

## Income/Franchise:

### Alabama: Adopted Rule Changes Reflect Move from Double-Weighted to Single Sales Factor

*Amended Reg. Section 810-27-1-.09*, Ala. Dept. of Rev. (12/30/21). The Alabama Department of Revenue adopted rule changes reflecting legislation enacted in 2021 [see H.B. 170 (2021) and previously issued Multistate Tax Alert for more details on this new law] that, effective for periods beginning on or after January 1, 2021, moves from a three-factor double-weighted sales apportionment formula to a single-sales factor formula for state corporate income tax purposes. The revisions include requiring the apportionment formula to include the pro rata share of an unincorporated entity's (e.g., a partnership, unincorporated joint-venture, limited liability company taxed as a partnership, etc.) factor data in instances where certain taxpayers have a business interest in the unincorporated entity. Please contact us with any questions.

**URL:** <https://revenue.alabama.gov/wp-content/uploads/2017/05/810-27-1-.09.pdf>

**URL:** <https://legiscan.com/AL/text/HB170/id/2289380>

**URL:** <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-alabama-passes-wide-ranging-tax-legislation-addressing-the-cares-act-and-federal-covid-relief.pdf>

— Chris Snider (Miami)  
Managing Director  
Deloitte Tax LLP  
[csnider@deloitte.com](mailto:csnider@deloitte.com)

Joe Garrett (Birmingham)  
Managing Director  
Deloitte Tax LLP  
[jogarrett@deloitte.com](mailto:jogarrett@deloitte.com)

John Paek (Atlanta)  
Principal  
Deloitte Tax LLP  
[jpaek@deloitte.com](mailto:jpaek@deloitte.com)

Meredith Harper (Birmingham)  
Senior Manager  
Deloitte Tax LLP  
[meharper@deloitte.com](mailto:meharper@deloitte.com)

This document contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This document is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this document.

**About Deloitte**

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.