

# “Back-to-School” Sales Tax Holiday



*Alabama*  
*Department of Revenue*



ALABAMA **RETAIL**  
ASSOCIATION

Chamber of Commerce  
**CCAA**  
Association of Alabama

## “Back-to-School” Sales Tax Holiday

- ...the sales tax holiday begins at 12:01 a.m. on the third Friday in July, and ends at midnight on the following Sunday...(the) sales tax holiday is enacted pursuant to Acts No. 2006-574/No. 2017-120, whereby no state sales or use tax is due on "covered items" as defined.

# “Back-to-School” Sales Tax Holiday

- Pursuant to Act No. 2017-120, any county or municipality may, by resolution or ordinance adopted at least 30 days prior to the third full weekend of July, provide for the exemption of "covered items" from county or municipal sales or use taxes during the same time period, under the same terms, conditions, and definitions as provided in this rule for the state sales tax holiday. A county or municipality is prohibited from providing for a sales and use tax exemption during any period other than concurrently with a state sales tax holiday. A participating county or municipality shall submit a certified copy of their adopted resolution or ordinance providing for the sales tax holiday, and any subsequent amendments thereof, to the Alabama Department of Revenue at least 30 days prior to the effective date of the resolution or ordinance. The Department will compile this information into a list of all counties and municipalities participating in the sales tax holiday and issue a current publication of the list on its website.

# “Back-to-School” Sales Tax Holiday

**Clothing**

# “Back-to-School” Sales Tax Holiday

- "Covered items" means: Articles of clothing with a sales price of one hundred dollars (\$100), or less, per article of clothing. The exemption applies regardless of how many items are sold on the same invoice to a customer. "Clothing" means all human wearing apparel *suitable for general use* including sandals, shoes and sneakers.

## “Back-to-School” Sales Tax Holiday

Items of clothing that are not covered

## “Back-to-School” Sales Tax Holiday (not covered)

- Belt buckles sold separately;
- Costume masks sold separately;
- Patches and emblems sold separately;
- Sewing equipment and supplies including, but not limited to, knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles;
- Sewing materials that become part of "clothing" including, but not limited to, buttons, fabric, lace, thread, yarn, and zippers;
- In addition, clothing shall not include clothing accessories or equipment, protective equipment, or sport or recreational equipment,

## “Back-to-School” Sales Tax Holiday (not covered)

- "Clothing accessories or equipment" means incidental items worn on the person or in conjunction with "clothing."



## “Back-to-School” Sales Tax Holiday (not covered)

- briefcases;
- cosmetics;
- hair notions, including, but not limited to, barrettes, hair bows, and hair nets;
- handbags;
- handkerchiefs;
- jewelry;
- sun glasses, eye glasses, contacts (prescription or non-prescription);
- umbrellas;
- wallets;
- watches
- wigs and hair pieces

## “Back-to-School” Sales Tax Holiday (not covered)

- "Protective equipment" means items for human wear and designed as protection of the wearer against injury or disease or as protections against damage or injury of other persons or property but not suitable for general use.

## “Back-to-School” Sales Tax Holiday (not covered)

- breathing masks;
- clean room apparel and equipment;
- ear and hearing protectors;
- face shields;
- hard hats;
- helmets;
- paint or dust respirators;
- protective gloves;
- safety glasses and goggles;
- safety belts;
- tool belts;
- welders gloves and masks.

## “Back-to-School” Sales Tax Holiday (not covered)

- "Sport or recreational equipment" means items designed for human use and worn in conjunction with an athletic or recreational activity that are not suitable for general use

## “Back-to-School” Sales Tax Holiday (not covered)

- ballet and tap shoes;
- cleated or spiked athletic shoes
- gloves, including, but not limited to, baseball, bowling, boxing, hockey, and golf
- goggles;
- hand and elbow guards;
- life preservers and vests;
- mouth guards;
- roller and ice skates;
- shin guards;
- shoulder pads;
- ski boots;
- waders;
- wetsuits and fins.

# “Back-to-School” Sales Tax Holiday

**Computers**



# “Back-to-School” Sales Tax Holiday

- "Covered items" means: A single purchase, with a sales price of seven hundred fifty dollars (\$750), or less, of computers, computer software, and school computer supplies. "Computer," "computer software," and "school computer supplies" shall not include furniture and any systems, devices, software, peripherals designed or intended primarily for recreational use, or video games of a non-educational nature.

# “Back-to-School” Sales Tax Holiday

- "School computer supply" means an item commonly used by a student in a course of study in which a computer is used. The following is an all-inclusive list of school computer supplies:



# “Back-to-School” Sales Tax Holiday

- Computer storage media; diskettes, compact disks;
- Handheld electronic schedulers, except devices that are cellular phones;
- Personal digital assistants, except devices that are cellular phones;
- Computer printers; and
- Printer supplies for computers; printer paper, printer ink.

“Back-to-School” Sales Tax Holiday

**School Supplies**

# “Back-to-School” Sales Tax Holiday

- "Covered items" means: Noncommercial purchases of school supplies, school art supplies, and school instructional material, up to a sales price of fifty dollars (\$50) per item.
- "School supply" is an item commonly used by a student in a course of study. The following is an all-inclusive list

# “Back-to-School” Sales Tax Holiday

- Binders;
- Book bags;
- Calculators;
- Cellophane tape;
- Blackboard chalk;
- Compasses;
- Composition books;
- Crayons;
- Erasers;
- Folders, expandable, pocket, plastic, and manila;

# “Back-to-School” Sales Tax Holiday

- Glue, paste, and paste sticks;
- Highlighters;
- Index cards;
- Index card boxes;
- Legal pads;
- Lunch boxes;
- Markers;
- Notebooks;
- Paper, loose leaf ruled notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper;

# “Back-to-School” Sales Tax Holiday

- Pencil boxes and other school supply boxes;
- Pencil sharpeners;
- Pencils;
- Pens;
- Protractors;
- Rulers;
- Scissors;
- Writing tablets

# “Back-to-School” Sales Tax Holiday

- "School art supply" is an item commonly used by a student in a course of study for artwork. The following is an all-inclusive list

# “Back-to-School” Sales Tax Holiday

- Clay and glazes;
- Paints, acrylic, tempora, and oil;
- Paintbrushes for artwork;
- Sketch and drawing pads;
- Watercolors



# “Back-to-School” Sales Tax Holiday

- “School instructional material” is written material commonly used by a student in a course of study as a reference and to learn the subject being taught. The following is an all inclusive list:
- Reference maps and globes;
- Required textbooks on an official school book list with a sales price of more than thirty dollars (\$30) and less than fifty dollars (\$50).

## “Back-to-School” Sales Tax Holiday

- Noncommercial purchases of books with a sales price of not more than thirty dollars (\$30) per book. The term book shall mean a set of printed sheets bound together and published in a volume with an ISBN number, but does not include magazines, newspapers, periodicals, or any other document printed or offered for sale in a non-bound form.

# “Back-to-School” Sales Tax Holiday

## **Examples**

# “Back-to-School” Sales Tax Holiday

- Covered items are exempt only if the individual item is priced at or below the established threshold for the exemption. Exemption for only a portion of an individual item is not allowed. The following example illustrates the application of the rule to the exemption

# “Back-to-School” Sales Tax Holiday

- A customer purchases a pair of pants costing \$120.00. Tax is due on the entire \$120.00.  
The exemption does not apply to the first \$100.00 of the price of an item of clothing selling for more than \$100.00.
- A pair of shoes sells for \$200.00. The pair of shoes cannot be split in order to sell each shoe for \$100.00 to qualify for the exemption.

# “Back-to-School” Sales Tax Holiday

- A suit is normally priced at \$300.00. The suit cannot be split into a coat and slacks so that one of the articles may be sold for \$100.00 or less to qualify for the exemption. However, articles that are normally sold as separate articles, such as a sport coat and slacks, may continue to be sold as separate articles and qualify for the exemption.
- A packaged gift set consisting of a wallet (ineligible item) and tie (eligible item) would not qualify for the exemption.

# “Back-to-School” Sales Tax Holiday

- “Buy one, get one free” and other similar offers. If a dealer offers “buy one, get one free” or “two for the price of one” on covered items, the purchase shall qualify for the exemption when all other conditions of the exemption are met. However, if a dealer offers a “buy one, get one for a reduced price” the two prices cannot be averaged to qualify both items for the exemption.

# “Back-to-School” Sales Tax Holiday

- Discounts, coupons, and rebates. A discount by the seller reduces the sales price of the item and the discounted sales price determines whether the sales price is within the sales tax holiday price threshold. A coupon that reduces the sales price is treated as a discount if the seller is not reimbursed for the coupon amount by a third-party. If a discount applies to the total amount paid by a purchaser rather than to the sales price of a particular item and the purchaser has purchased both eligible property and taxable property, the seller should allocate the discount based on the total sales prices of the taxable property compared to the total sales prices of all property sold in that same transaction.



# Quick Reference

50 North Ripley Street  
Montgomery, AL 36130

revenue.alabama.gov



## 2023 Back-to-School Sales Tax Holiday

Alabama will hold its 18th annual back-to-school sales tax holiday, beginning Friday, July 21 at 12:01 a.m. and ending Sunday, July 23 at midnight. This event gives shoppers the opportunity to purchase certain school supplies, computers, and clothing free of state sales tax. Local sales tax may still apply. For more information, contact the Sales and Use Tax Division at 334-242- 1490 or 866-576-6531.

Clothing		
<p><b>Eligible</b> \$100 or less, per article of clothing Includes all human wearing apparel suitable for general use. This is not an all-inclusive list.</p>		
<ul style="list-style-type: none"> <li>Belts</li> <li>Boots</li> <li>Caps</li> <li>Coats</li> <li>Diapers</li> <li>Dresses</li> <li>Gloves</li> <li>Gym Suits</li> <li>Hats</li> </ul>	<ul style="list-style-type: none"> <li>Hosiery</li> <li>Jackets</li> <li>Jeans</li> <li>Neckties</li> <li>Pajamas</li> <li>Pants</li> <li>Raincoats</li> <li>Ribbed</li> <li>Sandals</li> </ul>	<ul style="list-style-type: none"> <li>Scarves</li> <li>School Uniforms</li> <li>Shirts</li> <li>Shoes</li> <li>Shorts</li> <li>Socks</li> <li>Sneakers</li> <li>Underwear</li> </ul>
Noneligible		
<p>Clothing accessories, protective equipment, and sports or recreational equipment</p>		
<ul style="list-style-type: none"> <li>Belt buckles (sold separately)</li> <li>Briefcases</li> <li>Cosmetics</li> <li>Costume masks (sold separately)</li> <li>Hair Notions (barrettes, hair bows, etc.)</li> <li>Handbags</li> <li>Handkerchiefs</li> <li>Jewelry</li> <li>Patches and emblems (sold separately)</li> <li>Sewing equipment &amp; supplies (pins, patterns, scissors, tape measures, etc.)</li> <li>Sewing materials (thread, fabric, buttons, zippers, etc.)</li> <li>Sunglasses, eyeglasses, contacts (prescription or nonprescription)</li> <li>Umbrellas</li> <li>Wallets</li> <li>Watches</li> <li>Wigs and hair pieces</li> </ul>	<ul style="list-style-type: none"> <li>Breathing masks</li> <li>Clean room apparel and equipment</li> <li>Ear &amp; hearing protectors</li> <li>Face shields</li> <li>Hard hats</li> <li>Helmets</li> <li>Paint or dust respirators</li> <li>Protective gloves</li> <li>Safety glasses and goggles</li> <li>Safety belts</li> <li>Tool belts</li> <li>Welder gloves and masks</li> </ul>	<ul style="list-style-type: none"> <li>Ballet or tap shoes</li> <li>Band instruments</li> <li>Cleated or spiked athletic shoes</li> <li>Gloves (baseball, bowling, boxing, hockey, golf, etc.)</li> <li>Goggles</li> <li>Hand and elbow guards</li> <li>Life preservers and vests</li> <li>Mouth guards</li> <li>Roller and ice skates</li> <li>Shin guards</li> <li>Shoulder pads</li> <li>Ski boots</li> <li>Waders</li> <li>Wetsuits and fins</li> </ul>

Computers, computer software, and school computer supplies
<p><b>Eligible</b> A single purchase with a sales price of \$750 or less.</p> <p>Computers - For a purchase to be eligible, a computer may include a laptop, desktop, or tower computer system which consists of a central processing unit (CPU), and devices such as a display monitor, keyboard, mouse, and speakers sold as a computer package. Computer parts and devices not sold as part of a package with the CPU, will not qualify for the exemption.</p>
<p>Computer software</p> <p>School computer supplies - An Item commonly used by a student in a course of study in which a computer is used. All-inclusive list includes:</p> <ul style="list-style-type: none"> <li>Computer storage media; diskettes, compact disks</li> <li>Handheld electronic schedulers, except devices that are cellular phones</li> <li>Personal digital assistants, except devices that are cellular phones</li> <li>Computer printers</li> <li>Printer supplies for computers (printer paper, printer ink)</li> </ul>
<p><b>Noneligible</b></p> <ul style="list-style-type: none"> <li>Furniture</li> <li>Any systems, devices, software, peripherals designed or intended primarily for recreational use</li> <li>Video games of a non-educational nature</li> </ul>

School supplies, school art supplies, and school instructional material		
<p><b>Eligible</b> Sales price of \$50 or less, per item (noncommercial purchases) This is an all-inclusive list.</p>		
<p>School supplies</p>		
<ul style="list-style-type: none"> <li>Binders</li> <li>Blackboard chalk</li> <li>Book bags</li> <li>Calculators</li> <li>Calligraphy tape</li> <li>Compasses</li> <li>Composition books</li> <li>Crayons</li> <li>Erasers</li> <li>Folders (expandable, pocket, plastic, and manila)</li> <li>Glue, paste, and paste sticks</li> </ul>	<ul style="list-style-type: none"> <li>Highlighters</li> <li>Index cards</li> <li>Index card boxes</li> <li>Legal pads</li> <li>Lunch boxes</li> <li>Markers</li> <li>Notebooks</li> <li>Protractors</li> <li>Paper (colored, construction, copy, graph, loose leaf ruled notebook, manila, and tracing papers and poster board)</li> </ul>	<ul style="list-style-type: none"> <li>Pencil boxes and other school supply boxes</li> <li>Pencil sharpeners</li> <li>Pencils</li> <li>Pens</li> <li>Rulers</li> <li>Scissors</li> <li>Writing tablets</li> </ul>
<p><b>School art supplies</b> This is an all-inclusive list.</p> <ul style="list-style-type: none"> <li>Clay and glazes</li> <li>Paints (acrylic, tempora, oil, and watercolors)</li> <li>Paintbrushes for artwork</li> <li>Sketch and drawing pads</li> </ul>	<p><b>School instructional material</b> (Written material commonly use in a course of study as a reference and to learn the subject being taught) This is an all-inclusive list.</p> <ul style="list-style-type: none"> <li>Reference maps and globes</li> <li>Required textbooks on an official schoolbook list with a sales price of more than \$30 and less than \$50</li> </ul>	

Books
<p><b>Eligible</b> Sales price of \$30 or less, per book (noncommercial purchases)</p> <p>Books The term book is defined as a set of printed sheets bound together and published in a volume with an ISBN number.</p>
<p><b>Noneligible</b></p> <ul style="list-style-type: none"> <li>Magazines</li> <li>Newspapers and periodicals</li> <li>Any other document printed or offered for sale in a non-bound form</li> </ul>

# **“Back-to-School” Sales Tax Holiday**

**For Assistance  
Call**

**Monday-Friday  
8:00 am - 5:00 pm**

**334-242-1490 or 866-576-6531**

**[www.revenue.alabama.gov](http://www.revenue.alabama.gov)**