

810-3-25-.07 Estates and Trusts, Miscellaneous Information.

(1) Estates and trusts are required to file Alabama Form 41, Fiduciary Income Tax Return, by the 15th day of the fourth month following the close of their calendar or fiscal year.

(a) The entity will be granted an automatic five month extension of time for filing the fiduciary return.

(b) An entity that fails to file the required return by the extended due date may not be granted an automatic extension the following (ensuing) year, but may be required to request the extension in writing. If a written request is required, the request must be made to the Commissioner of Revenue or to his designee, and must explain the reason for the request and the reason for failing to timely file the return in the previous year. The request also must state that the entity has no outstanding debts owed to the Department.

(2) (a) The fiduciary is required to make and file the return and pay the tax on the taxable income of an estate or trust. An extension of time granted to file the fiduciary return pursuant to this section is not an extension of time for payment of tax. The amount of tax due must be paid on or before the due date of the return without regard to the extension to file the return.

1. Payment of the tax shall be made via the paper Payment Voucher or by Electronic Funds Transfer (EFT).

2. However, payment must be made via EFT if the payment exceeds \$750. Please refer to Regulations 810-13-1-.01 and 810-13-1-.03.

3. Underpayment of tax penalties plus any applicable interest will be imposed as provided by law without regard to any extension granted under this section.

(b) If a fiduciary receives income which is to be distributed to a nonresident beneficiary, the fiduciary shall file with his or her return a schedule showing the amount of income distributed to each such beneficiary and the portion thereof which is exempt and the portion which is subject to Alabama tax.

(3) (a) For rules on recognition of gain or loss on transfer of property to or from an estate, trust, or beneficiary, see § 40-18-8, Code of Alabama 1975.

(b) For rules on basis of property transferred to or from an estate, trust, or beneficiary, see § 40-18-6.

(4) The Internal Revenue Code contains provisions similar to those of § 40-18-25. Decisions and interpretations of the federal courts and agencies will be given due weight in interpreting this section.

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