SB73

A4XHQS7-2

By Senators Williams, Sessions, Melson, Barfoot, Jones, Carnley, Givhan, Kelley, Allen, Stutts, Weaver, Kitchens, Chesteen, Price, Gudger, Roberts, Livingston, Bell, Smitherman, Beasley, Stewart, Singleton, Elliott

RFD: Finance and Taxation Education

First Read: 07-Feb-24

A BILL

TO BE ENTITLED

AN ACT

Relating to taxation; to provide an exemption from the for up to twenty-five thousand dollars ($25,000) of agricultural fencing materials from sales and use tax; and to provide a sunset date.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. For a period commencing October 1, 2024, and ending September 30, 2029, up to twenty-five thousand dollars ($25,000) of the gross proceeds from the sale of fencing materials such as t-posts, wood posts, barbed wire, net wire, smooth wire, standard metal gates, and other like materials used for the purpose of fencing in agriculture livestock applications are exempt from the sales and use tax as provided for in Section 40-23-2 and 40-23-61, Code of Alabama 1975. The exemption provided in this subdivision shall not apply to county or municipal sales and use taxes unless approved by resolution or ordinance adopted by the local governing body.

(b) To qualify for the exemption, a retail purchaser shall provide to a seller an affidavit confirming the purchased material is strictly for an agriculture livestock application. The affidavit shall relieve the seller of the

obligation to collect the tax under Chapter 23 of Title 40, Code of Alabama 1975, with respect to the sale of such materials. The Department of Revenue shall make the affidavit available to sellers.

Section 2. This act shall become effective on October 1, 2024.

Senate

Read for the first time and referred 07-Feb-24
to the Senate committee on Finance
and Taxation Education

Read for the second time and placed 28-Feb-24
on the calendar:
1 amendment

Read for the third time and passed 19-Mar-24
as amended
Yeas 27
Nays 3
Abstains 0

Patrick Harris,
Secretary.