

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control 810 Department or Agency REVENUE

Rule Nos. 810-3-21-.04

Rule Title: Rebates Allowed for Qualified Production Companies

New; Amend; Repeal; 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 might result from the absence of the proposed rule?

N/A

Are all 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 10/22/13

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-3-21-.04

Rule Title: Rebates Allowed for Qualified Production Companies

New 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
11/96

**ALABAMA DEPARTMENT OF REVENUE
Individual & Corporate Tax Division**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-3-2-.01 Individuals Subject to Alabama Income Tax

INTENDED ACTION: Amend the above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to include federal military spouse taxation changes.

RULE NO. & TITLE

810-3-29-.02 Participation in the Federal/State Electronic Filing Program -
Fiduciary Income Tax Returns

810-3-29-.06 Acceptance into the Alabama Electronic Filing Program,
Monitoring, and Revocation of Acceptance into the Program

INTENDED ACTION: Adopt new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rules to provide guidance for electronic filing of fiduciary income tax returns.

RULE NO. & TITLE

810-16-1-.02 Rebates Allowed for Qualified Production Companies

INTENDED ACTION: Repeal above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal the above rule which is currently located in Administrative Rule Chapter 810-16-1. The purpose of this action is to move the above rule from its existing location and place it in Administrative Rule Chapter 810-3-21.

RULE NO. & TITLE

810-3-21-.04 Rebates Allowed for Qualified Production Companies

INTENDED ACTION: Adopt a new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule which pertains to rebates allowed for qualified production companies. This rule is currently located in Administrative Rule Chapter 810-16-1 and should be relocated to the Individual & Corporate Tax chapter of administrative rules.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 2:00 p.m. on Thursday, December 12, 2013, Room 1203, First Floor, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at ww.revenue.alabama.gov/rulehear.html.

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 during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
Thursday, December 12, 2013

CONTACT PERSON AT AGENCY:

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



Michael D. Gamble, Secretary
Alabama Department of Revenue

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810-3-21-.04 Rebates Allowed for Qualified Production Companies. (NEW RULE)

(1) Purpose. This rule sets forth guidelines and procedures to be used by the Department of Revenue in the administration of Act 2009-144, as codified in Article 3, Chapter 7A of Title 41 of the Code of Alabama 1975.

(2) Definitions. For purposes of this rule, all capitalized terms shall have the meaning provided by Alabama Film Office Rule 281-3-1-.02. In addition, the term "Notice of Rebate Available" shall mean the written notice from the Alabama Film Office certifying the amount of Rebate determined to be available to a Qualified Production Company.

(3) A Qualified Production Company that satisfies the provisions of Section 41-7A-40 through 41-7A-48 of the Code of Alabama 1975 and produces a State-Certified Production shall be entitled to claim a Rebate, in an amount not to exceed that set forth in the Notice of Rebate Available on its Alabama income tax return for the tax year during which production activities in Alabama on the State-Certified Production were completed.

(4) The Rebate may be used to offset the Alabama income tax liability of the Qualified Production Company for the tax year during which production activities in Alabama on the State-Certified Production were completed. The amount by which the Rebate exceeds the Qualified Production Company's Alabama income tax liability shall be refunded to the Qualified Production Company. If production activities in Alabama on the State-Certified Production took place in more than one tax year, the Qualified Production Company must be current in its income tax filings for all tax years during which production activities on the State-Certified Production took place in Alabama before a Rebate can be claimed.

(5) To claim the Rebate, the Qualified Production Company shall:

(a) Include the Notice of Rebate Available with its Alabama income tax return, and

(b) Submit the Alabama income tax return with the claimed Rebate to The Department of Revenue's Office of Economic Development. The Qualified Production Company's tax year must be closed before it can file its Alabama income tax return claiming the Rebate.

Author: Kelly Graham and Ann F. Winborne, CPA
Authority: Sections 40-2A-7(a)(5) and 41-7A-40 through 48, Code of Alabama 1975
History: