



STATE OF ALABAMA
DEPARTMENT OF FINANCE
OFFICE OF THE STATE COMPTROLLER

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BOB RILEY
Governor


BILL NEWTON
Acting Director of Finance

THOMAS L. WHITE, JR
CPA (Inactive)
State Comptroller

December 8, 2010

MEMORANDUM

TO: Payroll/Personnel Officers

FROM: Mr. Thomas L. White, Jr. 
State Comptroller

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RE: Advanced Earned Income Tax Credit

The Advance Earned Income Tax Credit (EIC) has been repealed as of January 1, 2011. Employees, as listed on the attachment, who are currently receiving the advanced EIC through payroll, should be notified of this change immediately.

The 2011 Form W-4 is currently not available, but must be completed by each of these employees as soon as possible after the IRS release of the new form (www.irs.gov). This office will programmatically change the TAX class for these employees from "E" for EIC to "B" for Federal and State tax. If an employee has an "T" in the Federal Tax Marital Status, the field will be changed to an "S" for single. The marital status and allowances for Federal Tax should be verified and updated based on the employee's newly completed Form W-4. These changes must be made by January 10, 2011.

NOTE: The effective date on the TAX screen is effective for the pay date and not the pay period dates. The effective date for any changes made in this process will be effective January 1, 2011.

If you have any questions, please contact the GHRS hotline at 242-2188.

TLWjr/slh