

1 SB235
2 182396-2
3 By Senator Ward
4 RFD: Finance and Taxation Education
5 First Read: 23-FEB-17

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8 SYNOPSIS: Under current law, sales tax exemptions and
9 use tax exemptions are not consistent with each
10 other. This bill standardizes sales and use tax
11 exemptions in order to provide uniformity for
12 taxpayers by aligning current exemptions and
13 incorporating certain sales tax exemptions into the
14 use tax law. This bill provides further for the
15 sales of photographs and commissioned portraits.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT

20
21 To amend Sections 40-23-4, Code of Alabama 1975, to
22 provide an exemption for gross receipts occurring from the
23 services provided by photographers and commissioned portrait
24 artists; and to amend Section 40-23-62, Code of Alabama 1975;
25 relating to exemptions from use tax.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Sections 40-23-4 and 40-23-62, Code of
2 Alabama 1975, is amended to read as follows:

3 "§40-23-4.

4 "(a) There are exempted from the provisions of this
5 division and from the computation of the amount of the tax
6 levied, assessed, or payable under this division the
7 following:

8 "(1) The gross proceeds of the sales of lubricating
9 oil and gasoline as defined in Sections 40-17-30 and 40-17-170
10 and the gross proceeds from those sales of lubricating oil
11 destined for out-of-state use which are transacted in a manner
12 whereby an out-of-state purchaser takes delivery of such oil
13 at a distributor's plant within this state and transports it
14 out-of-state, which are otherwise taxed.

15 "(2) The gross proceeds of the sale, or sales, of
16 fertilizer when used for agricultural purposes. The word
17 "fertilizer" shall not be construed to include cottonseed
18 meal, when not in combination with other materials.

19 "(3) The gross proceeds of the sale, or sales, of
20 seeds for planting purposes and baby chicks and poults.
21 Nothing herein shall be construed to exempt or exclude from
22 the computation of the tax levied, assessed, or payable, the
23 gross proceeds of the sale or sales of plants, seedlings,
24 nursery stock, or floral products.

25 "(4) The gross proceeds of sales of insecticides and
26 fungicides when used for agricultural purposes or when used by
27 persons properly permitted by the Department of Agriculture

1 and Industries or any applicable local or state governmental
2 authority for structural pest control work and feed for
3 livestock and poultry, but not including prepared food for
4 dogs and cats.

5 "(5) The gross proceeds of sales of all livestock by
6 whomsoever sold, and also the gross proceeds of poultry and
7 other products of the farm, dairy, grove, or garden, when in
8 the original state of production or condition of preparation
9 for sale, when such sale or sales are made by the producer or
10 members of his immediate family or for him by those employed
11 by him to assist in the production thereof. Nothing herein
12 shall be construed to exempt or exclude from the measure or
13 computation of the tax levied, assessed, or payable hereunder,
14 the gross proceeds of sales of poultry or poultry products
15 when not products of the farm.

16 "(6) Cottonseed meal exchanged for cottonseed at or
17 by cotton gins.

18 "(7) The gross receipts from the business on which,
19 or for engaging in which, a license or privilege tax is levied
20 by or under the provisions of Sections 40-21-50, 40-21-53, and
21 40-21-56 through 40-21-60; provided, that nothing contained in
22 this subdivision shall be construed to exempt or relieve the
23 person or persons operating the business enumerated in said
24 sections from the payments of the tax levied by this division
25 upon or measured by the gross proceeds of sales of any
26 tangible personal property, except gas and water, the gross
27 receipts from the sale of which are the measure of the tax

1 levied by said Section 40-21-50, merchandise or other tangible
2 commodities sold at retail by said persons, unless the gross
3 proceeds of sale thereof are otherwise specifically exempted
4 by the provisions of this division.

5 "(8) The gross proceeds of sales or gross receipts
6 of or by any person, firm, or corporation, from the sale of
7 transportation, gas, water, or electricity, of the kinds and
8 natures, the rates and charges for which, when sold by public
9 utilities, are customarily fixed and determined by the Public
10 Service Commission of Alabama or like regulatory bodies.

11 "(9) The gross proceeds of the sale, or sales of
12 wood residue, coal, or coke to manufacturers, electric power
13 companies, and transportation companies for use or consumption
14 in the production of by-products, or the generation of heat or
15 power used in manufacturing tangible personal property for
16 sale, for the generation of electric power or energy for use
17 in manufacturing tangible personal property for sale or for
18 resale, or for the generation of motive power for
19 transportation.

20 "(10) The gross proceeds from the sale or sales of
21 fuel and supplies for use or consumption aboard ships,
22 vessels, towing vessels, or barges, or drilling ships, rigs or
23 barges, or seismic or geophysical vessels, or other watercraft
24 (herein for purposes of this exemption being referred to as
25 "vessels") engaged in foreign or international commerce or in
26 interstate commerce; provided, that nothing in this division
27 shall be construed to exempt or exclude from the measure of

1 the tax herein levied the gross proceeds of sale or sales of
2 material and supplies to any person for use in fulfilling a
3 contract for the painting, repair, or reconditioning of
4 vessels, barges, ships, other watercraft, and commercial
5 fishing vessels of over five tons load displacement as
6 registered with the U.S. Coast Guard and licensed by the State
7 of Alabama Department of Conservation and Natural Resources.

8 "For purposes of this subdivision, it shall be
9 presumed that vessels engaged in the transportation of cargo
10 between ports in the State of Alabama and ports in foreign
11 countries or possessions or territories of the United States
12 or between ports in the State of Alabama and ports in other
13 states are engaged in foreign or international commerce or
14 interstate commerce, as the case may be. For the purposes of
15 this subdivision, the engaging in foreign or international
16 commerce or interstate commerce shall not require that the
17 vessel involved deliver cargo to or receive cargo from a port
18 in the State of Alabama. For purposes of this subdivision,
19 vessels carrying passengers for hire, and no cargo, between
20 ports in the State of Alabama and ports in foreign countries
21 or possessions or territories of the United States or between
22 ports in the State of Alabama and ports in other states shall
23 be engaged in foreign or international commerce or interstate
24 commerce, as the case may be, if, and only if, both of the
25 following conditions are met: (i) The vessel in question is a
26 vessel of at least 100 gross tons; and (ii) the vessel in
27 question has an unexpired certificate of inspection issued by

1 the United States Coast Guard or by the proper authority of a
2 foreign country for a foreign vessel, which certificate is
3 recognized as acceptable under the laws of the United States.
4 Vessels which are engaged in foreign or international commerce
5 or interstate commerce shall be deemed for the purposes of
6 this subdivision to remain in such commerce while awaiting or
7 under repair in a port of the State of Alabama if such vessel
8 returns after such repairs are completed to engaging in
9 foreign or international commerce or interstate commerce. For
10 purposes of this subdivision, seismic or geophysical vessels
11 which are engaged either in seismic or geophysical tests or
12 evaluations exclusively in offshore federal waters or in
13 traveling to or from conducting such tests or evaluations
14 shall be deemed to be engaged in international or foreign
15 commerce. For purposes of this subdivision, proof that fuel
16 and supplies purchased are for use or consumption aboard
17 vessels engaged in foreign or international commerce or in
18 interstate commerce may be accomplished by the merchant or
19 seller securing the duly signed certificate of the vessel
20 owner, operator, or captain or their respective agent on a
21 form prescribed by the department that the fuel and supplies
22 purchased are for use or consumption aboard vessels engaged in
23 foreign or international commerce or in interstate commerce.
24 Any person filing a false certificate shall be guilty of a
25 misdemeanor and upon conviction shall be fined not less than
26 \$25 nor more than \$500 for each offense. Each false
27 certificate filed shall constitute a separate offense. Any

1 person filing a false certificate shall be liable to the
2 department for all taxes imposed by this division upon the
3 merchant or seller, together with any interest or penalties
4 thereon, by reason of the sale or sales of fuel and supplies
5 applicable to such false certificate. If a merchant or seller
6 of fuel and supplies secures the certificate herein mentioned,
7 properly completed, such merchant or seller shall not be
8 liable for the taxes imposed by this division, if such
9 merchant or seller had no knowledge that such certificate was
10 false when it was filed with such merchant or seller.

11 "(11) The gross proceeds of sales of tangible
12 personal property to the State of Alabama, to the counties
13 within the state and to incorporated municipalities of the
14 State of Alabama.

15 "(12) The gross proceeds of the sale or sales of
16 railroad cars, vessels, barges, and commercial fishing vessels
17 of over five tons load displacement as registered with the
18 U.S. Coast Guard and licensed by the State of Alabama
19 Department of Conservation and Natural Resources, when sold by
20 the manufacturers or builders thereof.

21 "(13) The gross proceeds of the sale or sales of
22 materials, equipment, and machinery which, at any time, enter
23 into and become a component part of ships, vessels, towing
24 vessels or barges, or drilling ships, rigs or barges, or
25 seismic or geophysical vessels, other watercraft and
26 commercial fishing vessels of over five tons load displacement
27 as registered with the U.S. Coast Guard and licensed by the

1 State of Alabama Department of Conservation and Natural
2 Resources. Additionally, the gross proceeds from the sale or
3 sales of lifeboats, personal flotation devices, ring life
4 buoys, survival craft equipment, distress signals, EPIRB's,
5 fire extinguishers, injury placards, waste management plans
6 and logs, marine sanitation devices, navigation rulebooks,
7 navigation lights, sound signals, navigation day shapes, oil
8 placard cards, garbage placards, FCC SSL, stability
9 instructions, first aid equipment, compasses, anchor and radar
10 reflectors, general alarm systems, bilge pumps, piping, and
11 discharge and electronic position fixing devices which are
12 used on the aforementioned watercraft.

13 "(14) The gross proceeds of the sale or sales of
14 fuel oil purchased as fuel for kiln use in manufacturing
15 establishments.

16 "(15) The gross proceeds of the sale or sales of
17 tangible personal property to county and city school boards
18 within the State of Alabama, independent school boards within
19 the State of Alabama, all educational institutions and
20 agencies of the State of Alabama, the counties within the
21 state, or any incorporated municipalities of the State of
22 Alabama, and private educational institutions operating within
23 the State of Alabama offering conventional and traditional
24 courses of study, such as those offered by public schools,
25 colleges, or universities within the State of Alabama; but not
26 including nurseries, day care centers, and home schools.

1 "(16) The gross proceeds from the sale of all
2 devices or facilities, and all identifiable components
3 thereof, or materials for use therein, acquired primarily for
4 the control, reduction, or elimination of air or water
5 pollution and the gross proceeds from the sale of all
6 identifiable components of or materials used or intended for
7 use in structures built primarily for the control, reduction,
8 or elimination of air and water pollution.

9 "(17) The gross proceeds of sales of tangible
10 personal property or the gross receipts of any business which
11 the state is prohibited from taxing under the Constitution or
12 laws of the United States or under the Constitution of this
13 state.

14 "(18) When dealers or distributors use parts taken
15 from stocks owned by them in making repairs without charge for
16 such parts to the owner of the property repaired pursuant to
17 warranty agreements entered into by manufacturers, such use
18 shall not constitute taxable sales to the manufacturers,
19 distributors, or to the dealers, under this division or under
20 any county sales tax law.

21 "(19) The gross proceeds received from the sale or
22 furnishing of food, including potato chips, candy, fruit and
23 similar items, soft drinks, tobacco products, and stationery
24 and other similar or related articles by hospital canteens
25 operated by Alabama state hospitals at Bryce Hospital and
26 Partlow State School for Mental Deficients at Tuscaloosa,

1 Alabama, and Searcy Hospital at Mt. Vernon, Alabama, for the
2 benefit of the patients therein.

3 "(20) The gross proceeds of the sale, or sales, of
4 wrapping paper and other wrapping materials when used in
5 preparing poultry or poultry products for delivery, shipment,
6 or sale by the producer, processor, packer, or seller of such
7 poultry or poultry products, including pallets used in
8 shipping poultry and egg products, paper or other materials
9 used for lining boxes or other containers in which poultry or
10 poultry products are packed together with any other materials
11 placed in such containers for the delivery, shipment, or sale
12 of poultry or poultry products.

13 "(21) The gross proceeds of the sales of all
14 antibiotics, hormones and hormone preparations, drugs,
15 medicines or medications, vitamins, minerals or other
16 nutrients, and all other feed ingredients including
17 concentrates, supplements, and other feed ingredients when
18 such substances are used as ingredients in mixing and
19 preparing feed for fish raised to be sold on a commercial
20 basis, livestock, and poultry. Such exemption herein granted
21 shall be in addition to exemptions now provided by law for
22 feed for fish raised to be sold on a commercial basis,
23 livestock, and poultry, but not including prepared foods for
24 dogs or cats.

25 "(22) The gross proceeds of the sale, or sales, of
26 seedlings, plants, shoots, and slips which are to be used for
27 planting vegetable gardens or truck farms and other

1 agricultural purposes. Nothing herein shall be construed to
2 exempt, or exclude from the computation of the tax levied,
3 assessed, or payable, the gross proceeds of the sale, or the
4 use of plants, seedlings, shoots, slips, nursery stock, and
5 floral products, except as hereinabove exempted.

6 "(23) The gross proceeds of the sale, or sales, of
7 fabricated steel tube sections, when produced and fabricated
8 in this state by any person, firm, or corporation for any
9 vehicular tunnel for highway vehicular traffic, when sold by
10 the manufacturer or fabricator thereof, and also the gross
11 proceeds of the sale, or sales, of steel which enters into and
12 becomes a component part of such fabricated steel tube
13 sections of said tunnel.

14 "(24) The gross proceeds from sales of admissions to
15 any theatrical production, symphonic or other orchestral
16 concert, ballet, or opera production when such concert or
17 production is presented by any society, association, guild, or
18 workshop group, organized within this state, whose members or
19 some of whose members regularly and actively participate in
20 such concerts or productions for the purposes of providing a
21 creative outlet for the cultural and educational interests of
22 such members, and of promoting such interests for the
23 betterment of the community by presenting such productions to
24 the general public for an admission charge. The employment of
25 a paid director or conductor to assist in any such
26 presentation described in this subdivision shall not be
27 construed to prohibit the exemptions herein provided.

1 "(25) The gross proceeds of sales of herbicides for
2 agricultural uses by whomsoever sold. The term herbicides, as
3 used in this subdivision, means any substance or mixture of
4 substances intended to prevent, destroy, repel, or retard the
5 growth of weeds or plants. It shall include preemergence
6 herbicides, postemergence herbicides, lay-by herbicides,
7 pasture herbicides, defoliant herbicides, and desiccant
8 herbicides.

9 "(26) The Alabama Chapter of the Cystic Fibrosis
10 Research Foundation and the Jefferson Tuberculosis Sanatorium
11 and any of their departments or agencies, heretofore or
12 hereafter organized and existing in good faith in the State of
13 Alabama for purposes other than for pecuniary gain and not for
14 individual profit, shall be exempted from the computation of
15 the tax on the gross proceeds of all sales levied, assessed,
16 or payable.

17 "(27) The gross proceeds from the sale or sales of
18 fuel for use or consumption aboard commercial fishing vessels
19 are hereby exempt from the computation of all sales taxes
20 levied, assessed, or payable under the provisions of this
21 division or levied under any county or municipal sales tax
22 law.

23 "The words commercial fishing vessels shall mean
24 vessels whose masters and owners are regularly and exclusively
25 engaged in fishing as their means of livelihood.

1 "(28) The gross proceeds of sales of sawdust, wood
2 shavings, wood chips, and other like materials sold for use as
3 chicken litter by poultry producers and poultry processors.

4 "(29) The gross proceeds of the sales of all
5 antibiotics, hormones and hormone preparations, drugs,
6 medicines, and other medications including serums and
7 vaccines, vitamins, minerals, or other nutrients for use in
8 the production and growing of fish, livestock, and poultry by
9 whomsoever sold. Such exemption as herein granted shall be in
10 addition to the exemption provided by law for feed for fish,
11 livestock, and poultry, and in addition to the exemptions
12 provided by law for the above-enumerated substances and
13 products when mixed and used as ingredients in fish,
14 livestock, and poultry feed.

15 "(30) The gross proceeds of the sale or sales of all
16 medicines prescribed by physicians for persons who are 65
17 years of age or older, and when said prescriptions are filled
18 by licensed pharmacists, shall be exempted under this division
19 or under any county or municipal sales tax law. The exemption
20 provided in this section shall not apply to any medicine
21 purchased in any manner other than as is herein provided.

22 "For the purposes of this subdivision, proof of age
23 may be accomplished by filing with the dispensing pharmacist
24 any one or more of the following documents:

25 "a. The name and claim number as shown on a
26 "Medicare" card issued by the United States Social Security
27 Administration.

1 "b. A certificate executed by any adult person
2 having knowledge of the fact that the person for whom the
3 medicine was prescribed is not less than 65 years of age.

4 "c. An affidavit executed by any adult person having
5 knowledge of the fact that the person for whom the medicine
6 was prescribed is not less than 65 years of age.

7 "For the purposes of this subdivision, any person
8 filing a false proof of age shall be guilty of a misdemeanor
9 and upon conviction thereof shall be punished by a fine of
10 \$100.

11 " (31) There shall be exempted from the tax levied by
12 this division the gross receipts of sales of grass sod of all
13 kinds and character when in the original state of production
14 or condition of preparation for sale, when such sales are made
15 by the producer or members of his family or for him by those
16 employed by him to assist in the production thereof; provided,
17 that nothing herein shall be construed to exempt sales of sod
18 by a person engaged in the business of selling plants,
19 seedlings, nursery stock, or floral products.

20 " (32) The gross receipts of sales of the following
21 items or materials which are necessary in the farm-to-market
22 production of tomatoes when such items or materials are used
23 by the producer or members of his family or for him by those
24 employed by him to assist in the production thereof: Twine for
25 tying tomatoes, tomato stakes, field boxes (wooden boxes used
26 to take tomatoes from the fields to shed), and tomato boxes
27 used in shipments to customers.

1 "(33) The gross proceeds from the sale of liquefied
2 petroleum gas or natural gas sold to be used for agricultural
3 purposes.

4 "(34) The gross receipts of sales from state
5 nurseries of forest tree seedlings.

6 "(35) The gross receipts of sales of forest tree
7 seed by the state.

8 "(36) The gross receipts of sales of Lespedeza
9 bicolor and other species of perennial plant seed and
10 seedlings sold for wildlife and game food production purposes
11 by the state.

12 "(37) The gross receipts of any aircraft
13 manufactured, sold, and delivered in this state if said
14 aircraft are not permanently domiciled in Alabama and are
15 removed to another state.

16 "(38) The gross proceeds from the sale or sales of
17 all diesel fuel used for off-highway agricultural purposes.

18 "(39) The gross proceeds from sales of admissions to
19 any sporting event which:

20 "a. Takes place in the State of Alabama on or after
21 January 1, 1984, regardless of when such sales occur; and

22 "b. Is hosted by a not-for-profit corporation
23 organized and existing under the laws of the State of Alabama;
24 and

25 "c. Determines a national championship of a national
26 organization, including but not limited to the Professional
27 Golfers Association of America, the Tournament Players

1 Association, the United States Golf Association, the United
2 States Tennis Association, and the National Collegiate
3 Athletic Association; and

4 "d. Has not been held in the State of Alabama on
5 more than one prior occasion, provided, however, that for such
6 purpose the Professional Golfers Association Championship, the
7 United States Open Golf Championship, the United States
8 Amateur Golf Championship of the United States Golf
9 Association, and the United States Open Tennis Championship
10 shall each be treated as a separate event.

11 "(40) The gross receipts from the sale of any
12 aircraft and replacement parts, components, systems, supplies,
13 and sundries affixed or used on said aircraft and ground
14 support equipment and vehicles used by or for the aircraft to
15 or by a certificated or licensed air carrier with a hub
16 operation within this state, for use in conducting intrastate,
17 interstate, or foreign commerce for transporting people or
18 property by air. For the purpose of this subdivision, the
19 words "hub operation within this state" shall be construed to
20 have all of the following criteria:

21 "a. There originates from the location 15 or more
22 flight departures and five or more different first-stop
23 destinations five days per week for six or more months during
24 the calendar year; and

25 "b. Passengers and/or property are regularly
26 exchanged at the location between flights of the same or a
27 different certificated or licensed air carrier.

1 "(41) The gross receipts from the sale of hot or
2 cold food and beverage products sold to or by a certificated
3 or licensed air carrier with a hub operation within this
4 state, for use in conducting intrastate, interstate, or
5 foreign commerce for transporting people or property by air.
6 For the purpose of this subdivision, the words "hub operation
7 within this state" shall be construed to have all of the
8 following criteria:

9 "a. There originates from the location 15 or more
10 flight departures and five or more different first-stop
11 destinations five days per week for six or more months during
12 the calendar year; and

13 "b. Passengers and/or property are regularly
14 exchanged at the location between flights of the same or a
15 different certificated or licensed air carrier.

16 "(42) The gross receipts from the sale of any
17 aviation jet fuel to a certificated or licensed air carrier
18 purchased for use in scheduled all-cargo operations being
19 conducted on international flights or in international
20 commerce. For purposes of this subdivision, the following
21 words or terms shall be defined and interpreted as follows:

22 "a. Air Carrier. Any person, firm, corporation, or
23 entity undertaking by any means, directly or indirectly, to
24 provide air transportation.

25 "b. All-Cargo Operations. Any flight conducted by an
26 air carrier for compensation or hire other than a passenger

1 carrying flight, except passengers as specified in 14 C.F.R.
2 §121.583(a) or 14 C.F.R. §135.85, as amended.

3 "c. International Commerce. Any air carrier engaged
4 in all-cargo operations transporting goods for compensation or
5 hire on international flights.

6 "d. International Flights. Any air carrier
7 conducting scheduled all-cargo operations between any point
8 within the 50 states of the United States and the District of
9 Columbia and any point outside the 50 states of the United
10 States and the District of Columbia, including any interim
11 stops within the United States so long as the ultimate origin
12 or destination of the aircraft is outside the United States
13 and the District of Columbia.

14 "(43) The gross proceeds of the sale or sales of the
15 following:

16 "a. Drill pipe, casing, tubing, and other pipe used
17 for the exploration for or production of oil, gas, sulphur, or
18 other minerals in offshore federal waters.

19 "b. Tangible personal property exclusively used for
20 the exploration for or production of oil, gas, sulphur, or
21 other minerals in offshore federal waters.

22 "c. Fuel and supplies for use or consumption aboard
23 boats, ships, aircraft, and towing vessels when used
24 exclusively in transporting persons or property between a
25 point in Alabama and a point or points in offshore federal
26 waters for the exploration for or production of oil, gas,
27 sulphur, or other minerals in offshore federal waters.

1 "d. Drilling equipment that is used for the
2 exploration for or production of oil, gas, sulphur, or other
3 minerals, that is built for exclusive use outside this state
4 and that is, on completion, removed forthwith from this state.

5 "The delivery of items exempted by this subdivision
6 to the purchaser or lessee in this state does not disqualify
7 the purchaser or lessee from the exemption if the property is
8 removed from the state by any means, including by the use of
9 the purchaser's or lessee's own facilities.

10 "The shipment to a place in this state of equipment
11 exempted by this subdivision for further assembly or
12 fabrication does not disqualify the purchaser or lessee from
13 the exemption if on completion of the further assembly or
14 fabrication the equipment is removed forthwith from this
15 state. This subdivision applies to a sale that may occur when
16 the equipment exempted is further assembled or fabricated if
17 on completion the equipment is removed forthwith from this
18 state.

19 "(44) The gross receipts derived from all bingo
20 games and operations which are conducted in compliance with
21 validly enacted legislation authorizing the conduct of such
22 games and operations, and which comply with the distribution
23 requirements of the applicable local laws; provided that the
24 exemption from sales taxation granted by this subdivision
25 shall apply only to gross receipts taxable under subdivision
26 (2) of Section 40-23-2. It is further provided that this
27 exemption shall not apply to any gross receipts from the sale

1 of tangible personal property, such as concessions, novelties,
2 food, beverages, etc. The exemption provided for in this
3 section shall be limited to those games and operations by
4 organizations which have qualified for exemption under the
5 provisions of 26 U.S.C. § 501 (c) (3), (4), (7), (8), (10), or
6 (19), or which are defined in 26 U.S.C. § 501(d).

7 "(45) The gross receipts derived from the sale or
8 sales of fruit or other agricultural products by the person or
9 corporation that planted, cultivated, and harvested such fruit
10 or agricultural product.

11 "(46) The gross receipts derived from the sale or
12 sales of all domestically mined or produced coal, coke, and
13 coke by-products used in cogeneration plants.

14 "(47) The gross receipts from the sale or sales of
15 metal, other than gold or silver, when such metal is purchased
16 for the purpose of transferring such metal to an investment
17 trust in exchange for shares or other units, each of which are
18 both publicly traded and represent fractional undivided
19 beneficial interests in the trust's net assets, including
20 metal stored in warehouses located in this state, as well as
21 the gross proceeds from the sale or other transfer of such
22 metal to or from such investment trust in exchange for shares
23 or other units that are publicly traded and represent
24 fractional undivided beneficial interests in the trust's net
25 assets but not to the extent that metal is transferred to or
26 from the investment trust in exchange for consideration other
27 than such publicly traded shares or other units. For purposes

1 of this subdivision, the term metals includes, but is not
2 limited to, copper, aluminum, nickel, zinc, tin, lead, and
3 other similar metals typically used in commercial and
4 industrial applications.

5 "(48) For the period commencing on October 1, 2012,
6 and ending May 30, 2022, unless extended by joint resolution,
7 the gross receipts from the sale of parts, components, and
8 systems that become a part of a fixed or rotary wing military
9 aircraft or certified transport category aircraft that
10 undergoes conversion, reconfiguration, or general maintenance
11 so long as the address of the aircraft for FAA registration is
12 not in the state; provided, however, that this exemption shall
13 not apply to a local sales tax unless previously exempted by
14 local law or approved by resolution of the local governing
15 body.

16 "(49) The gross proceeds from the sale or sales
17 within school buildings of lunches to pupils of kindergarten,
18 grammar, and high schools, either public or private, that are
19 not sold for profit.

20 "(50) The gross proceeds of services provided by
21 photographers or commissioned portrait artists are not
22 taxable. The gross proceeds from the sale of photographs or
23 portraits that are not merely incidental to the services
24 provided are taxable regardless of the method of delivery. For
25 sales of photographs or commissioned portraits made prior to
26 October 1, 2017, neither the Department of Revenue nor local
27 tax officials may seek payment for sales tax not collected.

1 With regard to such transactions in which sales tax was
2 collected and remitted on services provided by photographers
3 or commissioned portrait artists, neither the taxpayer nor the
4 entity remitting sales tax shall have the right to seek refund
5 of such tax.

6 "(b) Any violation of any provision of this section
7 shall be punishable in a court of competent jurisdiction by a
8 fine of not less than \$500 and no more than \$2,000 and
9 imprisonment of not less than six months nor more than one
10 year in the county jail."

11 "§40-23-62.

12 "The storage, use, or other consumption in this
13 state of the following tangible personal property is hereby
14 specifically exempted from the tax imposed by this article:

15 "(1) Property, on which the sales tax imposed by the
16 provisions of Article 1 of this chapter is paid by the
17 consumer to a person licensed under the provisions of Article
18 1 of this chapter.

19 "~~(2) Property, the storage, use, or other~~
20 ~~consumption of which this state is prohibited from taxing~~
21 ~~under the Constitution or laws of the United States of America~~
22 ~~or under the constitution of this state.~~

23 "~~(3)~~ Tangible personal property, not to be used in
24 the performance of a contract, brought into this state by a
25 nonresident thereof for his own storage, use, or consumption
26 while temporarily within this state.

1 ~~"(4) Lubricating oil and gasoline as defined in~~
2 ~~Sections 40-17-30 and 40-17-170, the storage, use, or other~~
3 ~~consumption of which is otherwise taxed.~~

4 ~~"(5) All fertilizer; provided, that the word~~
5 ~~"fertilizer" as used in this article shall not be construed to~~
6 ~~include cottonseed meal when not in combination with other~~
7 ~~material.~~

8 ~~"(6) All seeds for planting purposes and baby chicks~~
9 ~~and poults; provided, that nothing herein shall be construed~~
10 ~~to exempt plants, seedlings, nursery stock or floral products.~~

11 ~~"(7) Insecticides and fungicides and feed for~~
12 ~~livestock and poultry, but not including prepared foods for~~
13 ~~dogs and cats.~~

14 ~~"(8) The use, storage, or consumption of all~~
15 ~~livestock by whomsoever sold; and also the gross proceeds of~~
16 ~~poultry and other products of the farm, dairy, grove or~~
17 ~~garden, when in the original state of production or condition~~
18 ~~of preparation for sale, when such sale or sales are made by~~
19 ~~the producer or members of his immediate family or for him by~~
20 ~~those employed by him to assist in the production thereof.~~
21 ~~Nothing herein shall be construed to exempt or exclude from~~
22 ~~the measure or computation of the tax levied, assessed, or~~
23 ~~payable hereunder, the gross proceeds of sales of poultry or~~
24 ~~poultry products when not products of the farm..~~

25 ~~"(9) Cottonseed meal exchanged for cottonseed at or~~
26 ~~by cotton gins.~~

1 ~~"(10) Transportation, gas, water, or electricity, of~~
2 ~~the kinds and natures, the rates and charges for which when~~
3 ~~sold by public utilities, are customarily fixed and determined~~
4 ~~by the Public Service Commission of Alabama or like regulatory~~
5 ~~bodies.~~

6 ~~"(11) Coal or coke to be stored, used, or consumed~~
7 ~~by manufacturers, electric power companies and transportation~~
8 ~~companies for use or consumption in the production of~~
9 ~~by products or the generation of heat or power used:~~

10 ~~"a. In manufacturing tangible personal property for~~
11 ~~sale;~~

12 ~~"b. For the generation of electric power or energy~~
13 ~~for use in manufacturing tangible personal property for sale~~
14 ~~or for resale; or~~

15 ~~"c. For the generation of motive power for~~
16 ~~transportation.~~

17 ~~"(12) Fuel and supplies for use or consumption~~
18 ~~aboard ships, vessels, towing vessels, or barges, or drilling~~
19 ~~ships, rigs or barges, or seismic or geophysical vessels, or~~
20 ~~other watercraft (herein for purposes of this exemption being~~
21 ~~referred to as vessels) engaged in foreign or international~~
22 ~~commerce or in interstate commerce; provided, that nothing in~~
23 ~~this article shall be construed to exempt or exclude from the~~
24 ~~measure of the tax herein levied the gross proceeds of sale or~~
25 ~~sales of material and supplies to any person for use in~~
26 ~~fulfilling a contract for the painting, repair or~~
27 ~~reconditioning of vessels, barges, ships, other watercraft and~~

1 ~~commercial fishing vessels of over five tons load displacement~~
2 ~~as registered with the U.S. Coast Guard and licensed by the~~
3 ~~State of Alabama Department of Conservation and Natural~~
4 ~~Resources. For purposes of this subdivision, it shall be~~
5 ~~presumed that vessels engaged in the transportation of cargo~~
6 ~~between ports in the State of Alabama and ports in foreign~~
7 ~~countries or possessions or territories of the United States~~
8 ~~or between ports in the State of Alabama and ports in other~~
9 ~~states are engaged in foreign or international commerce or~~
10 ~~interstate commerce, as the case may be. For the purposes of~~
11 ~~this subdivision, the engaging in foreign or international~~
12 ~~commerce or interstate commerce shall not require that the~~
13 ~~vessel involved deliver cargo to or receive cargo from a port~~
14 ~~in the State of Alabama. For purposes of this subdivision,~~
15 ~~vessels carrying passengers for hire, and no cargo, between~~
16 ~~ports in the State of Alabama and ports in foreign countries~~
17 ~~or possessions or territories of the United States or between~~
18 ~~ports in the State of Alabama and ports in other states shall~~
19 ~~be engaged in foreign or international commerce or interstate~~
20 ~~commerce, as the case may be, if, and only if, both of the~~
21 ~~following conditions are met: (i) The vessel in question is a~~
22 ~~vessel of at least 100 gross tons; and (ii) the vessel in~~
23 ~~question has an unexpired certificate of inspection issued by~~
24 ~~the United States Coast Guard or by the proper authority of a~~
25 ~~foreign country for a foreign vessel, which certificate is~~
26 ~~recognized as acceptable under the laws of the United States.~~
27 ~~Vessels which are engaged in foreign or international commerce~~

1 or interstate commerce shall be deemed for the purposes of
2 this subdivision to remain in such commerce while awaiting or
3 under repair in a port of the State of Alabama if such vessel
4 returns after such repairs are completed to engaging in
5 foreign or international commerce or interstate commerce. For
6 purposes of this subdivision, seismic or geophysical vessels
7 which are engaged either in seismic or geophysical tests or
8 evaluations exclusively in offshore federal waters or in
9 traveling to or from conducting such tests or evaluations
10 shall be deemed to be engaged in international or foreign
11 commerce. For purposes of this subdivision, proof that fuel
12 and supplies purchased are for use or consumption aboard
13 vessels engaged in foreign or international commerce or in
14 interstate commerce may be accomplished by the merchant or
15 seller securing the duly signed certificate of the vessel
16 owner, operator or captain or their respective agent on a form
17 prescribed by the department that the fuel and supplies
18 purchased are for use or consumption aboard vessels engaged in
19 foreign or international commerce or in interstate commerce.
20 Any person filing a false certificate shall be guilty of a
21 misdemeanor and upon conviction shall be fined not less than
22 \$25 nor more than \$500 for each offense. Each false
23 certificate filed shall constitute a separate offense. Any
24 person filing a false certificate shall be liable to the
25 department for all taxes imposed by this division upon the
26 merchant or seller, together with any interest or penalties
27 thereon, by reason of the sale or sales of fuel and supplies

1 applicable to such false certificate. If a merchant or seller
2 of fuel and supplies secures the certificate herein mentioned,
3 properly completed, such merchant or seller shall not be
4 liable for the taxes imposed by this division, if such
5 merchant or seller had no knowledge that such certificate was
6 false when it was filed with such merchant or seller.

7 "(13) Property stored, used, or consumed by the
8 State of Alabama, by the counties within the state or by
9 incorporated municipalities of the State of Alabama.

10 "(14) The use, storage, or consumption of materials,
11 equipment and machinery which, at any time, enter into and
12 become a component part of ships, vessels, towing vessels or
13 barges, or drilling ships, rigs or barges, or seismic or
14 geophysical vessels, other watercraft and commercial fishing
15 vessels of over five tons load displacement as registered with
16 the U.S. Coast Guard and licensed by the Department of
17 Conservation and Natural Resources. Additionally, the use,
18 storage, or consumption of lifeboats, personal flotation
19 devices, ring life buoys, survival craft equipment, distress
20 signals, EPIRB's, fire extinguishers, injury placards, waste
21 management plans and logs, marine sanitation devices,
22 navigation rulebooks, navigation lights, sound signals,
23 navigation day shapes, oil placard cards, garbage placards,
24 FCC SSL, stability instructions, first aid equipment,
25 compasses, anchor and radar reflectors, general alarm systems,
26 bilge pumps, piping, and discharge and electronic position
27 fixing devices on the aforementioned watercraft.

1 ~~"(15) The use, storage, or consumption of fuel oil~~
2 ~~purchased as fuel for kilns used in manufacturing~~
3 ~~establishments.~~

4 ~~"(16) Tangible personal property stored, used, or~~
5 ~~consumed by county and city school boards within the State of~~
6 ~~Alabama, independent school boards within the State of~~
7 ~~Alabama, all educational institutions and agencies of the~~
8 ~~State of Alabama, the counties within the state or any~~
9 ~~incorporated municipality of the State of Alabama, and private~~
10 ~~educational institutions operating within the State of Alabama~~
11 ~~offering conventional and traditional courses of study, such~~
12 ~~as those offered by public schools, colleges, or universities~~
13 ~~within the State of Alabama; but not including nurseries, day~~
14 ~~care centers, and home schools.~~

15 ~~"(17) The storage, use, or consumption of railroad~~
16 ~~cars, vessels, and barges and commercial fishing vessels of~~
17 ~~over five tons load displacement as registered with the U.S.~~
18 ~~Coast Guard and licensed by the State of Alabama Department of~~
19 ~~Conservation and Natural Resources when purchased from the~~
20 ~~manufacturers or builders thereof.~~

21 ~~"(18) The storage, use, or consumption of all~~
22 ~~devices or facilities, and all identifiable components thereof~~
23 ~~or materials for use therein, used or placed in operation~~
24 ~~primarily for the control, reduction or elimination of air or~~
25 ~~water pollution, and the storage, use, or consumption of all~~
26 ~~identifiable components of or materials used or intended for~~

1 use in structures built primarily for the control, reduction
2 or elimination of air or water pollution.

3 ~~"(19) When dealers or distributors use parts taken
4 from stocks owned by them in making repairs without charge for
5 such parts to the owner of the property required pursuant to
6 warranty agreements entered into by manufacturers, such use
7 shall not constitute taxable sales to the manufacturers,
8 distributors or to the dealers, under this article, or under
9 any county use tax law.~~

10 ~~"(20) (3) The storage, use, or other consumption in
11 this state of religious magazines and publications. For the
12 purpose of this subdivision the words "religious magazines and
13 publications" shall be construed to mean printed or
14 illustrated lessons, notes and explanations distributed by
15 churches or other religious organizations free of charge to
16 pupils or students in Sunday schools, Bible classes or other
17 educational facilities established and maintained by churches
18 or similar religious organizations in this state.~~

19 ~~"(4) In addition to the exemptions provided in
20 subsections (1), (2), and (3) above, all exemptions enumerated
21 in Section 40-23-4(a) and 40-23-4.1, Code of Alabama 1975, are
22 incorporated by reference herein.~~

23 ~~"(21) The storage, use, or other consumption of
24 wrapping paper and other wrapping materials when used in
25 preparing poultry or poultry products for delivery, shipment
26 or sale by the producer, processor, packer, or seller of such
27 poultry or poultry products including pallets used in shipping~~

1 poultry and egg products, paper or other materials used for
2 lining boxes or other containers in which poultry or poultry
3 products are packed together with any other materials placed
4 in such containers for the delivery, shipment or sale of
5 poultry or poultry products.

6 ~~"(22) The storage, use, or other consumption of all~~
7 ~~antibiotics, hormones and hormone preparations, drugs,~~
8 ~~medicines or medications, vitamins, minerals, or other~~
9 ~~nutrients and all other feed ingredients including~~
10 ~~concentrates, supplements and other feed ingredients when such~~
11 ~~substances are used as ingredients in mixing and preparing~~
12 ~~feed for livestock and poultry. Such exemption herein granted~~
13 ~~shall be in addition to exemptions now provided by law for~~
14 ~~feed for livestock and poultry, but not including prepared~~
15 ~~foods for dogs and cats.~~

16 ~~"(23) The use of seedlings, plants, shoots, and~~
17 ~~slips which are to be used for planting vegetable gardens or~~
18 ~~truck farms. Nothing herein shall be construed to exempt, or~~
19 ~~exclude from the computation of the tax levied, assessed, or~~
20 ~~payable, the use of plants, seedlings, shoots, slips, nursery~~
21 ~~stock and floral products except as hereinabove exempted.~~

22 ~~"(24) Fabricated steel tube sections, when produced~~
23 ~~and fabricated in this state by any person, firm, or~~
24 ~~corporation, for any vehicular tunnel for highway vehicular~~
25 ~~traffic, when sold by the manufacturer or fabricator thereof,~~
26 ~~and also steel which enters into and becomes a component part~~
27 ~~of such fabricated steel tube sections of said tunnel, shall~~

1 be exempted from the provisions of this article and from the
2 computation of the amount of the tax levied, assessed or
3 payable under this article.

4 ~~"(25) The storage, use, or other consumption of~~
5 ~~herbicides for agricultural uses by whomsoever sold. The term~~
6 ~~"herbicides" as used in this subdivision means any substance~~
7 ~~or mixture of substances intended to prevent, destroy, repel,~~
8 ~~or retard the growth of weeds or plants. It shall include~~
9 ~~preemergence herbicides, postemergence herbicides, lay-by~~
10 ~~herbicides, pasture herbicides, defoliant herbicides, and~~
11 ~~desiccant herbicides.~~

12 ~~"(26) The Alabama Chapter of the Cystic Fibrosis~~
13 ~~Research Foundation, and the Jefferson Tuberculosis Sanatorium~~
14 ~~and any of their departments or agencies, heretofore or~~
15 ~~hereafter organized and existing in good faith in the State of~~
16 ~~Alabama for purposes other than for pecuniary gain and not for~~
17 ~~individual profit, shall be exempted from the payment of the~~
18 ~~state use tax levied under this article.~~

19 ~~"(27) Fuel for use or consumption aboard commercial~~
20 ~~fishing vessels are hereby exempt from the payment of the~~
21 ~~state use tax levied under this article, or levied under any~~
22 ~~county or municipal use tax law.~~

23 ~~"The words commercial fishing vessels shall mean~~
24 ~~vessels whose masters and owners are regularly and exclusively~~
25 ~~engaged in fishing as their means of livelihood.~~

26 ~~"(28) The storage, use, or withdrawal of sawdust,~~
27 ~~wood shavings, wood chips, and other like materials purchased~~

1 ~~for use as chicken litter by poultry producers and poultry~~
2 ~~processors shall be exempt under this article.~~

3 ~~"(29) The storage, use, or other consumption of all~~
4 ~~antibiotics, hormones and hormone preparations, drugs,~~
5 ~~medicines and other medications including serums and vaccines,~~
6 ~~vitamins, minerals or other nutrients for use in the~~
7 ~~production and growing of fish, livestock, and poultry are~~
8 ~~hereby specifically exempted from the payment of the state use~~
9 ~~tax levied by this article. Such exemption as herein granted~~
10 ~~shall be in addition to the exemptions now provided by law for~~
11 ~~feed for fish, livestock, and poultry, and in addition to the~~
12 ~~exemptions now provided by law for the above enumerated~~
13 ~~substances and products when mixed and used as ingredients in~~
14 ~~fish, livestock and poultry feeds.~~

15 ~~"(30) All medicines prescribed by physicians for~~
16 ~~persons who are 65 years of age or older, and when said~~
17 ~~prescriptions are filled by licensed pharmacists, shall be~~
18 ~~exempted from the operation of the state use tax law levied by~~
19 ~~this article, or by any county or municipal use tax law. The~~
20 ~~exemptions provided in this subdivision shall not apply to any~~
21 ~~medicine purchased in any manner other than as is herein~~
22 ~~provided.~~

23 ~~"For the purposes of this subdivision, proof of age~~
24 ~~may be accomplished by filing with the dispensing pharmacist~~
25 ~~any one or more of the following documents:~~

1 ~~"a. The name and claim number as shown on a~~
2 ~~"Medicare" card issued by the United States Social Security~~
3 ~~Administration.~~

4 ~~"b. A certificate executed by any adult person~~
5 ~~having knowledge of the fact that the person for whom the~~
6 ~~medicine was prescribed is not less than 65 years of age.~~

7 ~~"c. An affidavit executed by any adult person~~
8 ~~having knowledge of the fact that the person for whom the~~
9 ~~medicine was prescribed is not less than 65 years of age.~~

10 ~~"For the purposes of this subdivision any person~~
11 ~~filing a false proof of age shall be guilty of a misdemeanor~~
12 ~~and upon conviction thereof shall be punished by a fine of~~
13 ~~\$100.~~

14 ~~"(31) All diesel fuel used for off-highway~~
15 ~~agricultural purposes.~~

16 ~~"(32) The storage, use, or other consumption of any~~
17 ~~aircraft and replacement parts, components, systems, supplies~~
18 ~~and sundries affixed or used on said aircraft and ground~~
19 ~~support equipment and vehicles used by or for the aircraft by~~
20 ~~a certificated or licensed air carrier with a hub operation~~
21 ~~within this state, for use in conducting intrastate,~~
22 ~~interstate or foreign commerce for transporting people or~~
23 ~~property by air. For the purpose of this subdivision, the~~
24 ~~words "hub operation within this state" shall be construed to~~
25 ~~have all of the following criteria:~~

26 ~~"a. There originates from the location 15 or more~~
27 ~~flight departures and five or more different first stop~~

1 ~~destinations five days per week for six or more months during~~
2 ~~the calendar year; and~~

3 ~~"b. Passengers and/or property are regularly~~
4 ~~exchanged at the location between flights of the same or a~~
5 ~~different certificated or licensed air carrier.~~

6 ~~"(33) The storage, use, or other consumption of any~~
7 ~~aviation jet fuel used by an aircraft operated by a~~
8 ~~certificated or licensed air carrier that purchases jet fuel~~
9 ~~for use in scheduled all-cargo operations being conducted on~~
10 ~~international flights or in international commerce. For~~
11 ~~purposes of this subdivision, the following words or terms~~
12 ~~shall be defined and interpreted as follows:~~

13 ~~"a. Air Carrier. Any person, firm, corporation, or~~
14 ~~entity undertaking by any means, directly or indirectly, to~~
15 ~~provide air transportation.~~

16 ~~"b. All-Cargo Operations. Any flight conducted by~~
17 ~~an air carrier for compensation or hire other than a passenger~~
18 ~~carrying flight, except passengers as specified in 14 C.F.R.~~
19 ~~§121.583(a) or 14 C.F.R. §135.85, as amended.~~

20 ~~"c. International Commerce. Any air carrier engaged~~
21 ~~in all-cargo operations transporting goods for compensation or~~
22 ~~hire on international flights.~~

23 ~~"d. International Flights. Any air carrier~~
24 ~~conducting scheduled all-cargo operations between any point~~
25 ~~within the 50 states of the United States and the District of~~
26 ~~Columbia and any point outside the 50 states of the United~~
27 ~~States and the District of Columbia, including any interim~~

1 stops within the United States so long as the ultimate origin
2 or destination of the aircraft is outside the United States
3 and the District of Columbia.

4 ~~"(34) The storage, use, or other consumption of hot~~
5 ~~or cold food and beverage products by a certificated or~~
6 ~~licensed air carrier with a hub operation within this state,~~
7 ~~for use in conducting intrastate, interstate, or foreign~~
8 ~~commerce for transporting people or property by air. For the~~
9 ~~purpose of this subdivision, the words "hub operation within~~
10 ~~this state" shall be construed to have all of the following~~
11 ~~criteria:~~

12 ~~"a. There originates from the location 15 or more~~
13 ~~flight departures and five or more different first-stop~~
14 ~~destinations five days per week for six or more months during~~
15 ~~the calendar year; and~~

16 ~~"b. Passengers and/or property are regularly~~
17 ~~exchanged at the location between flights of the same or a~~
18 ~~different certificated or licensed air carrier.~~

19 ~~"(35) The storage, use, or other consumption of the~~
20 ~~following:~~

21 ~~"a. Drill pipe, casing, tubing, and other pipe used~~
22 ~~for the exploration for or production of oil, gas, sulphur, or~~
23 ~~other minerals in offshore federal waters.~~

24 ~~"b. Tangible personal property exclusively used for~~
25 ~~the exploration for or production of oil, gas, sulphur, or~~
26 ~~other minerals in offshore federal waters.~~

1 ~~"c. Fuel and supplies for use or consumption aboard~~
2 ~~boats, ships, aircraft, and towing vessels when used~~
3 ~~exclusively in transporting persons or property between a~~
4 ~~point in Alabama and a point or points in offshore federal~~
5 ~~waters for the exploration for or production of oil, gas,~~
6 ~~sulphur, or other minerals in offshore federal waters.~~

7 ~~"d. Drilling equipment that is used for the~~
8 ~~exploration for or production of oil, gas, sulphur, or other~~
9 ~~minerals, that is built for exclusive use outside this state~~
10 ~~and that is, on completion, removed forthwith from this state.~~

11 ~~"e. All domestically mined or produced coal, coke,~~
12 ~~and coke by-products used in cogeneration plants in Alabama.~~

13 ~~"The delivery of items exempted by this subdivision~~
14 ~~to the purchaser or lessee in this state does not disqualify~~
15 ~~the purchaser or lessee from the exemption if the property is~~
16 ~~removed from the state by any means, including by the use of~~
17 ~~the purchaser's or lessee's own facilities.~~

18 ~~"The shipment to a place in this state of equipment~~
19 ~~exempted by this subdivision for further assembly or~~
20 ~~fabrication does not disqualify the purchaser or lessee from~~
21 ~~the exemption if on completion of the further assembly or~~
22 ~~fabrication the equipment is removed forthwith from this~~
23 ~~state. This subdivision applies to a sale that may occur when~~
24 ~~the equipment exempted is further assembled or fabricated if~~
25 ~~on completion the equipment is removed forthwith from this~~
26 ~~state.~~

1 ~~"(36) The storage or use of metal, other than gold~~
2 ~~or silver, when such metal is held by an investment trust the~~
3 ~~shares or other units in the trust's net assets of which have~~
4 ~~been issued in exchange for such metal and are publicly~~
5 ~~traded, including metal stored in warehouses located in this~~
6 ~~state. For purposes of this subdivision, the term metals~~
7 ~~includes, but is not limited to, copper, aluminum, nickel,~~
8 ~~zinc, tin, lead, and other similar metals typically used in~~
9 ~~commercial and industrial applications.~~

10 ~~"(37) For the period commencing October 1, 2012, and~~
11 ~~ending May 30, 2022, unless extended by joint resolution, all~~
12 ~~parts, components, and systems that become a part of a fixed~~
13 ~~or rotary wing military aircraft or certified transport~~
14 ~~category aircraft which undergoes conversion, reconfiguration,~~
15 ~~or general maintenance so long as the address of the aircraft~~
16 ~~for FAA registration is not in the state; provided, however,~~
17 ~~that this exemption shall not apply to a local use tax unless~~
18 ~~previously exempted by local law or approved by resolution of~~
19 ~~the local governing body.~~

20 ~~"(38) Lunches sold not for profit and within school~~
21 ~~buildings to pupils of kindergarten, grammar, and high~~
22 ~~schools, either public or private."~~

23 Section 2. The provisions of this act shall apply
24 retroactively to all open tax years and tax periods for which
25 a preliminary assessment or final assessment could be entered
26 pursuant to Section 40-2A-7, Code of Alabama 1975, or any
27 successor general or local law. No refunds shall be due or

1 issued pursuant to this act with respect to those periods
2 prior to the effective date of this act.

3 Section 3. This act shall become effective
4 immediately following its passage and approval by the
5 Governor, or upon its otherwise becoming law.