

# HB205 INTRODUCED



1 HB205  
2 A52ZQQQ-1  
3 By Representative Underwood  
4 RFD: Ways and Means Education  
5 First Read: 06-Feb-25



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SYNOPSIS:

Under existing law, the state levies a sales or use tax on purchases of tangible personal property depending on the manner in which the tangible personal property is acquired. The tax rates and exemptions for both taxes are similar.

This bill would make a technical revision to the use tax exemption statute to ensure that recently enacted exemptions from sales and use taxes are included in the statute and the exemptions for both taxes continue to be similar.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to use taxes; to amend Section 40-23-62, Code of Alabama 1975, to make technical edits to ensure use tax exemptions continue to be similar to sales tax exemptions.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-23-62, Code of Alabama 1975, is amended to read as follows:

"§40-23-62

The storage, use, or other consumption in this state of



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29 the following tangible personal property is hereby  
30 specifically exempted from the tax imposed by this article:

31 (1) Property, on which the sales tax imposed by the  
32 provisions of Article 1 of this chapter is paid by the  
33 consumer to a person licensed under the provisions of Article  
34 1 of this chapter.

35 (2) Tangible personal property, not to be used in the  
36 performance of a contract, brought into this state by a  
37 nonresident thereof for his or her own storage, use, or  
38 consumption while temporarily within this state.

39 (3) In addition to the exemptions provided in  
40 subdivisions (1) and (2), all exemptions enumerated in  
41 ~~Sections 40-23-4(a) and 40-23-4.1~~ Article 1, Division 1, of  
42 this chapter are incorporated by reference in this section.

43 (4) The storage, use, or other consumption in this  
44 state of religious magazines and publications. For the purpose  
45 of this subdivision the words "religious magazines and  
46 publications" shall be construed to mean printed or  
47 illustrated lessons, notes and explanations distributed by  
48 churches or other religious organizations free of charge to  
49 pupils or students in Sunday schools, Bible classes or other  
50 educational facilities established and maintained by churches  
51 or similar religious organizations in this state."

52 Section 2. This act shall become effective on July 1,  
53 2025.