

The Alabama Taxpayers' Newsletter TM

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The law firm of JEFF PATTERSON LLC was founded to represent taxpayers. Its clients include in-state and out-of-state business entities — both large and small — and individuals. Because JEFF PATTERSON LLC highly values confidentiality, the firm does not disclose the identity of its clients. Prior to founding the firm, Jeff Patterson practiced law inside the Alabama Department of Revenue for more than 13 years.

The firm represents clients before state and local tax agencies in Alabama, and before the IRS, and has represented clients before tax agencies in other states and before the United States Supreme Court. The following is a partial list of the firm's areas of representation:

- sales and use taxes
- income tax
- business privilege tax
- trust fund recovery penalty
- local taxes
- federal income/excise taxes
- tax incentives
- regulatory matters
- audits (incl. third party)
- tax litigation
- property tax
- tax-exempt recognition
- collection matters
- unclaimed property.

TAXPAYER HOTLINE ESTABLISHED FOR COMPLAINTS AGAINST PRIVATE AUDITING AND COLLECTION COMPANIES

Alabama law allows local government entities — counties and cities — to contract out certain government tax-auditing and collection functions to private, for-profit companies. Many counties and cities have chosen to do so, with results for some Taxpayers being very problematical.

Last year, in Act 2016-406, the Alabama Legislature required the establishment of a toll-free hotline so that Taxpayers can submit complaints concerning the activities of such private firms. The Act, which took effect January 1, 2017, placed the responsibility of implementing the hotline on the Alabama Local Tax Institute of Standards and Training (ALTIST), which was established in 1998 to administer a certification program for private-firm examiners and collectors. (Act 2016-406 also required that the certification program include a course on “customer relations and professional courtesy.”)

So, what becomes of a complaint once it is reported on the hotline? According to the Act, ALTIST must transcribe each complaint, and then, beginning April 1, prepare quarterly reports of complaints and forward those reports, with the transcripts, to the private firm who is the subject of the complaints. These reports “shall be made available” to the local government entities that contract with that private firm. However, the reports are “otherwise ... confidential” and are exempted from Alabama’s Open Records Act, which recognizes the right of citizens to inspect the public writings of this state.

In short, Taxpayer complaints will be routed through ALTIST to the private firm that caused the complaint. But there is no requirement in the Act that the private firm attempt to correct a problem or even respond to the Taxpayer. And the reports by ALTIST are only “made available” to local governments. The Act does not state that the reports “shall be provided” to local governments. Thus, it is questionable whether a local government will ever see any reports or Taxpayer complaints.

The toll-free hotline number is 1-855-638-7092.

For more information, contact the firm. ■

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Parting Shot:

"It's hard to believe that America was founded to avoid taxes." Henny Youngman

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