

**SB90 INTRODUCED**



1 5V4VM3-1  
2 By Senator Livingston  
3 RFD: Finance and Taxation Education  
4 First Read: 21-Mar-23  
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SYNOPSIS:

Under existing law, producer value added agricultural products are exempt from the calculation of sales and use tax.

This bill would clarify that products under Chapter 2A of Title 20 are excluded from the producer value added agricultural exemption.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to sales and use tax; to add a new Section 40-23-4.5, Code of Alabama 1975, to exclude products under Chapter 2A of Title 20 from the producer value added sales and use tax exemption.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-23-4.5 is added to the Code of Alabama 1975, to read as follows:

§40-23-4.5.

The producer value added agricultural product exemption provided in Section 40-23-1 and 40-23-4, Code of Alabama 1975, as amended by the Sweet Grown Alabama Act 2022-291 of the 2022 Regular Session, shall not apply to products processed or



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29 produced under Chapter 2A of Title 20, Code of Alabama 1975.

30 Section 2. This act shall become effective immediately  
31 following its passage and approval by the Governor or its  
32 otherwise becoming law.