ALABAMA DEPARTMENT OF REVENUE

Procedures and Specifications For Magnetic Media Reporting and Electronic Filing of Wage and Tax Information

FORM **10** 12/04

The Alabama Department of Revenue does not require W-2 information to be submitted by magnetic media or electronic filing, although it is preferred. If you file by magnetic media or electronically through the Internet, you must follow the procedures and specifications outlined on this form. You must also refer to SSA Publication MMREF-1 for record format and specification. Contact SSA for the MMREF-1 specifications at www.ssa.gov/employer.

Changes

Reel tapes are no longer accepted. Year 2004 is the last year we will accept W-2 information cartridge. Year 2005 is the last year we will accept diskette submissions.

Procedures For Magnetic Media Reporting

Each media must be accompanied by a properly completed Form A-3, Annual Reconciliation of Alabama Income Tax Withheld, for each withholding account for whom information is contained on the media. Form A-3 is located in the State of Alabama Employers Returns of Income Tax Withheld coupon booklet. All items on Form A-3 must be properly completed. If the media contains multiple accounts, the Forms A-3 must be arranged in the same order as the accounts appear on the media. Under no circumstances should Form A-3 and the media be sent under separate cover.

Note: Form A-3 provides a space for the number of wage and tax statements transmitted with Form A-3. When filing by magnetic media the figure shown here is the number of "RS" records contained on the media for the employer for whom the Form A-3 is being filed.

It is permissible to send part of the withholding information on magnetic media and part on paper. However, both media and paper copies must be sent together with Form A-3. The figure shown in the space provided for the number of wage and tax statements on Form A-3 must represent a total of the records on both media and paper. Paper copies must include a total page or an adding machine tape showing the amount of Alabama income tax withheld.

• Each withholding tax account on magnetic media must contain a single "RE" record. Multiple "RE" records result in subtotals. This applies to accounts which have multiple locations. All locations reported under a particular Alabama withholding tax account number must be represented by a single "RE" record.

• If multiple cartridges or diskettes are submitted, each media must begin with an "RE" record.

• All media must contain an external label identifying the employer. It must contain the employer's name, Alabama withholding tax account number and year of the report.

• Processed cartridges and diskettes will not be returned.

• Mail your magnetic media and completed Form A-3 to the following address:

Alabama Dept. of Revenue	***OR***	Alabama Dept. of Revenue
Withholding Tax Section		Withholding Tax Section
P.O. Box 327480		50 Ripley St., Room 4326
Montgomery, AL 36132-7480		Montgomery, AL 36104

Procedures for Electronic Filing

The Department offers several options for filing wage and tax information electronically through the Internet.

Businesses with no more than 25 employees can manually enter their wage and tax information. Businesses with more than 25 employees can upload their file created in the MMREF-1 format with the modifications on the back of this form.

• Complete W-2 files must be sent in the electronic file, no paper copies or magnetic media are allowed. The number of W-2's must agree with the number on Form A-3.

• Files must contain only one "RS" record per employee.

• The Sign on ID and Access Code issued by the Department is required to file electronically. This information is located in the State of Alabama Employers Returns of Income Tax Withheld coupon booklet. Contact the Department at (334) 242-1300 if you do not have a coupon booklet and need this information.

• Payroll Services must submit a Bulk Filer Application and be assigned a Sign on ID and Access Code in order to file via the Internet.

W-2 Magnetic Tape/Cartridge/Diskette and Electronic Filing Specifications

DISKETTE:

- Must be 3-1/2" MS-DOS compatible.
- Data must be in ASCII-1 character set.
- File must be named W2REPORT with no extension (.txt).
- Diskettes must be virus scanned before submission.

MAGNETIC CARTRIDGE:

- Must be 3480 non-IDRC, 3490, 3490E.
- Block size must be a multiple of the record size (512).
- Recording mode must be either EBCDIC or ASCII.
- Must be unlabeled or created with IBM OS/VS standard header and trailer labels as specified in MMREF–1.

ELECTRONIC FILE UPLOAD

- The web site to file electronically is www.ador.state.al.us/withholding/efiling.html.
- Data must be recorded in ASCII-1 character set.
- Any file name may be used.
- Virus scan the file before submission.
- Bulk filers must upload only one file.

Record Layout and Content

The Alabama Department of Revenue reads only the "RE and "RS" records. These records must contain the following information in the locations and format specified in SSA Publication MMREF-1. Each record must be exactly 512 bytes and must not include record delimiters (carriage return and/or line feeds).

"RE" – RECORD:

a. Record identifier, columns 1-2.
b. Payment year, columns 3-6.
c. Employer information:
- Federal Employer Identification Number, columns 8-16.
- Employer name, columns 40-96.
- Street address, columns 119-140.
- City, columns 141-162.
- State, columns 163-164.
- Zip code, columns 165-169.
- Zip code extension, columns 170-173.
- State Employer Account Number (Alabama withholding tax account number), columns 401-410 (right justify and zero fill).

"RS" – RECORD:

a. Record identifier, columns 1-2.
b. Employee information:
- Social security number, columns 10-18.
- Employee first name, columns 19-33.
- Employee middle name or initial, columns 34-48.
- Employee last name, columns 49-68.

c. State Employer Account Number (Alabama Withholding Tax Account Number), columns 248-257 (right justify and zero fill).
d. Federal Employer Identification Number, columns 258-266.
e. State code, columns 274-275 (must be AL or 01).
f. State taxable wages, columns 276-286.
g. State income tax withheld, columns 287-297.
h. Federal income tax withheld, columns 298-307.
i. Miscellaneous income (1099), columns 338-348. (Only use this field to report 1099 income from which Alabama tax was withheld.)
j. Payment year, columns 393-396.

* If you do not have payroll software that creates a file in this format, please press the button below.

Create W-2 File Instructions