

Transmittal Sheet For Notice Of Intended Action

Control: 810Department or Agency: RevenueRule Nos: 810-6-5-.16Rule Title: Churches And Other Religious Organizations And Institutions.☐ New; ☒ Amended; ☐ Repealed; ☐ Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that result from the absence of the proposed rule? N/A

Are all the facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule relate to or effect any matter of litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer


Date 07/20/2018

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-6-5-.16

Rule Title: Churches And Other Religious Organizations And Institutions.

_____ New X Amend _____ Repeal _____ Adopt by Reference

☒ NO

This rule has no economic impact.

☐ YES

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:
9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH
IF THE RULE IS NOT IMPLEMENTED:

11. OTHER COMMENTS:

ALABAMA DEPARTMENT OF REVENUE
Sales and Use Tax

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

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

INTENDED ACTION

Amend

SUBSTANCE OF

PROPOSED ACTION:

The department proposes to amend this rule in order to update with new exemption dates in Act 2018-164.

RULE NO. & TITLE

810-6-2-.90.02

Simplified Sellers Use Tax Remittance Program

810-6-2-.90.03

Requirements For Certain Out-Of-State Sellers Making Significant Sales Into Alabama

INTENDED ACTION

Amend

SUBSTANCE OF

PROPOSED ACTION:

The department proposes to amend these rules to incorporate changes and update taxpayer guidance

RULE NO. & TITLE

810-6-2-.90-.04

Requirements for Certain Marketplace Facilitators and Marketplace Sellers

INTENDED ACTION

New

SUBSTANCE OF

PROPOSED ACTION:

The department proposes to promulgate this rule to provide guidance to taxpayers due to the passage of Act 2018-539.

RULE NO. & TITLE

810-6-5-.16

Churches And Other Religious Organizations And Institutions.

INTENDED ACTION

Amend

SUBSTANCE OF

PROPOSED ACTION:

The department proposes to amend this rule to incorporate Act 2018-562 integration of the sales tax exemptions into the use tax law and a provision of a special use tax exemption of religious publications.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **02:00 PM on Tuesday, September 11, 2018, Room 1203, First Floor**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also appear at the hearing to present their views.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, September 11, 2018

CONTACT PERSON AT AGENCY:

Meagan Barrett

Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380

A handwritten signature in black ink, appearing to read "Michael D. Gamble".

Michael D. Gamble, Secretary
Alabama Department of Revenue

810-6-5-.16 Churches And Other Religious Organizations And Institutions.

(1) Except as noted in paragraphs (2) and (3), religious organizations and institutions, including churches and church hospitals, are not exempt from the payment of sales or use taxes on their purchases of tangible personal property. Further, these organizations and institutions, when engaging in the business of selling tangible personal property at retail or operating a public place of amusement or entertainment, must comply with the provisions of the sales and use tax laws relative to collecting, reporting, and paying sales or use taxes. (**Sections §§40-23-2, 40-23-7, 40-23-61, and 40-23-68, Code of Ala. 1975**)

(2) Printed or illustrated lessons, notes, and explanations purchased by churches or other religious organizations for distribution free of charge to pupils or students in Sunday schools, Bible classes, or other educational facilities established and maintained by churches or similar religious organizations are exempt from use tax. There is no corresponding exemption from sales tax. This use tax exemption does not apply to purchases which are not distributed in the manner enumerated above or to purchases made by individuals. Sales of hymn books, Bibles, and other religious publications to churches, other religious organizations and institutions, or individuals are taxable at the general rate of sales or use tax. (**Sections §§40-23-2, 40-23-61, and 40-23-62(20)(4), Code of Ala. 1975.**)

(3) Certain religious organizations and institutions are specifically exempted from the payment of sales and use taxes pursuant to special acts of the Legislature. (See Rule 810-6-3-.07.05 entitled Charitable Organizations and Institutions.)

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Authority: §§40-2A-7(a)(5), 40-23-2, 40-23-7, 40-23-31, 40-23-61, 40-23-62(20)(4), 40-23-68, 40-23-83, Code of Ala. 1975.

History: Adopted: Effective March 9, 1961,
Amended: Effective November 1, 1963,
Amended: Effective August 16, 1974,
Readopted through APA Effective October 1, 1982,
Amended: Filed November 23, 1998; Effective December 28, 1998,
Amended: Filed July 20, 2018; Effective