

Transmittal Sheet For Notice Of Intended Action

Control: 810
Rule Nos: 810-2-1
Rule Title: Corporations

Department or Agency: Revenue

New; Amended; Repealed; Adopt by Reference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 proposed 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 05/21/2018

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-2-1

Rule Title: Corporations

_____ New _____ Amend _____ Repeal _____ Adopt by Reference

- NO
 YES

This rule has no economic impact.

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:

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

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-2-1	Corporations
810-2-2	Permit Fees
810-2-5	Registration Of Securities
810-2-6	Franchise Tax and Securities Recording Forms and Returns
810-3-200	Income Tax Forms Appendix I

INTENDED ACTION Repeal

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal the above mentioned chapters because during reviewal of the rules required by the Red Tape Reduction Act they were determined to no longer be needed.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **01:50 PM on Tuesday, July 10, 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, July 10, 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

CHAPTER 810-2-1 CORPORATIONS (Repeal)

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810-2-1-.01 Reserved (Repealed)

Author: Tim Hussey

Statutory Authority: Code of Ala. 1975 §§40-2A-7 (a) (5), 40-14-58,

History: Filed July 19, 1993, withdrawn August 5, 1993. Filed August 13, 1993.
Filed: Repealed December 21, 1993, effective January 25, 1994.

810-2-1-.02 Reserved (Repealed)

Author: Tim Hussey

Statutory Authority: Code of Ala. 1975, §§40-2A-7 (a) (5), 40-14-58.

History: Filed July 19, 1993, withdrawn August 5, 1993. Filed August 13, 1993.
Repealed: Filed December 21, 1993, effective January 25, 1994.

810-2-1-.03 Nonresidents Making Mortgage Loans through Licensed Mortgage Loan Brokers.

(1) Any corporation which is not organized under the laws of this state and has no place of business in this state may take and hold mortgages on real property located

within this state, deposit the proceeds thereof in a bank account, or bank accounts, in this state, collect the debts secured thereby and may appoint a custodian or collection agent who must be duly licensed under the laws of this state, to engage in the business of mortgage loan broker, to hold for such nonresident such securities, collect such debts, manage any property acquired by foreclosure thereof, sell and dispose of any property acquired by foreclosure thereof and enforce the provisions of such mortgages and no such foreign corporations shall be deemed to be doing business in this state solely by reason of doing any or all of the acts designated herein; provided, however, that any custodian or agent appointed under the provisions of this amendment by any such foreign corporation shall pay all applicable municipal license taxes and shall pay an occupational license tax as mortgage loan broker to the State of Alabama of one hundred dollars (\$100.00) for the first year that such broker represents each such foreign corporation and five dollars (\$5.00) annually for representing each foreign corporation thereafter. Any foreign corporation which engages in any of the acts prescribed in this section may sue or be sued in this state in relation to any such mortgages held by it, or real property, securities or debts acquired by it and service of process may be perfected upon such foreign corporation by service upon any resident licensed mortgage loan broker appointed as custodian or agent by such corporation in this state.

(2) No foreign corporation, which does no other acts in this state than those provided in paragraph (1) hereof, shall be required to pay any franchise tax, qualification fee, permit fee, nor shall it be required in any other way to qualify to do business in this state. (Amdt. No. 154 to the Constitution of Ala. 1901).

Author:

Statutory Authority:

History:

810-2-1-.04

Penalty For Engaging In Acts Not Specified.

Any act engaged in within Alabama other than those specified in the above regulation subjects the corporation to those penalties relative to any foreign corporation which engages in business without qualifying to do so under the general qualification statutes.

Author:

Statutory Authority:

History:

810-2-1-.05

Reserved (Repealed)

Author: Tim Hussey

Statutory Authority: Code of Ala. 1975, §§ 40-2A-7 (a)(5), 40-14-58.
Amendment 154 Constitution of Alabama 1903.

History: Filed July 19, 1993, withdrawn August 5, 1993. Filed August 13, 1993.
Repealed: Filed December 21, 1993, effective January 25, 1994.

810-2-1-.06

Minimum Admission Tax.

The minimum amount of capital employed that is acceptable for admission tax purposes is \$100.00. Minimum admission tax is \$25.00.

Author:

Statutory Authority:

History:

810-2-1-.07

Reconciliation Of Admission Tax And Franchise Tax.

The admission tax is paid on the basis of a proposed capital employment in Alabama during the initial year of qualification. It is necessary that when the franchise tax return is filed for the year next succeeding date of qualification that the admission tax return be adjusted to the basis of the franchise tax return and any additional tax be paid.

Author:

Statutory Authority:

History:

810-2-1-.08

Merger Or Consolidation Of Domestic Corporation With Foreign Corporation.

Where a domestic corporation merges or consolidates with a foreign corporation properly qualified to do business in Alabama and continues as a foreign corporation, the continuing corporation is not required to qualify. However, if the foreign corporation is not qualified to do business in this state as a foreign corporation it would be required to qualify.

Author:

Statutory Authority:

History:

810-2-1-.09

Merger Or Consolidation Of Two Or More Foreign Corporations.

Where two or more foreign corporations properly qualify to do business in Alabama merge or consolidate, the continuing corporation is not required to qualify; provided however, that a foreign corporation resulting from or surviving any consolidation, or merger of two or more foreign corporations that is not at the time of such consolidation or merger qualified to do business in this state as a foreign corporation, shall not thereafter do any business in this state without first qualifying to do business in Alabama.

Author:

Statutory Authority:
History:

810-2-1-.10 **Basis Of The Admission Tax Return.**

Admission tax return is to be based on actual amount of capital employed or to be employed during the initial year of operation.

Author:

Statutory Authority:

History:

810-2-1-.11 **Estimated Basis.**

Admission tax returns are accepted when filed on an estimated basis and the corporation qualified. The corporation should not report an amount less than the sum of tangible property within Alabama plus intangible assets attributable to Alabama at date of qualification as the measure of admission tax. It is the responsibility of the corporation to file an amended return at the close of the initial year of operation and make any adjustments necessary to reflect the actual amount of capital employed.

Author:

Statutory Authority:

History: