ALABAMA DEPARTMENT OF REVENUE
ADMINISTRATIVE CODE

CHAPTER 810-6-2
TAXES LEVIED ON GROSS SALES AND GROSS RECEIPTS; APPLICABLE TAX RATES

810-6-2-.27 Gold, Coin, And Bullion.

(1) Through May 31, 2018 sales of gold in coin, bullion, nugget, flake, or other form to purchasers within the state are subject to the retail sales or use tax. In any form other than as a mineral in place, not yet extracted, gold is tangible personal property subject to the usual rules of taxation. Therefore, exemption is allowed only if the sale is for resale in the regular course of business or if the gold becomes an ingredient or a component of a new article for sale. Sales to purchasers for investment or speculation are fully taxable and are treated as sales of coins, stamps, paintings, antiques, or other valuables purchased by collectors. When applicable, the tax is measured by the full selling price without deductions for brokerage fees, service fees, or premiums included in the gross price.

(2) Following are a few guidelines for the taxation of gold through May 31, 2018:

(a) Gold purchased and delivered outside the state is subject to use tax at the time it is brought into the state.

(b) Sales of gold to persons who take only a document of ownership covering gold remaining outside of the state are exempt from sales and use tax.

(c) Agents, including gold jobbers and brokers, who sell gold at retail in their own name must collect retail sales tax thereon.

(3) Beginning June 1, 2018 until May 31, 2028, sales of bullion (including coins), gold, silver, platinum, palladium, or a combination of each precious metal (not including jewelry or works of art) that has gone through a refining process and for which the item's value depends on its mass and purity, and not its form, numismatic value, or other value are exempt from sales and use tax.

(4) Sales to persons who use gold in the rendition of professional or commercial services such as dentists or dental laboratories continue to be taxable.

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Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-23-4(a)(51), 40-23-31, 40-23-83.
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