ALABAMA TAX TRIBUNAL

MIA R. DILLARD,	§	
Taxpayer,	§	DOCKET NO. INC. 26-0017-RC
v.	§	
STATE OF ALABAMA DEPARTMENT OF REVENUE.	§	

OPINION AND POST-TRIAL PRELIMINARY ORDER

This appeal involves the entry by the Alabama Department of Revenue of final assessments of income tax for 2016, 2018, and 2019. A video hearing was held on September 10, 2021. Warren W. Young, Esq., represented the Department, and Revenue Examiner Barbara Lowe testified on behalf of the Department. Mia R. Dillard (the "Taxpayer") represented herself. Rosalita Thomas, the Taxpayer's mother, testified on the Taxpayer's behalf.

This is a domicile case. The law regarding a purported change of domicile is well settled in Alabama. As this Tribunal has held on many occasions:

> Alabama income tax is levied on individuals residing in Alabama, Code of Ala. 1975, § 40-18-2(1), and also on individuals residing and earning income outside of Alabama that are domiciled in Alabama. Code of Ala. 1975, § 40-18-2(7). Simply put, Alabama law provides that a taxpayer domiciled in Alabama is liable for Alabama tax on income earned in the year, regardless of where the taxpayer resided or where the income was earned. A persons' domicile is his true, fixed home to which he intends to return when absent. Whetstone v. State, 434 So. 2d 796 (Ala. 1983). Once Alabama is established as a person's domicile, that domicile is presumed to exist until a new one is acquired. Id. To change domicile from Alabama, a taxpayer must abandon Alabama and also establish a new domicile elsewhere with the intent to remain permanently, or at least indefinitely. Id. … The burden is on a taxpayer asserting a change of domicile to prove that a change of domicile has occurred. Rabren v. Baxter, 239 So. 2d 206

([Ala.] 1970).

Mark E. Bollinger v. Ala. Dep't of Rev., Ala. Tax Trib., dkt. no. 22-390-LP (Mar. 8, 2023), at *2-3.

Thus, the issue in this case is whether the Taxpayer abandoned Alabama as her "true, fixed home to which [she] intends to return when absent," and, if so, whether at that time her intent was to "remain permanently, or at least indefinitely" at the new location. A further question is when these events happened, if they did. Domicile cases are by their very nature fact-intensive inquiries, and a careful examination of the facts of each case is crucial to arriving at the correct result.

I. FACTS & PROCEDURAL HISTORY

The Tribunal makes the following findings of fact:

1. The Taxpayer was born in Maryland, and at age 7 moved with her family to Colorado.
2. The Taxpayer first moved to Alabama at age 8, with her family, in 2001.
3. From January 15, 2016 until January 13, 2017, the Taxpayer volunteered outside Alabama with AmeriCorps, as part of the VISTA (Volunteers in Service to America) program. For this purpose, she was located in North Dakota. However, during that time the Taxpayer considered Alabama to be her permanent residence and the Taxpayer did not have or develop an intent to stay in North Dakota after her term of service ended.
4. The Taxpayer volunteered for another term with VISTA and AmeriCorps,

from March 27, 2017 to January 3, 2018. For this purpose, she was located in Washington, DC.

5. In November of 2017, the Taxpayer received an offer of employment from the United States Department of Homeland Security, U.S. Citizenship and Immigration Services Bureau. She entered federal employment on January 7, 2018, and was hired to work in Alexandria, Virginia. Although the Taxpayer was already physically in Washington, D.C., she considers this to be the date she permanently moved away from Alabama and to the District of Columbia.

6. In 2018, the Taxpayer purchased an automobile in Alabama. The Taxpayer and her mother both testified that the Taxpayer purchased this automobile for her mother's use, and the Taxpayer provided a copy of an insurance policy issued to her mother covering the vehicle, listing her mother as the primary named insured. The Taxpayer was listed as an additional driver.

7. The Taxpayer testified that she did not have or use a car, as she was able to travel locally using public transportation and car sharing services in the Washington area. She testified that car ownership in Washington was unnecessary and expensive. She provided a copy of a news article citing a Department of Transportation study and a private study showing that 36 percent of Washington residents do not own an automobile, and that 45

percent of new residents did not own an automobile.

8. The Taxpayer provided a copy of a marriage license for herself and her spouse issued during 2019, which indicates that the marriage itself occurred in 2021. She testified that she and her spouse continued to live in Washington, D.C.
9. During the years in question, the Taxpayer was registered to vote in Alabama. She voted twice, once in person in the 2012 election and once by absentee ballot in the 2016 election. She changed her voter registration to the District of Columbia in 2020.
10. The Taxpayer provided certified copies of her District of Columbia income tax returns for the years 2018 and 2019.
11. The Taxpayer provided copies of her checking account statements from May through November of 2019. All statements were sent to her at an address in Washington, and the vast majority of transactions shown on the statements occurred in the Washington, D.C. metropolitan area.
12. The Taxpayer provided a copy of a residential lease for herself and her spouse for an address in Washington, dated February 10, 2019 and covering the period March 1, 2019 through August 31, 2020.
13. The Taxpayer provided copies of invoices for several goods and services purchased online in May, June, and July of 2018, with a delivery address in Washington.

14. The Taxpayer provided a copy of the divorce decree between herself and her spouse, granted by the Superior Court for the District of Columbia, and entered on January 26, 2024.
15. The Taxpayer provided a copy of the death certificate relating to her sister, Tristin Dillard, who passed away on February 12, 2024. Her sister had also been living in Washington and the death certificate was issued by the District of Columbia Department of Health.
16. Shortly thereafter in 2024, the Taxpayer's mother, who had been living in Washington attending to her ailing daughter, developed several severe health issues herself. After her daughter's death, she returned to Alabama to seek medical care and to be nearer the rest of her family.
17. The Taxpayer testified that she came to Alabama in September of 2024 to help care for her ailing mother. She testified that she did not intend at that time to live permanently in Alabama.
18. The Taxpayer testified that in January of 2025, she secured employment in Georgia, where she then moved. She continues to reside in Atlanta, Georgia. She has updated her voter registration to Georgia, has obtained a Georgia driver's license, and has a car registered in Georgia.
19. The Department received information from the IRS that the Taxpayer had income during the years 2016, 2018, and 2019 that would have been sufficient to require her to file an Alabama income tax return. After

reviewing its records, the Department determined that it had received no income tax return from a person matching the Taxpayer's name and social security number for any of those years.

20. Therefore, under its authority granted by Ala. Code (1975), § 40-2A-7(b)(1)a, the Department estimated the Taxpayer's Alabama income tax using "the most accurate and complete information reasonably obtainable," which was the IRS information.

21. The Department notified the Taxpayer of its determination in correspondence dated July 7, 2025. Having no response, the Department entered its preliminary assessment for the subject years on September 5, 2025, and then its final assessment on November 19, 2025. The Taxpayer filed her Notice of Appeal with the Tribunal on January 14, 2026.

22. After the Department's final assessment was entered, the Taxpayer submitted an Alabama income tax return for 2016, along with a copy of her North Dakota income tax return for that year. However, the Taxpayer had neglected to sign the Alabama return on page 2. She also had not included a copy of her District of Columbia income tax return, or a Form W-2 from North Dakota employer Osborn, Inc. The Department requested the Taxpayer provide those documents in its Answer of February 18, 2026, and also a copy of her 2016 IRS account transcript.

23. The day before the scheduled hearing, the Taxpayer provided a large

batch of documents, including the IRS account transcript requested above, and the other documents listed above.

II. ANALYSIS

Had the Taxpayer produced her documents previously, I have some doubt whether this case would have proceeded to a hearing. Of course, in the absence of other information, the Department is entitled to use objective indicia in the state's possession to determine the question of someone's domicile, including things like driver's licenses, automobile registrations, voting registrations, and data shared from the Internal Revenue Service or other state or federal agencies.

However, where, as here, the Taxpayer produces credible and voluminous evidence of a change in domicile, the Department's reliance on such indicia becomes difficult to sustain. During the hearing, Ms. Lowe testified that even after having reviewed the Taxpayer's documentation, she remained of the opinion that the Taxpayer had continued to have an Alabama domicile until 2020, when she changed her voter registration to the District of Columbia. That is putting a much heavier burden on a simple voter registration than it can bear.

If often happens that people do not update their voter registration when they move, especially if they are infrequent voters or if their move happens in a year when no elections that interest them occur. Likewise, while the conscientious thing to do is to apply for a new driver's license when one has moved to another state, this task can often be overlooked in the long list of things that must be done to accomplish an interstate relocation. This is especially so when drivers' licenses do not expire for a number of years and are recognized by every other state. Car registrations are a bit weightier as evidence, as they must be renewed yearly. However, the Taxpayer in this situation adequately explained why she did not change the automobile's registration; the car was intended for her mother's use and was garaged and used by her mother in Alabama.

I can easily understand why the Department came to the conclusion that it did without having all the Taxpayer's evidence. I cannot understand its continued insistence that the Taxpayer maintained an Alabama domicile into 2020 based only on a forgotten voter registration and the ownership of an Alabama-registered car. The Taxpayer lived and worked in the greater Washington area. She married and lived with her spouse in Washington. Her sister lived in Washington until her untimely death. The Taxpayer is credible when she testifies that in January of 2018, she had no intent to ever move back to Alabama, and instead she intended to remain in Washington permanently, or at least indefinitely. The Department's argument against all this that she remained domiciled in Alabama is unreasonable.

I find that the Taxpayer was domiciled for income tax purposes in Alabama until January 7, 2018, when she effectively changed her domicile to the District of Columbia. I further find that the Taxpayer remained domiciled in the District of Columbia until January of 2025, when she again changed her domicile, this time to Georgia. The Taxpayer's temporary presence in Alabama to care for her sick mother is irrelevant.

III. ORDERS

The Department's final assessments for 2018 and 2019 are hereby voided in their entirety. With respect to 2016, the Taxpayer is directed to produce to the Tribunal and to the Department's counsel a certified copy of her 2016 District of Columbia tax return, if she filed one, the W-2 form previously requested by the Department, and page 2 of her Alabama income tax return, signed where indicated. The **Taxpayer** is directed to produce these documents by **October 16, 2026**. If the Taxpayer requires more time to secure these documents, she should notify the Tribunal on or before that same date.

Once the Taxpayer has responded as directed above, the **Department** is directed to recalculate the Taxpayer's 2016 Alabama income tax liability, taking into account income taxes paid to the State of North Dakota and the District of Columbia, if any. The **Department** is directed to respond to the Tribunal and the Taxpayer with the recalculated figure no later than **30 days** following her response as directed above.

It is so ordered. This Opinion and Preliminary Order is not appealable to circuit court. Once the Tribunal enters a final order, that final order may be appealed to circuit court within 30 days pursuant to Ala. Code (1975), § 40-2B-2(m)(2).

Entered September 15, 2026.

/s/ *Ralph M. Clements, III*
RALPH M. CLEMENTS, III
Associate Judge
Alabama Tax Tribunal

cc: Mia R. Dillard
David M. Folmar, Esq.