

APA-1

Transmittal Sheet For Notice Of Intended Action

Control: 810

Department or Agency: Revenue

Rule Nos: 810-3-28-.09

Rule Title: Requirements for the Alabama Electronic Partnership/LLC Return of Income Tax Return

New; Amended; Repealed; Adopt by Reference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 Reference Service.



Signature of certifying officer

Date 10/20/2017

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-3-28-.09

Rule Title: Requirements for the Alabama Electronic Partnership/LLC Return of Income Tax Return

X 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

810-2-8-.12 Requirements for the Alabama Electronic Business Privilege Tax Return.
810-3-27-.05 Requirements for the Alabama Electronic Individual Income Tax Return.
810-3-27-.07 Requirements for Electronic Filing Software.
810-3-28-.05 Requirements for Electronic Filing Software - Partnership/LLC Returns.

INTENDED ACTION

Repeal, New

**SUBSTANCE OF
PROPOSED ACTION:
RULE NO. & TITLE**

The department proposes to repeal and replace the above mentioned rules in order to comply with the Red Tape Reduction Act 2013-088.

810-3-27-.06 Requirements for the Individual Income Tax Declaration for Electronic Filing.
810-3-27-.08 Acceptance into the Alabama Electronic Filing Program, Monitoring, and Revocation of Acceptance into the Program.
810-3-28-.02 Participation in the Federal/State Electronic Filing Program - Partnership/LLC Returns of Income.
810-3-28-.03 Requirements For The Alabama Electronic Partnership/LLC Return Of Income.
810-3-28-.04 Requirements for the Partnership/LLC Return of Income Declaration for Electronic Filing.
810-3-28-.06 Acceptance Into The Alabama Electronic Filing Program, Monitoring, And Revocation Of Acceptance Into The Program.
810-3-28-.07 Alabama Requirements for Mandatory E-File of Original Partnership/Limited Liability Company Income Tax Returns.
810-3-29-.08 Alabama Requirements for Mandatory E-File of Fiduciary Income Tax Returns.
810-3-176-.01 Composite Returns of Alabama S Corporations.

INTENDED ACTION

Amend

**SUBSTANCE OF
PROPOSED ACTION:**

The department proposes to amend the above mentioned rules in compliance of the Red Tape Reduction Act 2013-088. To add and remove applicable language.

RULE NO. & TITLE

810-3-28-.08 Alabama Requirements for Compliance with Administrative Rule 810-3-28-.07.

INTENDED ACTION

Repeal

**SUBSTANCE OF
PROPOSED ACTION:**

The department proposes to repeal the above mentioned rules in compliance of the Red Tape Reduction Act 2013-088. The rules language is no longer

applicable.

RULE NO. & TITLE

810-3-28-.09

Requirements for the Alabama Electronic Partnership/LLC Return of Income Tax Return.

INTENDED ACTION

New

SUBSTANCE OF PROPOSED ACTION:

The department proposes to create the above mentioned rule to define the filing and payment requirements of an Alabama electronic partnership/LLC return of income.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **01:45 PM on Tuesday, December 12, 2017, 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, December 12, 2017

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

810-3-28-.09 Requirements for the Alabama Electronic Partnership/LLC
Return of Income. (NEW RULE)

(1) SCOPE – To define the filing and payment requirements for an Alabama electronic partnership/LLC return of income filed through the Alabama Business Modernized E-File program. Terms are defined to clarify when an electronic return is considered to be timely filed for accepted and rejected returns.

(2) Return Filing and Payment Requirements.

(a) A complete Alabama electronic partnership/LLC return of income will consist of XML data transmitted electronically and supporting binary documents (such as .pdf documents) as required by the Alabama Corporate Modernized Electronic Filing (MeF) schemas, business rules, and Alabama Business MeF Software Developers and Transmitters Guidelines (Publication 4164). A complete Alabama electronic return must contain the same information as a comparable Alabama partnership/LLC return of income tax return as if filed entirely on paper.

(b) Partnerships/LLCs that electronically file their Alabama Partnership/LLC return of income must also pay their tax liability electronically on the Form PTEC (Nonresident Composite Payment Return) if applicable.

(3) Timely Filed Information for Accepted and Rejected Returns.

(c) The electronic postmark or IRS received date of an accepted Alabama electronic partnership/LLC return of income will be used to determine timely filing of an electronic return in the same manner that the postmarked date is used to determine timely filing of a paper Alabama partnership/LLC return of income.

(d) The electronic postmark date (based on the taxpayer's time zone) will be used as the received date of the electronic transmission if the electronic postmark date is within three (3) days of the IRS received date. However, if there is no electronic postmark date or if the electronic postmark date is greater than three (3) days of the IRS received date then the IRS received date will be used.

(e) If a timely filed electronic return is rejected, the filer has the later of 10 calendar days from the date of the first transmission or the due date of the return (with extensions) to correct the errors and resubmit the return. In order for the Department to acknowledge the transmission date of the original return, the submission ID of the original return must be transmitted in each subsequent filing. If the return is resubmitted and accepted after the due date (with extensions) or the transmission perfection period, the received date will be the transmission date of the accepted resubmitted (perfected) return and not the date that the original rejected return was submitted.

(f) Perfection of a return for electronic re-transmission is generally required

when the original timely filed electronic return had errors in the XML format, or errors that caused the return to fail Alabama partnership/LLC return of income MeF schema validation and/or business rules. Therefore, the transmission perfection period is not an extension of time to file; it is a period of time to correct errors in the electronic file.

(g) If a filer is unable to correct a rejected Alabama partnership/LLC return of income electronic return to an accepted status, the filer must submit their paper return with a copy of the last rejection notification from the Department. To be considered timely filed, such paper return must be postmarked by the later of the due date of the return (including extensions) or 10 calendar days after the date that the Department last gives notification that the return was rejected. If the return is received after the due date or the transmission perfection period, the received date will be the transmission date of the return.

Author: Michaelyn N. Adams and Melissa A. Gillis
Authority: Sections 40-2A-7(a)(5) and 40-30-5, Code of Alabama
1975.
History: New rule: