

## Fiduciary Income Tax

Grantor's Statement of Income, Deductions, and Other Items

**Grantor Trust Returns – Alabama Grantor Trust Reporting Requirements.**

Grantor trusts, as described in 26 U.S.C. §671, have an Alabama return filing requirement specified by §§40-18-25 (g) and 40-18-29. Those returns will be prepared as follows: 1. The upper part of page 1 of the Alabama Form 41 will be completed, providing the information requested concerning the grantor trust. Page 1 of the Alabama Form 41 must indicate the trust is a grantor trust. 2. Enter zeroes on page 1, line 1; line 5; line 6 and on page 2, Schedule A line 15.

**Preparation of Alabama Schedule G (For Form 41)**

**Alabama Fiduciary Income Tax Grantor Information.** Enter the tax year information if other than for a calendar year. Also, on the upper right area of the form indicate if the Schedule G is final or amended.

**Trust Information.** Enter information about the trust.

**Grantor's Share of Income/Deductions**

**Line 1.** Enter grantor's share of interest income on Schedule B Alabama Form 40 or Alabama Form 40NR.

If income reported by non-residents beneficiaries is from intangible personal property report to beneficiary state of domicile.

**Line 2.** Enter grantor's share of dividend income on Schedule B Alabama Form 40 or Alabama Form 40NR.

If income reported by non-residents beneficiaries is from intangible personal property report to beneficiary state of domicile.

**Line 3.** Enter grantor's share of capital gain or (Loss) on Schedule D Alabama Form 40, or Alabama Form 40NR.

If income reported by non-residents beneficiaries is from intangible personal property report to beneficiary state of domicile.

**Line 4.** Enter grantor's share of business income on Schedule C Alabama Form 40 or Alabama Form 40NR.

**Line 5.** Enter grantor's share of rents, royalties, partnerships and S Corporations on Schedule E Alabama Form 40 or Alabama Form 40NR.

**Line 6.** Enter grantor's share of estates and trusts on Schedule E of Alabama Form 40 or Alabama Form 40NR.

**Line 7.** Enter grantor's share of farm income on Alabama Form 40 or Alabama Form 40NR.

**Line 8.** Enter grantor's share of ordinary gain or (Loss) from Form 4797 Alabama Form 40 or Alabama Form 40NR.

**Line 9.** Enter grantor's share of other income on of Alabama Form 40 or Alabama Form 40NR.

**Line 10.** Enter total income of line 1 through 9.

**Line 11.** Enter grantor's share of interest on Schedule A of Alabama Form 40 or Alabama Form 40NR.

**Line 12.** Enter grantor's share of taxes on Schedule A of Alabama Form 40 or Alabama Form 40NR.

**Line 13.** Enter grantor's share of fiduciary fees on Schedule A of Alabama Form 40 or Alabama Form 40NR.

**Line 14.** Enter grantor's share of charitable deductions on Schedule A of Alabama Form 40 or Alabama Form 40NR.

**Line 15.** Enter grantor's share of attorney, accountant and return preparer fees on Schedule A of Alabama Form 40 or Alabama Form 40NR.

**Line 16.** Enter grantor's share of other deductions not subject to the 2% floor (attach explanation). Grantor Information. Enter information requested about the grantor on Schedule A of Alabama Form 40 or Alabama Form 40NR.

**Line 17.** Enter grantor's share of allowable miscellaneous itemized deductions subject to the 2% floor (attach explanation) on Schedule A of Alabama Form 40 or Form 40NR.

**Line 18.** Enter total ordinary deductions of lines 11 through 17.

**Line 19.** Enter the grantor's share of income or (Loss). Subtract line 18 from line 10.

**Line 20.** Enter the nonresident grantor's share amount of Alabama source income or (Loss). Subtract line 18 from line 10.

**Line 21.** Enter the nonresident grantor's share of non-Alabama source income of (Loss). Subtract line 18 from line 10.

**Line 22.** Enter grantor share of depreciation on Alabama Form 40 or Form 40NR .

Please provide a detailed explanation and computation for the amounts reported on this line.

**Line 23.** Enter grantor's share of depletion on schedule of Alabama Form 40 or Form 40NR. Please provide a detailed explanation and computation for the amounts reported on this line.

**Line 24.** Enter grantor's share of amortization on Alabama Form 40 or Form 40NR. Please provide a detailed explanation and computation for the amounts reported on this line.

**Line 25.** Enter non-resident grantors composite payment on Alabama Form 40NR.

Please provide the name and FEIN of the entity making the composite payment(s)- if multiple payers please attach a listing to the return.

**Line 26.** Enter grantor's share of tax exempt income on Alabama Form 40 or Form 40NR.