

15 AAC 20 is amended by adding a new section to read:

15 AAC 20.150. Requirement to file returns electronically. (a) A corporation required to electronically file its federal return is required to electronically file its Alaska return.

(b) A partnership required to electronically file its federal partnership information return is required to electronically file its Alaska partnership information return.

(c) Any corporation or partnership not required to electronically file its federal return may voluntarily file its Alaska return electronically.

(d) The department will establish and implement procedures permitting electronic filing of a specific return. A corporation or partnership that files a return electronically must follow the procedures and formats established by the department for the particular return.

(e) The electronic filing requirement is applicable to corporation income tax returns and partnership information returns filed for tax years beginning after December 31, 2014.

(f) For the purposes of this section electronic filing means the process of submitting tax returns over the internet, using tax preparation software that has been provided or preapproved by the department.

15 AAC 20 is amended by adding a new section to read:

15 AAC 20.155. Electronic filing waivers. (a) A waiver of the electronic filing requirement granted by the Internal Revenue Service will be accepted by the department as a waiver to the requirement to electronically file a return under this chapter. The corporation or partnership must notify the department in writing when a waiver from the Internal Revenue Service is granted, in accordance with the department's instructions.

(b) The department may grant a waiver of the requirement to file a return electronically if the following conditions are met:

(1) The entity submits a written waiver request no later than 30 days before the filing due date (including extensions); and

(2) The entity's facts and circumstances are such that complying with the mandate would cause an undue financial hardship. The entity's refusal to purchase or use the requisite software or computer equipment does not, in and of itself, satisfy the conditions for a waiver under this subsection.

(c) When circumstances warrant, the department may, in its discretion, issue an administrative waiver of the requirement to file electronically when the department determines it is necessary to promote the effective and efficient administration of the tax system.

(d) If an electronic tax return cannot be accepted for processing electronically, the entity must contact the department for assistance in correcting the rejected return errors. If the rejected return errors cannot be corrected, the entity must receive written authorization from the department prior to filing a paper return. (Eff. __/__/__, Register ____)

Authority: AS 43.05.080 AS 43.20.160 AS 43.20.300

AS 43.20.030