

Instructions for Form WNR-V

Use Form WNR-V to remit Alabama tax withheld on sales or transfers of real property and associated tangible personal property by non-residents. The determination of the amount to be withheld (if any), not to exceed net proceeds, will be made on Form NR-AF2, Affidavit of Seller's Gain.

The amount of withholding tax remitted will be credited to the Alabama income tax account of the seller/transferor as an estimated tax payment. The seller/transferor must claim credit for the payment on the Alabama income tax return. A separate form must be completed for each seller/transferor who will be required to file an Alabama income tax return.

Remit tax by mailing this form with payment for the amount on Line 12 on or before the last day of the month following the closing. The seller/transferor should retain 2 copies of the form and give a copy to the buyer/transferee. For additional information or assistance, contact the Individual and Corporate Tax Division at 334-242-1300.

The buyer may rely on the seller's affidavit unless the buyer knows or should know, based on the buyer's knowledge at the time of closing, that statements made on the affidavit are false. The buyer has no duty to investigate the statements made on a seller's affidavit.

Form WNR-V and remittance should be mailed to the

Alabama Department of Revenue
Individual and Corporate Tax Division
PO Box 327950
Montgomery, AL 36132-7950.

Instructions for Preparing Form WNR-V

Line 1. If more than one seller/transferor, submit a separate form for each.

Line 2. Social security number if an individual; FEIN if a corporation or other organization with an FEIN.

Lines 3. and 4. If mailing address is a Post Office Box, also list street address.

Line 5. If more than one buyer/transferee, submit a separate form for each.

Line 6. Social security number if an individual; FEIN if a corporation or other organization with an FEIN.

Lines 7. and 8. If mailing address is a Post Office Box, also list street address.

Line 9. Date the sale or transfer of real property and associated tangible personal property took place.

Line 10. Total amount paid for the real property and associated tangible personal property, including the value of any real, personal, tangible or intangible property given in consideration of the sale or transfer.

Line 11. If the taxable gain from the sale or transfer is known, and the taxable amount or gain is less than the sales price, the seller/transferor may execute an Affidavit of Seller's Gain (Form NR-AF2) to the buyer, swearing to the taxable amount or gain, and the amount to be withheld (Line 12) may be computed using the taxable amount or gain; otherwise, the amount to be withheld and remitted (Line 12) is to be calculated based on the total sales price (Line 10).

Line 12. For individual buyers or transferees, the amount withheld and remitted (not to exceed net proceeds) to the State is 3% of the total sales price (Line 10), unless the seller/transferor has supplied an affidavit (Form NR-AF2) to the buyer/transferee, swearing to the taxable amount or gain, in which case, the amount to be withheld and remitted to the State shall be computed as 3% of the taxable amount or gain (Line 11).

For corporate, partnership, unincorporated association, or other entity buyers or transferees, the amount withheld and remitted (not to exceed net proceeds) to the State is 4% of the total sales price (Line 10), unless the seller/transferor has supplied an affidavit (Form NR-AF2) to the buyer/transferee swearing to the taxable amount or gain, in which case, the amount to be withheld and remitted to the State shall be computed as 4% of the taxable amount or gain (Line 11).

Line 13. Check the appropriate box for the seller/transferor.

On the voucher portion of the Form WNR-V, "Tax Period of Seller" – Enter the last day of the current year (year of the sale of the property). For example, a taxpayer who files an income tax return on a calendar year basis would enter, "12/31/2008." A taxpayer who files an income tax return on a fiscal year basis would enter the last day of the taxpayer's fiscal year.