

Alabama Department of Revenue
Pass-Through Entity Section
Request for Relief of Composite Payment

Pursuant to Sec. 40-18-24.2, *Code of Alabama 1975*, all subchapter K entities taxed as partnerships are required to file an annual Alabama composite tax return and remit any tax liability due on behalf of non-resident members.

You must submit this form requesting relief from required payments on behalf of non-resident members if extenuating facts and circumstances are present. Please provide any supporting documentation with this form. To ensure proper processing, the request must be submitted 30 days before the original due date of Form PTE-C. If the request is not approved, payments made after the original due date will be subject to interest and penalty charges. Each non-resident member that is included in the request for exemption from the composite payment must complete a non-resident agreement (NRA-R) which must be filed with the PTE-R requesting relief.

All items should be completed in their entirety. If assistance is needed with completing this form, please contact the Pass-Through Entity Section at (334) 353-0928.

Taxpayer Name: _____

Taxpayer FEIN: _____ Tax Year: _____

Billing Notice or Assessment Received? Yes No If **yes**, please attach a copy.

Are multiple flow-through entities involved in a tiered structure? Yes No If **yes**, please provide a list of all taxpayer names, FEINs and also attach an organizational chart that shows the ownership percentages of each flow-through entity.

Are any of the taxpayer's nonresident members/partners considered tax-exempt entities for income tax purposes? Yes No
If **yes**, please identify the members as such in your explanation below.

Detailed Facts to Support Your Relief Request: *(attach additional sheets as needed)*

Complete the following information so that the Department will know who to contact if further information is needed.

Contact Person: _____ Position: _____

Phone Number: (_____) _____ Email Address: _____



UNSIGNED FORMS WILL NOT BE REVIEWED.



Under penalty of perjury, I declare that I have examined this form and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature: _____

Printed Name: _____

Position/Title: _____ Date: _____

Your completed form and supporting documentation pertaining to your request for relief from the composite return payment requirement may be submitted for consideration via fax, email or regular mail to the following:

FAX: (334) 242-1030
EMAIL: Tommy.Galloway@revenue.alabama.gov
MAIL: Alabama Department of Revenue-PTE
Attn: Tommy Galloway
P.O. Box 327900
Montgomery, AL 36132-7900

Instructions for Completion of Schedule NRA-R

Schedule NRA-R must be completed by each nonresident owner of the entity seeking composite payment relief. Once filed, Schedule NRA-R remains in effect until the owner notifies the entity in writing that the Schedule NRA-R has been revoked. A copy should be filed with Form PTE-R. A copy of Schedule NRA-R should be maintained for future reference.

If the Schedule NRA-R is not submitted timely by the entity on behalf of the nonresident owner, when applicable, the entity must complete the Form PTE-C on behalf of that owner and pay to the state an amount equal to 5% multiplied by the owner's pro rata share of income allocated and apportioned to this State as reflected in the entity's return for the period in question. In the spaces provided at the top of the form, insert the name and legal resident address of the owner. Also include the taxpayer identification number (Social Security Number or Federal Employer Identification Number) and the tax year of the owner. **BE SURE TO ENTER THE LEGAL RESIDENCE OF THE OWNER.**

For the Subchapter K entity, enter the Federal Employer Identification Number (FEIN), tax year, name, and address.

In paragraph (2) on Schedule NRA-R, you may elect to insert the name and address of an agent in Alabama (selected by you) that you wish to have for service of documents in connection with the Alabama Income Tax Returns of the owner or the entity. This agency designation is **OPTIONAL** with the owner and is in **ADDITION** to the agents designated by regulation.

This agreement must be signed by the owner in the space provided. If the signature is by an attorney-in-fact, agent, or trustee, enter the proper title or status of the signer in the space provided. The owner may authorize any other person, including an officer, or employee of the entity to execute this agreement on his/her behalf, if a properly executed power of attorney is filed with this Department no later than the date on which this agreement is submitted. If interest/shares of the Alabama partnership is jointly owned, each owner must execute a separate agreement.