

36,000 Alabamians must refile state taxes due to TurboTax error

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An error in TurboTax software means almost 40,000 Alabamians will have to file an amended state return. File photo

As many as 36,000 Alabamians must file amended 2015 state income tax returns due to programming errors in the preparation software.

The Alabama Department of Revenue notified state residents over the summer that mistakes in TurboTax software could have resulted in the filing of incorrect state returns. In some cases, the taxpayers may be owed additional money; others will find that their tax bill has increased.

"Some of our calculations relating to losses from "at-risk" investments were not correct," [TurboTax said in a statement](#). "We updated these calculations and want to help to make sure (a customer's) return is complete and accurate. Because of this error, certain taxpayers may have filed an incorrect Alabama return. We apologize for this error and the inconvenience it may cause."

Taxpayers who received revenue department letters over the summer were directed to the TurboTax website in order to file an amended return. As of this week, the majority of affected taxpayers have not corrected their returns, revenue officials said, and now, a deadline is looming.

TurboTax said customers have until Oct. 23 to use its online application to file amended returns. After that day, users must download a desktop version to complete the process.

State revenue officials are encouraging those affected by the error to file an amended return as soon as possible. TurboTax will reimburse customers for any penalties or interest assessed as a result of the issues.

How do I know if I need to file?

Here's what TurboTax said:

You will need to amend your 2015 Alabama tax return if you received an email from TurboTax that discussed the following:

- In TurboTax interview screen "Federal Refund for Prior Years," you entered your original 2012, 2013, 2014, or 2015 federal refund AND/OR
- In TurboTax interview screen "Federal Income Taxes Paid for a Prior Tax Year," you entered your original 2012, 2013, 2014, or 2015 federal balance due.

You may need to amend your 2015 Alabama tax return if you received an email from TurboTax that discussed the following:

- In TurboTax interview screen "Federal Refund for Prior Years," you entered an amount not related to amending a prior federal return or receiving an adjustment letter from the IRS AND/OR
- In TurboTax interview screen "Federal Income Taxes Paid for a Prior Tax Year," you entered an amount not related to amending a prior federal return or receiving an adjustment letter from the IRS

Information on filing an amended return can be found here, [2015 Alabama Amend Instructions for the TurboTax Online product](#). Taxpayers who have questions or need assistance amending their returns should call TurboTax directly at 1-877-216-2138 and tell the TurboTax agent they are calling about 2015 Alabama: Prior Year Refunds/Payments.

