ALABAMA DEPARTMENT OF REVENUE
SALES AND USE TAX DIVISION
ADMINISTRATIVE CODE

CHAPTER 810-6-3
EXEMPTIONS FROM SALES AND USE TAX

810-6-3-.78 Sales Of Aircraft Manufactured, Sold and Delivered In Alabama.

(1) In accordance with Section 40-23-4(a)(37), Code of Ala. 1975, sales of aircraft manufactured, sold and delivered in Alabama that are not permanently domiciled in Alabama and are removed from Alabama are not subject to Alabama sales tax.

(2) An aircraft manufactured, sold and delivered in Alabama shall be considered not permanently domiciled in Alabama if either of the following non-exclusive conditions is true:

(a) The hanger, airstrip, or other housing unit which the aircraft is intended to leave from and return to in the regular course of use is located outside of Alabama, or

(b) The buyer is an air carrier, foreign air carrier or intrastate air carrier, as defined by Section 40101 of Title 49 of the United States Code, 49 USC, Section 40101, and operating pursuant to Part 121 or Part 129, or conducting scheduled or unscheduled services pursuant to Part 135; and the buyer's headquarters is not in Alabama on the date of purchase of the aircraft.

(3) An aircraft manufactured, sold and delivered in Alabama shall be considered removed from Alabama if the first flight of the aircraft after delivery, excluding any intrastate flights for post-delivery maintenance or modification work or for training in Alabama, is planned for a destination outside of Alabama, provided that the foregoing is not the exclusive method for showing removal of an aircraft from Alabama.

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Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-23-4(a)(37),
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