

Alabama Department of Revenue

Montgomery, Alabama

October 1, 2019 through September 30, 2025

Filed: October 16, 2026

ALABAMA DEPARTMENT OF
EXAMINERS of Public Accounts

Rachel Laurie Riddle, *Chief Examiner* | 334-777-0500 | www.alexaminers.gov

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Rachel Laurie Riddle
Chief Examiner

Honorable Rachel Laurie Riddle
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Madam:

An examination was conducted on the Alabama Department of Revenue, Montgomery, Alabama, for the period October 1, 2019 through September 30, 2025, by Examiners Kory LeMaster and Karen McClure. I, Karen McClure, served as Examiner-in-Charge on the engagement, and under the authority of the ***Code of Alabama 1975***, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

Karen McClure
Examiner of Public Accounts

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Contains items pertaining to the purpose, scope and results of the state legal compliance examination.

Agency Overview C

Contains information pertaining to the organization and operation of the Alabama Department of Revenue.

Other Information 1

Exhibit #1 **Official** – a listing of the Official. 2

Department of
Examiners of Public Accounts

EXAMINER'S SUMMARY

Alabama Department of Revenue
October 1, 2019 through September 30, 2025

PURPOSE AND SCOPE OF EXAMINATION

This report presents the results of an examination of the Alabama Department of Revenue (the "Department") and a review of the Department's compliance with applicable laws and regulations of the State of Alabama. This examination was conducted in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the ***Code of Alabama 1975***, Section 41-5A-12. The examination was performed to determine whether the public officers, agents, and employees of the Department properly and lawfully accounted for all money and other public assets, or resources received, disbursed, or in the custody of the Department.

This examination included procedures to determine whether the Department complied with the state laws and regulations that pertain to its financial transactions; personnel; safeguarding of state-owned assets, property, and resources; information dissemination, processing, and retention; and official actions, rulemaking procedures, and meetings. The Department's internal control policies and procedures relating to the areas listed above were also reviewed; however, this examination did not encompass managerial and operational matters, such as whether the Department accomplished its mission or its regulatory, enforcement, investigative, or other oversight activities in an efficient, fair, timely, or legal manner.

The mission and purpose of the Department is described in the accompanying Agency Overview.

RESULTS OF THE EXAMINATION

Nonconsumable personal property in the custody of the Department was compared with the property records maintained by the Property Inventory Control Division of the State Auditor's Office as required by the ***Code of Alabama 1975***, Section 36-16-9. Testing revealed no discrepancies.

Tests performed during the examination did not disclose any significant instances of noncompliance with applicable laws and regulations.

EXIT CONFERENCE

An exit conference was held on September 23, 2026. Individuals in attendance were Mary Martin Mitchell, Acting Commissioner of Revenue; Kelly Graham, Deputy Commissioner; Linda Oliver, Director of Internal Audit; Shanell Rhodes, Audit Manager; Rosa Robinson, Audit Manager; along with Karen McClure, Kory LeMaster and Daniel Dupree from the Department of Examiners of Public Accounts.

Department of
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AGENCY OVERVIEW

Alabama Department of Revenue
October 1, 2019 through September 30, 2025

The Alabama Department of Revenue (the "Department") was established by the ***Code of Alabama 1975***, Sections 40-2-1 through 40-2-66. By law, the Department administers and supervises the collection of most state taxes and fees, except taxes collected on the sale of alcoholic beverages, insurance premium taxes, motor carrier permit fees, unemployment compensation taxes, and other fees which are collected and distributed by other state agencies.

The Department operates from Special Revenue Funds in the State Treasury. The Department's operating funds are derived from legislative appropriations. The Department is subject to the State's normal budget procedures and cannot expend funds without legislative appropriation.

The Commissioner of Revenue is the chief executive officer of the Department. The Commissioner is appointed by and serves at the pleasure of the Governor and is shown on Exhibit 1. Additional information on the Department of Revenue can be found on their website at https://www.revenue.alabama.gov.

Other Information

Official

Mr. Vernon Barnett,
Commissioner

375 South Ripley Street
Montgomery, AL 36104
Phone: (334) 242-1175
https://www.revenue.alabama.gov