

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 810
Department or Agency: Alabama Department of Revenue Sales and Use Tax Division
Rule No.: 810-6-3-.01.03
Rule Title: Fencing for Agriculture Livestock Applications.
Intended Action: New

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? NA

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer

Cameran Clark
Cameran Clark

Date

Monday, August 19, 2024

REC'D & FILED

AUG 19, 2024

LEGISLATIVE SVC AGENCY

ALABAMA DEPARTMENT OF REVENUE SALES AND USE TAX DIVISION

NOTICE OF INTENDED ACTION

**AGENCY NAME:** Alabama Department of Revenue

**RULE NO. & TITLE:** 810-6-3-.01.03 Fencing for Agriculture Livestock Applications.

**INTENDED ACTION:** New

**SUBSTANCE OF PROPOSED ACTION:**

In accordance with the passage of Act 2024-169, this rule is being promulgated to provide guidance on the agriculture fencing exemption.

**TIME, PLACE AND MANNER OF PRESENTING VIEWS:**

A public hearing will be conducted at 1:30 P.M. on Tuesday, October 8, 2024, via web-conference. To participate in the upcoming web-conference public hearing please contact the Tax Policy and Governmental Affairs Division at Taxpolicy@revenue.alabama.gov or 334-242-1380 to obtain the appropriate sign-in information for a specific public hearing date. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132 at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also may present their views during the web-conference.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

Tuesday, October 8, 2024

**CONTACT PERSON AT AGENCY:**

Nicci Adams  
Alabama Department of Revenue 4131  
Gordon Persons Building  
Montgomery, Alabama 36132  
(334) 242-1380

*Cameran Clark*

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Cameran Clark

(Signature of officer authorized  
to promulgate and adopt  
rules or his or her deputy)

810-6-3-.01.03

**Fencing for Agriculture Livestock  
Applications..**

(1) Beginning on October 1, 2024, and ending on September 30, 2029, up to \$25,000 from the sale of fencing materials, such as t-posts, wood posts, barbed wire, net wire, smooth wire, standard metal gates, and other like materials used for the purpose of fencing in agriculture livestock applications are exempt from state sales and use taxes.

(2) This exemption does not apply to county or municipal sales taxes unless approved by resolution or ordinance adopted by the local governing body.

(3) To qualify for this exemption, the retail purchaser must provide the seller with affidavit Form ST:EXC-2 confirming the purchased material is strictly for an agriculture livestock application. The completed affidavit will relieve the seller of the obligation to collect the tax.

**Author:** Christy Vandevender

**Statutory Authority:** §§40-2A-7(a)(5), 40-23-2, 40-23-31, 40-23-62, and 40-23-83, Code of Ala. 1975.

**History: New Rule:** Published \_\_\_\_\_; effective \_\_\_\_\_.