

SALES TAX HOLIDAY PRIMER

From **12:01 a.m. Friday, Aug. 7, until midnight Sunday, Aug. 9, 2015**, Alabama's four-percent sales tax as well as local sales taxes in many of the state's cities and counties are waived on the following items:



CLOTHING: Any item valued at \$100 or less

Clothing is tax free regardless of how many items are sold on the same invoice to a customer. "Clothing" means all apparel suitable for general use, including sandals, shoes and sneakers. This does not include accessories, protective equipment, sport or recreational equipment. A full list of what is and is not taxable can be found on the Alabama Revenue Department's website at

<http://www.revenue.alabama.gov/salestax/STHolidayQuickRefSheet15.pdf>

Call **1.800.239.5423** if you want the sales tax holiday rules emailed or faxed to you.



SCHOOL SUPPLIES:

Noncommercial purchases of items valued at \$50 or less

Binders, book bags, calculators, cellophane tape, blackboard chalk, compasses, composition books, crayons, erasers, folders, glue/paste/paste sticks, highlighters, index cards, index card boxes, legal pads, lunch boxes, markers, notebooks, paper, pencil/school supply boxes, pencil sharpeners, pencils, pens, protractors, rulers, scissors, and writing tablets are sales-tax free regardless of how many items are sold on the same invoice to a customer. Also, school art supplies and school instructional materials are included in this category.



COMPUTERS/COMPUTER EQUIPMENT: **single purchases of \$750 or less**

This includes computers, computer software and school computer supplies, except those intended for recreational use or video games of a non-educational nature. This does NOT include furniture. "Computer" means an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions, also known as a central processing unit (CPU). A computer may include a laptop, desktop or tower computer system, which consists of a CPU, display monitor, keyboard, mouse and speakers sold as a computer package. PDAs, computer storage media, computer printers, printer paper and printer ink also qualify in this category.



BOOKS: Any book valued at \$30 or less

A book is a set of printed sheets bound together and published in a volume with an ISBN number. Magazines, newspapers, periodicals, or any other document printed or offered for sale in a non-bound form are NOT considered books and are to be taxed. Textbooks valued at \$50 or less also are included in the sales tax holiday.

Turn over for more information on Alabama's 10th annual sales tax holiday.

ALABAMA **RETAIL**
ASSOCIATION

SALES TAX HOLIDAY PRIMER

Tip #1

Download the
Sales Tax Holiday

Quick Reference Sheet of Exempt Items

from the Alabama Revenue Department's website.

Make copies to place at your cash registers, give to your clerks and provide for your customers.

To download this pdf document, go to

<http://www.revenue.alabama.gov/salestax/STHolidayQuickRefSheet15.pdf>



2015 SALES TAX HOLIDAY
Alabama will hold its sixth annual sales tax holiday, beginning Friday, August 7, 2015 at 12:01 a.m. and ending Sunday, August 9, 2015 at 12 midnight, giving shoppers the opportunity to purchase certain school supplies, computers and clothing free of state sales tax. Local sales tax may apply.
For more information, contact us: 8:00 a.m. - 5:00 p.m., CST
334.242.1490 or 866.576.6531

CLOTHING - \$100 or Less, per article of clothing		
EXEMPT:		
• Belts	• Socks	• Swimwear
• Blouses	• Sweaters	• Ties
• Caps	• T-shirts	• Undershirts
• Coats	• Vests	• Shorts
• Dresses	• Pajamas	• Skirts
• Goggles	• Raincoats	• Suits
• Gloves	• Raincoats	• Suits
• Outerwear	• Raincoats	• Suits
• Hats	• Raincoats	• Suits
• Mittens	• Raincoats	• Suits
• Scarves	• Raincoats	• Suits
• Socks	• Raincoats	• Suits
• Suits	• Raincoats	• Suits
• Ties	• Raincoats	• Suits
• Undershirts	• Raincoats	• Suits
• Swimwear	• Raincoats	• Suits

Tip #2

Check to see if the **municipalities and counties where your stores are located** are participating in the sales tax holiday along with the state.

The list of the participating cities and counties can be found at
<http://www.revenue.alabama.gov/salestax/SalesTaxHol.cfm>

If you don't see your municipality or county, keep checking right up until the date of the sales tax holiday as the list will continue to be updated.

Tip #3

Savvy retailers plan for **sales tax holidays**. Consider:

- sales to coincide with the holiday
- adding inventory
- increasing advertising
- extending shopping hours
- segregating, having a special display for or having distinctive signage for tax-exempt items
- training your clerks on what is and is not exempt.



Tip #4

Questions about the sales tax holiday? Don't wait until it's too late. Call the Department of Revenue at **334.242.1490** or **866.576.6531** between 8 a.m. and 5 p.m. CST weekdays or visit

<http://www.revenue.alabama.gov/salestax/SalesTaxHol.cfm>

ALABAMA RETAIL ASSOCIATION

The above links are one click away by going to

www.alabamaretail.org/alabamasalestaxholidays/

