMENTS:

APA-2

**ALABAMA DEPARTMENT OF REVENUE
Individual and Corporate Tax**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-3-13-.01	Taxable Year
810-3-2-.02	Corporations Subject to Alabama Income Tax
810-3-30-.01	Permission to Change Accounting Period.

INTENDED ACTION Amended; Amended; Amended

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above mentioned rules in compliance of the Red Tape Reduction Act 2013-88 to provide language clarification and updates.


TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **01:45 PM on Tuesday, May 08, 2018, 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, May 08, 2018

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

(1) ~~For tax years beginning after December 31, 1989,~~ The change in accounting period for single entity taxpayers will change whenever there is an approved federal accounting period change.

(a) For corporations, filing Alabama returns on a separate entity basis, which become a member of a federal consolidated group, or cease to be a member of a consolidated group, or change from one federal group to another during the taxable year, no change in accounting period is required or permitted if the taxable year after the change in federal group membership will end at the same time as before the change.

~~(b) Alabama separate entity basis part-year returns are not permitted to be combined with Alabama affiliated group consolidated return.~~

~~1. A part-year return is not required following a change of corporate parent, unless the company affected will have a different tax year after the change. If two or more part-year returns are required for federal purposes, these part-year returns should be combined into a single return for Alabama purposes.~~

(2) ~~For tax years beginning after December 31, 1998,~~ The change in accounting period for a consolidated group will change whenever there is an approved federal accounting period change.

~~(3) For tax years beginning before January 1, 1990:~~

~~(a) In all cases in which a taxpayer desires to change from a calendar year to a fiscal year, from a fiscal year to a calendar year, or from one fiscal year to another fiscal year ending at a different date, permission must be obtained from the Department. The request for permission to make such change may be made by letter.~~

~~(b) Except as provided in (1)(a) above, a taxpayer who is required or permitted by federal law or rules to change the accounting period, will automatically receive approval for the same change in accounting period from this Department. Prior approval is not required if a copy of the approved federal change is attached to the first return filed after the accounting period is changed.~~

Authors: Anne Simms, Carmen Mills, Anne Glenn, and Matt Tidwell.
Authority: §§40-2A-7(a)(5), 40-18-57, and 40-18-30, Code of Ala. 1975.
History: Adopted September 30, 1982.
Amended June 17, 1988 filed July 27, 1988.
Repealed and New Rule: Filed May 3, 2000; effective June 7, 2000.
Amended: Filed March 21, 2018