ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
ADMINISTRATIVE CODE

CHAPTER 810-6-5
USE TAX LAW; CONTRACTORS GROSS RECEIPTS TAX; LODGINGS TAX; RENTAL TAX; UTILITY TAXES; MISCELLANEOUS RULES

810-6-5-.11.05 Casual Sales Tax And Use Tax On Automotive Vehicles, Motorboats, Truck Trailers, Trailers, Semitrailers, Travel Trailers, And Manufactured Homes.

(1) The definition of the term "manufactured home" set forth in Code of Ala. 1975, Section 40-12-255(n) is incorporated by reference herein.

(2) The definitions of terms set forth in Code of Ala. 1975, Section 40-23-100, are incorporated by reference herein.

(3) The taxes levied in Code of Ala. 1975, Sections 40-23-101(a) and 40-23-102(a) must be collected by the county licensing official before the automotive vehicle, motorboat, truck trailer, trailer, semitrailer, or travel trailer is registered or licensed.

(4) Licensed dealers in Alabama must collect sales tax on their retail sales of automotive vehicles, motorboats, truck trailers, trailers, semitrailers, and travel trailers and must furnish each customer with documentation on the bill of sale showing the sales price and the amounts and rates of any state, county, and city sales taxes collected at the time of purchase. County and city sales taxes collected by said licensed dealers must be identified as to which specific county and city taxes are being collected. (Section 40-23-104(b))

(5) The county licensing official must report and pay the county and city taxes collected pursuant to Sections 40-23-101(c) and 40-23-102(c) directly to the appropriate county or city taxing authority on forms provided by said local taxing authority. (Section 40-23-104(g))

(6) The taxes levied in Code of Ala. 1975, Sections 40-23-101(b) and 40-23-102(b) must be collected by the county licensing official of the county in which the manufactured home will be initially sited before the decal, which is provided for by Section 40-7-1, is issued to evidence payment of the ad valorem tax due on a manufactured home in Alabama and before any homestead exemption is granted for a manufactured home. In those instances where an annual registration fee is due in lieu of ad valorem tax, the taxes levied in Sections 40-23-101(b) and 40-23-102(b) must be collected by the county licensing official before the decal, which

is provided for by Section 40-12-255(a), is issued to evidence payment of the annual registration fee. When there has been no change of ownership of a manufactured home since a prior decal was issued; the new decal, whether that decal is provided for by Section 40-7-1 or Section 40-12-255(a), can be issued without payment of the sales of use tax. (Section 40-23-104(f))

(7) Persons, firms, or corporations that purchase automotive vehicles which are taxable pursuant to Code of Ala. 1975, Section 40-23-102, must pay the proper tax to the county licensing official. If the vehicle was used in another state and proper sales or use tax was paid to the other state, no additional tax is due. When registering a vehicle pursuant to the International Registration Plan provisions of Section 32-6-56, Code of Ala. 1975, the county licensing official shall accept the vehicle's cab card as evidence that proper tax was paid provided that the cab card was issued at least 90 days prior to the vehicle's use and registration in Alabama. These persons, firms, and corporations, in turn, are not required to report and pay the state consumers use tax levied by Code of Ala. 1975, Section 40-23-61(c), on these same purchases. They are required, however, to report and pay state consumers use tax on out-of-state purchases of power shovels, drag lines, cranes, or any other automotive vehicles not required to be registered or licensed with the county probate judge.

(8) Persons, firms, or corporations who have been issued direct pay permits pursuant to Code of Ala. 1975, Section 40-23-31, must remit the taxes levied pursuant to Code of Ala. 1975, Sections 40-23-101 and 102, to the county licensing official. Accordingly, sales or use tax on purchases by permit holders of automotive vehicles required to be registered or licensed with the county probate judge when such vehicles are purchased from out-of-state dealers, both licensed and unlicensed, or from unlicensed in-state dealers must be remitted to the county licensing official. Tax on such purchases should not be reported by the permit holder under their direct pay permit account or state consumers use tax account. Permit holders must continue to report and pay state consumers use tax directly to the Revenue Department on purchases from out-of-state dealers of automotive vehicles not required to be registered or licensed with the county probate judge. Automotive vehicles purchased by direct pay permit holders from in-state licensed dealers should be purchased tax free and the sales tax reported directly to the Revenue Department by the permit holder under the direct pay permit account. (Adopted August 10, 1982, readopted through APA effective October 1, 1982, amended April 26, 1990) (Sections 40-23-100, et seq.)

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Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-2A-7(a)(1), 40-23-9, 40-23-31, 40-23-83, 40-23-100, et seq., 40-23-111.

History: Notice filed October 20, 1989; filed February 21, 1990; effective March 28, 1990; certification filed March 21, 1990; effective April 26, 1990. **Amended:** Filed August 30, 1994; effective October 4, 1994. **Amended:** Filed June 4, 2004; effective July 9, 2004.