ALABAMA DEPARTMENT OF REVENUE
ADMINISTRATIVE CODE

CHAPTER 810-6-1
GROSS PROCEEDS OF SALES; GROSS RECEIPTS; WHOLESALE SALES; SALES AT WHOLESALE; RETAIL SALES, SALES AT RETAIL; AUTOMOTIVE VEHICLES

810-6-1-.05 Taxability Of Property Sold By Auctioneer.

(1) Retail sales of an auctioneer's own tangible personal property or the consigned tangible personal property of others are subject to Sales Tax.

(2) For the purposes of this rule auctioneers are deemed to have tangible personal property on consignment when they receive payment for the tangible personal property sold, issue the bill of sale or invoice, and pay the owner for the tangible personal property sold with the auctioneer's check or other remittance. Where the owner of the tangible personal property is licensed under the Sales Tax Law and commissions the auctioneer to sell the property in the name of the owner, the auctioneer is not liable for sales tax on the sale of the property.

(3) Sales Tax is due on the gross receipts derived from sales of all tangible personal property sold by persons regularly engaged in conducting auction sales, regardless of how the tangible personal property may have been acquired or by whom it may be owned, except the sale of tangible personal property that normally would not be subject to tax such as a wholesale sale. (§40-23-1(a)(6)).

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