

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

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-2-8-.16 Alabama Requirements for Mandatory E-File of Business Privilege
Tax Returns

INTENDED ACTION: Adopt new rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rule to explain the electronic filing mandate requirements for business privilege tax returns prepared by financial institution groups.

RULE NO. & TITLE

810-3-61-.01 Definition of Terms and Phrases used in Connection with the Scholarship
Program
810-3-61-.02 Credits for Contributions to Scholarship Granting Organizations (SGOs)
810-3-61-.03 Application of Scholarship Granting Organizations (SGOs) for
Participation in the Scholarship Program
810-3-61-.04 Receipt, Maintenance and Disbursement of Scholarship Funds by
Scholarship Granting Organizations (SGOs)
810-3-61-.05 Annual Report of Scholarship Granting Organizations (SGOs)
810-3-61-.06 Notice of Nonpublic School to the Department of its Intention to
Participate in the Scholarship Program
810-3-61-.07 Continuing Eligibility of Scholarship Granting Organization (SGO) to
Participate in the Tax Credit Scholarship Program

INTENDED ACTION: Amend rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rules to comply with the provisions of Act 2015-434, concerning Scholarship Granting Organizations (SGOs).

RULE NO. & TITLE

810-3-61-.08 Percentage of Low-Income Eligible Students in a County

INTENDED ACTION: Repeal rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal the above rule to comply with the provisions of Act 2015-434, concerning Scholarship Granting Organizations (SGOs).

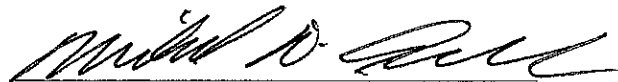
TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **2:00 p.m. on Wednesday, September 9, 2015, Room 1203, First Floor**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://revenue.alabama.gov/analysis/upcoming-rule-hearings.cfm>

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:
Wednesday, September 9, 2015

CONTACT PERSON AT AGENCY:

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-3-61-.03

Rule Title: Application of Scholarship Granting Organizations (SGOs) for Participation in the Scholarship Program.

 New X 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:

810-3-61-.03 Application of Scholarship Granting Organizations (SGOs) for Participation in the Scholarship Program.

(1) Scope: Act 2013-64, as amended by Acts 2013-265 **and 2015-434**, provides for the creation of an SGO to receive scholarship donations for the purpose of making scholarship grants. This rule prescribes procedures for the inclusion of SGOs on the Department's list of organizations eligible for receiving scholarship donations entitling donors to the tax credits.

(2) Organizations must apply to the Department using a form available on the Department's website after July 1, 2013.

(3) The IRS approval letter exempting the organization from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code must be submitted to the Department as part of the application process.

(4) The SGO must state that it will abide by all requirements in the statute and applicable regulations.

(5) By August 1, 2013 the Department will notify the qualified SGO that it is being included in the list being placed on the Department's website, of organizations approved to accept qualifying scholarship donations pursuant to Section 9 of the Act.

(6) For each application received after the initial cut-off date, the SGO will be notified by the Department if it qualifies, and if so, its name will be added to the list of qualified organizations on the Department's web site.

(7) After receipt of its qualification notice, an SGO may accept scholarship donations, pursuant to Rule 810-3-61-.04.

Author: Curtis Stewart and Neal Hearn

Authority: Sections 40-2A-7(a)(5) and 16-6D-1, Code of Alabama 1975

History: New rule: Filed August 23, 2013, effective September 27, 2013.