

Transmittal Sheet For Notice Of Intended Action

Control: 810 Department or Agency: Revenue
Rule Nos: 810-6-4-.13
Rule Title: Permit Issued To Electric Cooperatives , Telephone Companies and Others

New; Amended; Repealed; Adopt by Reference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 purposed 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 09/20/2021



REC'D & FILED
SEP 20 2021
LEGISLATIVE SVC AGENCY

**ALABAMA DEPARTMENT OF REVENUE
Sales and Use Tax**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-6-4-.13

Permit Issued To Electric Cooperatives, Telephone Companies and Others

INTENDED ACTION

Repealed

**SUBSTANCE OF
PROPOSED ACTION:**

In accordance with the Red Tape Reduction Act 2013-88, this rule has been reviewed and was determined to be no longer necessary due to its duplicative nature of Rule 810-6-4-.14.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be conducted at **01:30 PM on Tuesday, November 09, 2021** via web-conference. To participate in the upcoming web-conference public hearing please contact the Tax Policy and Governmental Affairs Division at Taxpolicy@revenue.alabama.gov or 334-242-1380 to obtain the appropriate sign-in information for a specific public hearing date. 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 may present their views during the web-conference.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, November 09, 2021

CONTACT PERSON AT AGENCY:

Meagan Barrett

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



Mary Martin Mitchell, Secretary
Alabama Department of Revenue

810-6-4-.13 Permit Issued To Electric Cooperatives, Telephone Companies And Others. (REPEAL)

(1) The term "Department" as used in this regulation shall mean the Department of Revenue of the State of Alabama.

(2) Where the Department finds that it is practically impossible at the time of purchase for an electric cooperative, telephone company, or anyone engaged in a similar type of business, or their vendors, to determine with any degree of certainty the applicability of state-administered city and county use taxes to purchases of tangible personal property and where it would facilitate and expedite the collection of the taxes to permit the purchaser to purchase tangible personal property without the payment to the vendor of the applicable state-administered city and county use taxes; the electric cooperative, telephone company, or anyone engaged in a similar business, upon application therefor, may be permitted to purchase tangible personal property without payment to the vendor of state-administered city and county use taxes subject to the following conditions:

(a) The permit holder shall purchase all tangible personal property without payment of state-administered city and county use taxes to the seller, and shall report and pay all state-administered city and county use taxes directly to the Department.

(b) The permit holder shall report state-administered city and county use taxes upon forms approved by the Department and shall pay the taxes directly to the Department on or before the twentieth day of the month following the tax reporting period during which the tangible personal property was used for a taxable purpose.

(c) The permit holder shall be required to keep the books and records necessary to determine the use tax liability, which records shall be subject to examination by the Department.

(d) The permit does not extend to construction contracts. The contractor is the consumer of building materials used in the performance of construction contracts, and must pay any applicable city and county taxes to the seller at the time of purchasing the materials. If an applicable use tax is not paid to the seller, the contractor is required to pay the tax directly to the Department.

(e) The permit shall not be transferable and may be canceled upon notice by registered mail to the permit holder.

(f) The permit applies only to city and county use taxes collected by the Department.

(3) An application for the permit shall be made on forms furnished by the Department and shall require the following information:

- (a) Applicant's Federal Employer Identification Number,
- (b) Applicant's legal name and complete mailing address,
- (c) Business address(es) in Alabama including city, county, and street address or, if location is on a highway or rural route, including details sufficient to allow Department personnel to find the place of business,
- (d) Indication of the nature of business,
- (e) Business phone number,
- (f) Desired effective date of permit, and (g) Signature and title of sole proprietor, each partner, or an elected corporate officer and the date of each signature.

(4) The permit shall contain the following information:

- (a) Taxpayer's direct pay permit number, legal name, and complete address,
- (b) Permit holder's principal business location in Alabama,
- (c) Nature of the permit holder's business,
- (d) Effective date of the permit,
- (e) Statement of the conditions to which the permit is subject
- (f) Legal name of the applicant for the direct pay permit, the date the application was filed, and the date the Department approved the application,
- (g) Signature on behalf of the Department and the date signed, and
- (h) Attesting signature of the Departmental Secretary.

Author: Dan DeVaughn

Authority: §§11-51-180 via 40-23-31, via 40-23-83; §§11-51-207 via 40-23-31, via 40-23-83; §40-2A-7(a)(5), Code of Ala. 1975.

History: Adopted July 2, 1975.

Amended: November 3, 1980.

Amended: Filed May 2, 1996, effective June 6, 1996.

Amended: Filed September 15, 1998; effective October 20, 1998

Repealed: September 20, 2021; effective