



# ACT #2024 - 400

1 HB51  
2 TVMX591-3  
3 By Representative Wilcox  
4 RFD: Ways and Means Education  
5 First Read: 06-Feb-24  
6 PFD: 12-Jan-24



HB51 Enrolled



Enrolled, An Act,

To amend Section 40-23-4, Code of Alabama 1975, relating to sales and use tax exemptions, to exempt the gross proceeds from the sale or sales of hearing instruments, including hearing aids from sales and use tax.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

"§40-23-4

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

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

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

(3) The gross proceeds of the sale, or sales, of seeds for planting purposes and baby chicks and poults. Nothing herein shall be construed to exempt or exclude from the



29 computation of the tax levied, assessed, or payable, the gross  
30 proceeds of the sale or sales of plants, seedlings, nursery  
31 stock, or floral products.

32 (4) The gross proceeds of sales of insecticides and  
33 fungicides when used for agricultural purposes or when used by  
34 persons properly permitted by the Department of Agriculture  
35 and Industries or any applicable local or state governmental  
36 authority for structural pest control work and feed for  
37 livestock and poultry, but not including prepared food for  
38 dogs and cats.

39 (5) The gross proceeds of sales of all livestock by  
40 whomsoever sold, and also the gross proceeds of poultry and  
41 other products of the farm, dairy, grove, or garden, when in  
42 the original state of production or condition of preparation  
43 for sale, when such sale or sales are made by the producer or  
44 members of the producer's immediate family or for the producer  
45 by those employed by the producer to assist in the production  
46 thereof. Nothing herein shall be construed to exempt or  
47 exclude from the measure or computation of the tax levied,  
48 assessed, or payable hereunder, the gross proceeds of sales of  
49 poultry or poultry products when not products of the farm.

50 (6) Cottonseed meal exchanged for cottonseed at or by  
51 cotton gins.

52 (7) The gross receipts from the business on which, or  
53 for engaging in which, a license or privilege tax is levied by  
54 or under Sections 40-21-50, 40-21-53, and 40-21-56 through  
55 40-21-60; provided, that nothing contained in this subdivision  
56 shall be construed to exempt or relieve the person or persons



operating the business enumerated in these sections from the payments of the tax levied by this division upon or measured by the gross proceeds of sales of any tangible personal property, except gas and water, the gross receipts from the sale of which are the measure of the tax levied by Section 40-21-50, merchandise or other tangible commodities sold at retail by the persons, unless the gross proceeds of sale thereof are otherwise specifically exempted by this division.

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

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

(10) The gross proceeds from the sale or sales of fuel and supplies for use or consumption aboard ships, vessels, towing vessels, or barges, or drilling ships, rigs or barges, or seismic or geophysical vessels, or other watercraft (herein for purposes of this exemption being referred to as "vessels")



engaged in foreign or international commerce or in interstate commerce; provided, that nothing in this division shall be construed to exempt or exclude from the measure of the tax herein levied the gross proceeds of sale or sales of material and supplies to any person for use in fulfilling a contract for the painting, repair, or reconditioning of vessels, barges, ships, other watercraft, and commercial fishing vessels of over five tons load displacement as registered with the U.S. Coast Guard and licensed by the State of Alabama Department of Conservation and Natural Resources.

For purposes of this subdivision, it shall be presumed that vessels engaged in the transportation of cargo between ports in the State of Alabama and ports in foreign countries or possessions or territories of the United States or between ports in the State of Alabama and ports in other states are engaged in foreign or international commerce or interstate commerce, as the case may be. For the purposes of this subdivision, the engaging in foreign or international commerce or interstate commerce shall not require that the vessel involved deliver cargo to or receive cargo from a port in the State of Alabama. For purposes of this subdivision, vessels carrying passengers for hire, and no cargo, between ports in the State of Alabama and ports in foreign countries or possessions or territories of the United States or between ports in the State of Alabama and ports in other states shall be engaged in foreign or international commerce or interstate commerce, as the case may be, if, and only if, both of the following conditions are met: (i) The vessel in question is a



113 vessel of at least 100 gross tons; and (ii) the vessel in  
114 question has an unexpired certificate of inspection issued by  
115 the United States Coast Guard or by the proper authority of a  
116 foreign country for a foreign vessel, which certificate is  
117 recognized as acceptable under the laws of the United States.  
118 Vessels that are engaged in foreign or international commerce  
119 or interstate commerce shall be deemed for the purposes of  
120 this subdivision to remain in such commerce while awaiting or  
121 under repair in a port of the State of Alabama if the vessel  
122 returns after such repairs are completed to engaging in  
123 foreign or international commerce or interstate commerce. For  
124 purposes of this subdivision, seismic or geophysical vessels  
125 which are engaged either in seismic or geophysical tests or  
126 evaluations exclusively in offshore federal waters or in  
127 traveling to or from conducting such tests or evaluations  
128 shall be deemed to be engaged in international or foreign  
129 commerce. For purposes of this subdivision, proof that fuel  
130 and supplies purchased are for use or consumption aboard  
131 vessels engaged in foreign or international commerce or in  
132 interstate commerce may be accomplished by the merchant or  
133 seller securing the duly signed certificate of the vessel  
134 owner, operator, or captain or such person's respective agent,  
135 on a form prescribed by the department, that the fuel and  
136 supplies purchased are for use or consumption aboard vessels  
137 engaged in foreign or international commerce or in interstate  
138 commerce. Any person filing a false certificate shall be  
139 guilty of a misdemeanor and upon conviction shall be fined not  
140 less than twenty-five dollars (\$25) nor more than five hundred



dollars (\$500) for each offense. Each false certificate filed shall constitute a separate offense. Any person filing a false certificate shall be liable to the department for all taxes imposed by this division upon the merchant or seller, together with any interest or penalties thereon, by reason of the sale or sales of fuel and supplies applicable to the false certificate. If a merchant or seller of fuel and supplies secures the certificate herein mentioned, properly completed, the merchant or seller shall not be liable for the taxes imposed by this division, if the merchant or seller had no knowledge that the certificate was false when it was filed with the merchant or seller.

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

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

(13) The gross proceeds of the sale or sales of materials, equipment, and machinery that, at any time, enter into and become a component part of ships, vessels, towing vessels or barges, or drilling ships, rigs or barges, or seismic or geophysical vessels, other watercraft and commercial fishing vessels of over five tons load displacement

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as registered with the U.S. Coast Guard and licensed by the State of Alabama Department of Conservation and Natural Resources. Additionally, the gross proceeds from the sale or sales of lifeboats, personal flotation devices, ring life buoys, survival craft equipment, distress signals, EPIRB's, fire extinguishers, injury placards, waste management plans and logs, marine sanitation devices, navigation rulebooks, navigation lights, sound signals, navigation day shapes, oil placard cards, garbage placards, FCC SSL, stability instructions, first aid equipment, compasses, anchor and radar reflectors, general alarm systems, bilge pumps, piping, and discharge and electronic position fixing devices which are used on the aforementioned watercraft.

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

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

(16) The gross proceeds from the sale of all devices or





facilities, and all identifiable components thereof, or materials for use therein, acquired primarily for the control, reduction, or elimination of air or water pollution and the gross proceeds from the sale of all identifiable components of, or materials used or intended for use in, structures built primarily for the control, reduction, or elimination of air and water pollution.

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

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

(19) The gross proceeds received from the sale or furnishing of food, including potato chips, candy, fruit and similar items, soft drinks, tobacco products, and stationery and other similar or related articles by hospital canteens operated by Alabama state hospitals at Bryce Hospital and Partlow State School for Mental Deficients at Tuscaloosa, Alabama, and Searcy Hospital at Mt. Vernon, Alabama, for the benefit of the patients therein.

(20) The gross proceeds of the sale, or sales, of wrapping paper and other wrapping materials when used in



225 preparing poultry or poultry products for delivery, shipment,  
226 or sale by the producer, processor, packer, or seller of such  
227 poultry or poultry products, including pallets used in  
228 shipping poultry and egg products, paper or other materials  
229 used for lining boxes or other containers in which poultry or  
230 poultry products are packed together with any other materials  
231 placed in such containers for the delivery, shipment, or sale  
232 of poultry or poultry products.

233 (21) The gross proceeds of the sales of all  
234 antibiotics, hormones and hormone preparations, drugs,  
235 medicines or medications, vitamins, minerals or other  
236 nutrients, and all other feed ingredients including  
237 concentrates, supplements, and other feed ingredients when  
238 such substances are used as ingredients in mixing and  
239 preparing feed for fish raised to be sold on a commercial  
240 basis, livestock, and poultry. Such exemption herein granted  
241 shall be in addition to exemptions now provided by law for  
242 feed for fish raised to be sold on a commercial basis,  
243 livestock, and poultry, but not including prepared foods for  
244 dogs or cats.

245 (22) The gross proceeds of the sale, or sales, of  
246 seedlings, plants, shoots, and slips which are to be used for  
247 planting vegetable gardens or truck farms and other  
248 agricultural purposes. Nothing herein shall be construed to  
249 exempt, or exclude from the computation of the tax levied,  
250 assessed, or payable, the gross proceeds of the sale, or the  
251 use of plants, seedlings, shoots, slips, nursery stock, and  
252 floral products, except as hereinabove exempted.



253           (23) The gross proceeds of the sale, or sales, of  
254   fabricated steel tube sections, when produced and fabricated  
255   in this state by any person, firm, or corporation for any  
256   vehicular tunnel for highway vehicular traffic, when sold by  
257   the manufacturer or fabricator thereof, and also the gross  
258   proceeds of the sale, or sales, of steel which enters into and  
259   becomes a component part of such fabricated steel tube  
260   sections of said tunnel.

261           (24) The gross proceeds from sales of admissions to any  
262   theatrical production, symphonic or other orchestral concert,  
263   ballet, or opera production when the concert or production is  
264   presented by any society, association, guild, or workshop  
265   group, organized within this state, whose members or some of  
266   whose members regularly and actively participate in the  
267   concerts or productions for the purposes of providing a  
268   creative outlet for the cultural and educational interests of  
269   its members, and of promoting such interests for the  
270   betterment of the community by presenting the productions to  
271   the general public for an admission charge. The employment of  
272   a paid director or conductor to assist in any such  
273   presentation described in this subdivision shall not be  
274   construed to prohibit the exemptions herein provided.

275           (25) The gross proceeds of sales of "herbicides" for  
276   agricultural uses by whomsoever sold. The term herbicides, as  
277   used in this subdivision, means any substance or mixture of  
278   substances intended to prevent, destroy, repel, or retard the  
279   growth of weeds or plants. The term includes preemergence  
280   herbicides, postemergence herbicides, lay-by herbicides,



281 pasture herbicides, defoliant herbicides, and desiccant  
282 herbicides.

283 (26) The Alabama Chapter of the Cystic Fibrosis  
284 Research Foundation and the Jefferson Tuberculosis Sanatorium  
285 and any of their departments or agencies, heretofore or  
286 hereafter organized and existing in good faith in the State of  
287 Alabama for purposes other than for pecuniary gain and not for  
288 individual profit, shall be exempted from the computation of  
289 the tax on the gross proceeds of all sales levied, assessed,  
290 or payable.

291 (27) The gross proceeds from the sale or sales of fuel  
292 for use or consumption aboard commercial fishing vessels are  
293 exempt from the computation of all sales taxes levied,  
294 assessed, or payable under this division or levied under any  
295 county or municipal sales tax law.

296 (28) The gross proceeds from the sales of rope, fishing  
297 nets, tools, or any substitute used directly in the process of  
298 commercial fishing by a holder of a commercial license issued  
299 pursuant to Chapter 12 of Title 9.

300 (29) The gross proceeds of sales of sawdust, wood  
301 shavings, wood chips, and other like materials sold for use as  
302 chicken litter by poultry producers and poultry processors.

303 (30) The gross proceeds of the sales of all  
304 antibiotics, hormones and hormone preparations, drugs,  
305 medicines, and other medications including serums and  
306 vaccines, vitamins, minerals, or other nutrients for use in  
307 the production and growing of fish, livestock, and poultry by  
308 whomsoever sold. The exemption herein granted shall be in



addition to the exemption provided by law for feed for fish, livestock, and poultry, and in addition to the exemptions provided by law for the above-enumerated substances and products when mixed and used as ingredients in fish, livestock, and poultry feed.

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

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

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

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

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

For the purposes of this subdivision, any person filing a false proof of age shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of one hundred dollars (\$100).



(32) There shall be exempted from the tax levied by this division the gross receipts of sales of grass sod of all kinds and character when in the original state of production or condition of preparation for sale, when the sales are made by the producer or members of the producer's family or for the producer by those employed by the producer to assist in the production thereof; provided, that nothing herein shall be construed to exempt sales of sod by a person engaged in the business of selling plants, seedlings, nursery stock, or floral products.

(33) The gross receipts of sales of the following items or materials that are necessary in the farm-to-market production of tomatoes when such items or materials are used by the producer or members of the producer's family or for the producer by those employed by the producer to assist in the production thereof: Twine for tying tomatoes, tomato stakes, field boxes (wooden boxes used to take tomatoes from the fields to shed), and tomato boxes used in shipments to customers.

(34) The gross proceeds from the sale of liquefied petroleum gas or natural gas sold to be used for agricultural purposes.

(35) The gross receipts of sales from state nurseries of forest tree seedlings.

(36) The gross receipts of sales of forest tree seed by the state.

(37) The gross receipts of sales of Lespedeza bicolor and other species of perennial plant seed and seedlings sold



for wildlife and game food production purposes by the state.

(38) The gross receipts of any aircraft manufactured, sold, and delivered in this state if the aircraft are not permanently domiciled in Alabama and are removed to another state.

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

(40) The gross proceeds from sales of admissions to any sporting event that:

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

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

c. Determines a national championship of a national organization, including, but not limited to, the Professional Golfers Association of America, the Tournament Players Association, the United States Golf Association, the United States Tennis Association, and the National Collegiate Athletic Association; and

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

(41) The gross receipts from the sale of any aircraft and replacement parts, components, systems, supplies, and



sundries affixed or used on the aircraft and ground support equipment and vehicles used by or for the aircraft to or by a certificated or licensed air carrier with a hub operation within this state, for use in conducting intrastate, interstate, or foreign commerce for transporting people or property by air. For the purpose of this subdivision, the words "hub operation within this state" shall be construed to have both of the following criteria:

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

b. Passengers or property or both are regularly exchanged at the location between flights of the same or a different certificated or licensed air carrier.

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

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

b. Passengers or property or both are regularly





exchanged at the location between flights of the same or a different certificated or licensed air carrier.

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

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

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

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

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

(44) The gross proceeds of the sale or sales of the following:



449           a. Drill pipe, casing, tubing, and other pipe used for  
450 the exploration for or production of oil, gas, sulphur, or  
451 other minerals in offshore federal waters.

452           b. Tangible personal property exclusively used for the  
453 exploration for or production of oil, gas, sulphur, or other  
454 minerals in offshore federal waters.

455           c. Fuel and supplies for use or consumption aboard  
456 boats, ships, aircraft, and towing vessels when used  
457 exclusively in transporting persons or property between a  
458 point in Alabama and a point or points in offshore federal  
459 waters for the exploration for or production of oil, gas,  
460 sulphur, or other minerals in offshore federal waters.

461           d. Drilling equipment that is used for the exploration  
462 for or production of oil, gas, sulphur, or other minerals,  
463 that is built for exclusive use outside this state and that  
464 is, on completion, removed forthwith from this state.

465           The delivery of items exempted by this subdivision to  
466 the purchaser or lessee in this state does not disqualify the  
467 purchaser or lessee from the exemption if the property is  
468 removed from the state by any means, including by the use of  
469 the purchaser's or lessee's own facilities.

470           The shipment to a place in this state of equipment  
471 exempted by this subdivision for further assembly or  
472 fabrication does not disqualify the purchaser or lessee from  
473 the exemption if on completion of the further assembly or  
474 fabrication the equipment is removed forthwith from this  
475 state. This subdivision applies to a sale that may occur when  
476 the equipment exempted is further assembled or fabricated if



477 on completion the equipment is removed forthwith from this  
478 state.

479 (45) The gross receipts derived from all bingo games  
480 and operations that are conducted in compliance with validly  
481 enacted legislation authorizing the conduct of such games and  
482 operations, and which comply with the distribution  
483 requirements of the applicable local laws; provided that the  
484 exemption from sales taxation granted by this subdivision  
485 shall apply only to gross receipts taxable under subdivision  
486 (2) of Section 40-23-2. It is further provided that this  
487 exemption shall not apply to any gross receipts from the sale  
488 of tangible personal property, such as concessions, novelties,  
489 food, beverages, etc. The exemption provided for in this  
490 section shall be limited to those games and operations by  
491 organizations that have qualified for exemption under the  
492 provisions of 26 U.S.C. § 501 (c) (3), (4), (7), (8), (10), or  
493 (19), or which are defined in 26 U.S.C. § 501(d).

494 (46) The gross receipts derived from the sale or sales  
495 of fruit or other agricultural products by the person or  
496 company, as defined in Section 40-23-1, that planted or  
497 cultivated and harvested the fruit or agricultural product,  
498 when the land is owned or leased by the seller.

499 (47) The gross receipts derived from the sale or sales  
500 of all domestically mined or produced coal, coke, and coke  
501 by-products used in cogeneration plants.

502 (48) The gross receipts from the sale or sales of  
503 metal, other than gold or silver, when such metal is purchased  
504 for the purpose of transferring such metal to an investment



trust in exchange for shares or other units, each of which are both publicly traded and represent fractional undivided beneficial interests in the trust's net assets, including metal stored in warehouses located in this state, as well as the gross proceeds from the sale or other transfer of such metal to or from the investment trust in exchange for shares or other units that are publicly traded and represent fractional undivided beneficial interests in the trust's net assets but not to the extent that metal is transferred to or from the investment trust in exchange for consideration other than such publicly traded shares or other units. For purposes of this subdivision, the term "metals" includes, but is not limited to, copper, aluminum, nickel, zinc, tin, lead, and other similar metals typically used in commercial and industrial applications.

(49)a. For the period commencing on October 1, 2012, and ending May 30, 2027, the gross receipts from the sale of parts, components, and systems that become a part of a fixed or rotary wing military aircraft or certified transport category aircraft that undergoes conversion, reconfiguration, or general maintenance so long as the address of the aircraft for FAA registration is not in the state; provided, however, that this exemption shall not apply to a local sales tax unless previously exempted by local law or approved by resolution of the local governing body.

b. The exemption authorized by this subdivision shall not be available for sales of parts, components, or systems for new contracts or projects entered into after May 30, 2027,



unless the Legislature enacts legislation to continue or reinstate the exemption for new contracts or projects after that date. No action or inaction on the part of the Legislature shall reduce, suspend, or disqualify sales of parts, components, or systems from the exemption in any past year or future years until May 30, 2030, with respect to contracts or projects entered into on or before May 30, 2027; it being the sole intent that failure of the Legislature to enact legislation to reinstate the exemption for new contracts or projects after May 30, 2027, shall affect only the availability of the exemption to new contracts and projects after that date and shall not affect availability of the exemption for contracts or projects entered into on or before May 30, 2027, for which the exemption shall be available until May 30, 2030.

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

(51) The gross proceeds of services provided by photographers, including, but not limited to, sitting fees and consultation fees, even when provided as part of a transaction ultimately involving the sale of one or more photographs, so long as the exempt services are separately stated to the customer on a bill of sale, invoice, or like memorialization of the transaction. For transactions occurring before October 1, 2017, neither the Department of Revenue nor local tax officials may seek payment for sales tax not collected. With



regard to such transactions in which sales tax was collected and remitted on services provided by photographers, neither the taxpayer nor the entity remitting sales tax shall have the right to seek refund of such tax.

(52) a. For the period commencing on June 1, 2018, and ending 10 years thereafter, unless extended by an act of the Legislature, the gross proceeds of sales of bullion or money, as defined in Section 40-1-1(7).

b. For purposes of this subdivision, the following words or terms shall be defined and interpreted as follows:

1. Bullion. Gold, silver, platinum, palladium, or a combination of each precious metal, that has gone through a refining process and for which the item's value depends on its mass and purity, and not on its form, numismatic value, or other value. The term includes bullion in the form of bars, ingots, rounds, or coins that meet the requirements set forth above. Qualifying bullion may contain other metals or substances, provided that the other substances are minimal in value compared with the value of the gold, silver, platinum, or palladium and the other substances do not add value to the item. For purposes of this subparagraph, "gold, silver, platinum, or palladium" does not include jewelry or works of art.

2. Mass. An item's mass is its weight in precious metal.

3. Numismatic Value. An external value above and beyond the base value of the underlying precious metal, due to the item's rarity, condition, age, or other external factor.



4. Purity. An item's purity is the proportion of precious metal contained within.

c. In order for bullion to qualify for the sales tax exemption, gold, silver, platinum, and palladium items must meet all of the following requirements:

1. Must be refined.

2. Must contain at least 80 percent gold, silver, platinum, or palladium or some combination of these metals.

3. The sales price of the item must fluctuate with and depend on the market price of the underlying precious metal, and not on the item's rarity, condition, age, or other external factor.

(53) a. The gross proceeds of the initial retail sales of adaptive equipment that is permanently affixed to a motor vehicle.

b. For the purposes of this subdivision, the following words or terms shall be defined and interpreted as follows:

1. Adaptive Equipment. Equipment not generally used by persons with normal mobility that is appropriate for use in a motor vehicle and that is not normally provided by a motor vehicle manufacturer.

2. Motor Vehicle. A vehicle as defined in Section 40-12-240.

3. Motor Vehicle Manufacturer. Every person engaged in the business of constructing or assembling vehicles or manufactured homes.

c. In order to qualify for the exemption provided for herein, the adaptive equipment must be separately stated to



617 the customer on a bill of sale, invoice, or like  
618 memorialization of the transaction.

619 (54) For the period commencing on October 1, 2022, and  
620 ending September 30, 2027, unless extended by an act of the  
621 Legislature, the gross receipts derived from the sale of  
622 producer value added agricultural products when the sale is  
623 made by the producer or by the producer's immediate family, or  
624 for the producer by the producer's employees.

625 (55) For the period commencing on October 1, 2024, and  
626 ending September 30, 2029, unless extended by an act of the  
627 Legislature, the gross proceeds of the sale or sales of  
628 hearing instruments as defined in Section 34-14-1, including  
629 hearing aids. The exemption provided in this subdivision shall  
630 not apply to county or municipal sales taxes unless approved  
631 by resolution or ordinance adopted by the local governing  
632 body.

633 (b) Any violation of any provision of this section  
634 shall be punishable in a court of competent jurisdiction by a  
635 fine of not less than five hundred dollars (\$500) and no more  
636 than two thousand dollars (\$2,000) and imprisonment of not  
637 less than six months nor more than one year in the county  
638 jail."

639 Section 2. This act shall become effective on September  
640 1, 2024.





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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 29-Feb-24, as amended.

John Treadwell  
Clerk

Senate

08-May-24

Amended and Passed

House

09-May-24

Concurred in Senate  
Amendment

APPROVED

5/15/2024

TIME

4:18 PM

GOVERNOR

Alabama Secretary Of State

Act Num....: 2024-400  
Bill Num....: H-51

Recv'd 05/16/24 08:46amKCW

SPONSOR

Wilcox

CO-SPONSORS

HOUSE ACTION

I HEREBY CERTIFY THAT THE  
RESOLUTION AS REQUIRED IN  
SECTION C OF ACT NO. 81-889  
WAS ADOPTED AND IS ATTACHED  
TO THE BILL, H.B. 51

YEAS 100 NAYS 0

JOHN TREADWELL, Clerk

I HEREBY CERTIFY THAT THE  
NOTICE & PROOF IS ATTACHED  
TO THE BILL, H.B. \_\_\_\_\_  
AS REQUIRED IN THE GENERAL  
ACTS OF ALABAMA, 1975 ACT NO.  
919.

JOHN TREADWELL, Clerk

CONFERENCE COMMITTEE

House Conferees \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SENATE ACTION

F<sup>1</sup>/<sub>3</sub> TE  
A/10

DATE: 3-5 2024  
RD 1 RFD F<sup>1</sup>/<sub>3</sub> TE

This Bill was referred to the Standing Committee  
of the Senate on

F<sup>1</sup>/<sub>3</sub> TE

and was acted upon by such Committee in  
session and is by order of the Committee  
returned therefrom with a favorable report  
w/amend(s) 1 w/sub \_\_\_\_\_ by a vote of  
yeas 15 nays 0 abstain 0  
this 15 day of May 2024  
15, Chair

DATE: 5-2 2024  
RF FAU AMEND RD 2 CAL

DATE: \_\_\_\_\_ 20\_\_\_\_  
RE-REFERRED ☐ RE-COMMITTED ☐  
Committee \_\_\_\_\_

I hereby certify that the Resolution as  
required in Section C of Act No. 81-889  
was adopted and is attached to the Bill,  
HB 51

YEAS 34 NAYS 0

PATRICK HARRIS,  
Secretary

FURTHER SENATE ACTION (OVER)