

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

SCHEDULE  
**NRA-R**

Alabama Department of Revenue  
**Alabama Composite Payment Relief  
Nonresident Agreement**

For the year January 1 – December 31, 20\_\_\_\_, or other tax year beginning \_\_\_\_\_ 20\_\_\_\_, ending \_\_\_\_\_ 20\_\_\_\_\_.

OWNER SOCIAL SECURITY NUMBER / FEIN \_\_\_\_\_

OWNER TAX YEAR \_\_\_\_\_

NAME \_\_\_\_\_

LEGAL RESIDENT ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_

STATE OF LEGAL RESIDENCE \_\_\_\_\_ ZIP \_\_\_\_\_

OWNER ENTITY TYPE \_\_\_\_\_

SUBCHAPTER K ENTITY FEIN \_\_\_\_\_

SUBCHAPTER K ENTITY TAX YEAR \_\_\_\_\_

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_

STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**AGREEMENT**

As a consideration of allowing the above named entity to elect to be an Subchapter K entity under the provisions of Alabama law, I hereby agree as follows:

- (1) That I will timely file a nonresident income tax return with the Alabama Department of Revenue and include therein my pro rata share of the income, loss and deductions of the above named entity **for any taxable year** in which I am a owner and will pay any tax liability due thereon.
- (2) That I hereby irrevocably appoint the registered agent of the above entity and any agent or officer of the entity present in Alabama as my agent for service of process of any documents from the Alabama Department of Revenue in connection with my income tax returns or those of the entity, and that I hereby consent to personal jurisdiction by the State of Alabama in connection with my income tax returns or those of the entity. In addition, I hereby appoint the following person or firm in Alabama as agent for service of process:  
(OPTIONAL)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- (3) That this agreement will be binding upon my heirs, representatives, assigns, successors, executors and administrators.
- (4) That I understand this agreement may not be revoked or cancelled after the due date (with extensions) of the entity's Alabama return.

\_\_\_\_\_  
SIGNATURE OF OWNER TITLE OR STATUS

(If interest is jointly owned, each owner must execute a separate agreement. If held as trustee or custodian, indicate title or status. If executed under power of attorney, so state.)

**THIS FORM MUST BE ATTACHED TO FORM PTE-R EACH YEAR THE AGREEMENT IS IN EFFECT.**

## 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.