



VOLUNTARY DISCLOSURE PROGRAM

About

The City of Mobile Department of Revenue (COMDOR) provides a Voluntary Disclosure Program as a *service* to our business taxpayers who are not in compliance with Alabama tax laws regarding City of Mobile municipal taxes but want to come forward and comply.

To be accepted into the program, you must have not been registered, filed a state tax return, made a tax payment, or have been contacted by COMDOR or an agent of COMDOR, such as the Multistate Tax Commission and Alabama Department of Revenue, for seven years prior to the online submission date of the Voluntary Disclosure application.

COMDOR considers contact and the filing or payment of returns on a tax-by-tax basis, so if you have been contacted, filed, or paid a return for one type of tax, it will not disqualify you from submitting an application and/or approval to participate in the program for other tax types.

Submission a Voluntary Disclosure Application

The Voluntary Disclosure Application may be obtained online at CityofMobile.gov. If you or your representatives wish to enter into a Voluntary Disclosure Program, then review the following information and submit an application in person at COMDOR or via email at revenue@cityofmobile.gov.

Taxes Eligible to Apply for Voluntary Disclosure

COMDOR will enter into an agreement for most tax types.

COMDOR does not accept applications for the Voluntary Disclosure Program for sales and use tax with no tax liability.

The COMDOR Voluntary Disclosure Program does not apply outside the police and municipal tax jurisdiction of Mobile, Alabama. You must directly contact the administered locality in which you have nexus to negotiate separate voluntary disclosure treatment if applicable.

COMDOR does not enter into agreements for individual income tax liabilities. However, if an individual taxpayer is a nonresident shareholder or partner of a pass-through entity applying for the Voluntary Disclosure Program, such entity will file composite returns on the individual's behalf.

This program is not open to taxpayers who have at some time filed returns or qualified to do business and have fallen behind in their filing responsibilities within seven years prior to the submission date of the application.

If you are accepted into the program, COMDOR agrees to waive late file and late payment penalties.

Section 40-18-80.1, Code of Ala. 1975, provides a fee for the underpayment of estimated tax in an amount determined by applying the underpayment rate established by U.S.C. §6621. Since this is technically an interest charge and not a true penalty, taxpayers who have filed income tax returns under the terms of the Voluntary Disclosure Program will not receive a waiver of the estimated interest.

Responsibility of the Taxpayer

To participate in the Voluntary Disclosure Program, you must:

- Submit an application to COMDOR, which means allowing the City of Mobile the ability of at least a three-year look-back period.
- File all returns and forms for the period(s) specified in the application and/or requested as part of the application's evaluation within 90 days of the applications submission date or the date it is requested whichever is later.
- Remit all tax and interest due as stated in the invoice within 30 days of receipt.

Three-Year Look-Back Period

The Voluntary Disclosure Program has a mandatory three-year look-back period.

The three-year look-back period is calculated by determining the last three tax years (or 36 months) which are past due as of the date the application is submitted online. For example, corporate income tax returns are generally due three and a half months after the tax year end. If COMDOR receives an application online in July 2023 for corporate income tax on behalf of a company that has a fiscal year end of May 31, 2023, the look-back period would not include the tax year ending May 31, 2023, since this return is not due until September 2023. In this case, the look-back period would include tax years ending May 31, 2020 – May 31, 2022.

If the taxpayer has collected, but not remitted, sales, use, rental, lodgings, mobile telecommunications service, or withholding tax, the look-back period will be extended to include all periods in which tax was collected and not remitted.

The effective date of the application is established as the date the invoice payment is remitted to COMDOR.

Disqualification

The taxpayer may be disqualified and the application denied if any one of the following is found:

- Previous contact of any kind by COMDOR or an agent of COMDOR within seven years prior to the submission of the application online regarding potential liability for the type of tax identified in the agreement, such as:
 - A telephone call
 - An audit or notice of audit

- Payment of tax
- Registration for tax
- Registration with the Secretary of State
- An extension payment
- An estimated tax payment
- The filing of a return
- The taxpayer is currently under audit by COMDOR or an agent of COMDOR.
- Misrepresentation of any facts set forth in the application.
- Failure by the taxpayer to remit payment for the subsequent invoice after submission of an application.

NOTE: If a taxpayer is considering, or in the process of, entering City of Mobile's Voluntary Disclosure Program, no contact or filing of any kind should be initiated (e.g., registering with the Secretary of State or filing an extension) until the application has been submitted online.

Confidentiality

The negotiation, execution, and terms of the Voluntary Disclosure Program application process will not be actively discussed with any taxing authorities or any state or governmental authority or with any person or party, except as such disclosures are following the state's confidentiality laws.

Voluntary Disclosure Returns and Payments

Voluntary Disclosure returns and payments may be mailed to the address below. Sales, use and rental tax return worksheet must be emailed to the email address below. Electronic payments may be remitted online or by mail. If the Voluntary Disclosure returns and payments are not received in accordance with the invoice disbursed in response to the Voluntary Disclosure Application submission, the taxpayer may be billed for penalties, in addition to interest.

Contact Information

If you have any questions regarding Voluntary Disclosure, please contact us at **251-208-7462** or **revenue@cityofmobile.gov** for more information.

**City of Mobile
Department of Revenue
Voluntary Disclosure Program
PO Box 1827
Mobile, AL 36633-1827**



City of Mobile Revenue Department

Application to Request Voluntary Disclosure Agreement

Mail to: City of Mobile Revenue Department P. O. Box 3065 Mobile, AL 36652 Email: revenue@cityofmobile.gov

Physical Delivery: City of Mobile Revenue Department 205 Government St, South Tower, 2nd Floor Mobile, AL 36602 (251) 208-7462

PLEASE PRINT OR TYPE.

Form with fields: Representative's Name/ Title, Representative's Telephone Number, Representative's Firm Name, Representative's Email Address, Representative's Address, Type of Legal Entity of Applicant, City, State, ZIP, Tax Type(s) for which a Voluntary Disclosure Agreement is Requested

Please answer each question fully.

- 1. Is this application for a company that has been acquired or merged into another company?
2. Has the applicant been previously contacted by the City of Mobile Revenue Department regarding these tax types?

(Use additional sheets if necessary.)

- 3. Did the applicant collect sales taxes or other applicable taxes for the City of Mobile that were not remitted?

(Use additional sheets if necessary.)

- 4. Please explain why the applicant's failed to file and pay City of Mobile taxes during the period above.

(Use additional sheets if necessary.)

- 5. Please describe the business activities of the applicant.

(Use additional sheets if necessary.)

- 6. For each tax type for which a voluntary disclosure is requested, please provide an estimate of the total unpaid tax liability and the unpaid tax liability for the look-back period

(Use additional sheets if necessary.)

To the best of my knowledge of all available information, this Voluntary Disclosure Application is accurate and complete, and any and all pertinent information has been disclosed. I understand that any intentional or accidental misrepresentation may result in the denial of the application, the loss of a limited look-back period, and the forfeiture of any penalty waiver.

Furthermore, I acknowledge the following:

- Participation in the Voluntary Disclosure Program is strictly voluntary. Therefore, compliance with all of the rules and requirements in the overview of the Voluntary Disclosure Program is mandatory in order to participate.
- The negotiation, execution, and terms of the Voluntary Disclosure Program application process will not be actively discussed with any taxing authorities or any state or governmental authority or with any person or party, except as such disclosures are following the state's confidentiality laws.
- According to Section 40-18-80.1, Code of Ala. 1975 and established by U.S.C. §6621, the Voluntary Disclosure Program will not waive any interest.
- At the discretion of the City of Mobile's Department of Revenue, the applicant will be evaluated and receive an invoice for the amount due to the City.

Signature of Representative

Date (mm/dd/yyyy)
