

**SB209 INTRODUCED**



1 SB209  
2 CXX61WW-1  
3 By Senator Hatcher  
4 RFD: Finance and Taxation Education  
5 First Read: 27-Feb-25



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SYNOPSIS:

Under current law, certain "covered items" are exempt from sales tax during certain weekends during a year. Some of these covered items have sales price caps to qualify for exemption.

This bill would require the Department of Revenue to adjust the dollar value of these items based on changes in the Consumer Price Index.

In addition, this bill would increase the number of days prior to which a local government must pass a resolution or ordinance to adopt such exemptions for local sales taxes.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to sales tax; to amend Sections 40-23-210 and 40-23-230, Code of Alabama 1975, to require the Department of Revenue to adjust the dollar value of certain covered items based on changes in the Consumer Price Index; and to amend Sections 40-23-213 and 40-23-233, Code of Alabama 1975, to increase the number of days prior to which a local government must pass a resolution or ordinance to adopt such exemptions for local sales taxes.



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29 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

30 Section 1. Section 40-23-210, Code of Alabama 1975, is  
31 amended to read as follows:

32 "§40-23-210

33 (a) As used in this article, the term "covered items"  
34 means the following:

35 (1) Articles of clothing with a sales price of one  
36 hundred dollars (\$100), or less, per article of clothing.

37 a. "Clothing" means all human wearing apparel suitable  
38 for general use including sandals, shoes, and sneakers.

39 "Clothing" shall not include the following:

40 1. Belt buckles sold separately.

41 2. Costume masks sold separately.

42 3. Patches and emblems sold separately.

43 4. Sewing equipment and supplies including, but not  
44 limited to, knitting needles, patterns, pins, scissors, sewing  
45 machines, sewing needles, tape measures, and thimbles.

46 5. Sewing materials that become part of "clothing"  
47 including, but not limited to, buttons, fabric, lace, thread,  
48 yarn, and zippers.

49 b. In addition, clothing shall not include clothing  
50 accessories or equipment, protective equipment, or sport or  
51 recreational equipment; as defined herein.

52 1. "Clothing accessories or equipment" means incidental  
53 items worn on the person or in conjunction with "clothing."  
54 The following list contains examples and is not intended to be  
55 an all-inclusive list. "Clothing accessories or equipment"  
56 shall include:



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- 57 (i) Briefcases.
- 58 (ii) Cosmetics.
- 59 (iii) Hair notions, including, but not limited to,  
60 barrettes, hair bows, and hair nets.
- 61 (iv) Handbags.
- 62 (v) Handkerchiefs.
- 63 (vi) Jewelry.
- 64 (vii) Sun glasses, non-prescription.
- 65 (viii) Umbrellas.
- 66 (ix) Wallets.
- 67 (x) Watches.
- 68 (xi) Wigs and hair pieces.

69 2. "Protective equipment" means items for human wear  
70 and designed as protection of the wearer against injury or  
71 disease or as protections against damage or injury of other  
72 persons or property but not suitable for general use. The  
73 following list contains examples and is not intended to be an  
74 all-inclusive list. "Protective equipment" shall include:

- 75 (i) Breathing masks.
- 76 (ii) Clean room apparel and equipment.
- 77 (iii) Ear and hearing protectors.
- 78 (iv) Face shields.
- 79 (v) Hard hats.
- 80 (vi) Helmets.
- 81 (vii) Paint or dust respirators.
- 82 (viii) Protective gloves.
- 83 (ix) Safety glasses and goggles.
- 84 (x) Safety belts.



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85 (xi) Tool belts.

86 (xii) Welders gloves and masks.

87 3. "Sport or recreational equipment" means items  
88 designed for human use and worn in conjunction with an  
89 athletic or recreational activity that are not suitable for  
90 general use. The following list contains examples and is not  
91 intended to be an all-inclusive list. "Sport or recreational  
92 equipment" shall include:

93 (i) Ballet and tap shoes.

94 (ii) Cleated or spiked athletic shoes.

95 (iii) Gloves, including, but not limited to, baseball,  
96 bowling, boxing, hockey, and golf.

97 (iv) Goggles.

98 (v) Hand and elbow guards.

99 (vi) Life preservers and vests.

100 (vii) Mouth guards.

101 (viii) Roller and ice skates.

102 (ix) Shin guards.

103 (x) Shoulder pads.

104 (xi) Ski boots.

105 (xii) Waders.

106 (xiii) Wetsuits and fins.

107 (2) A single purchase, with a sales price of seven  
108 hundred fifty dollars (\$750), or less, of computers, computer  
109 software, and school computer supplies.

110 a. A "computer" means an electronic device that accepts  
111 information in digital or similar form and manipulates it for  
112 a result based on a sequence of instructions.



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113           b. "Computer software" means a set of coded  
114 instructions designed to cause a "computer" or automatic data  
115 processing equipment to perform a task.

116           c. A "school computer supply" means an item commonly  
117 used by a student in a course of study in which a computer is  
118 used. The following is an all-inclusive list of school  
119 computer supplies:

120           1. Computer storage media; diskettes, and compact  
121 disks.

122           2. Handheld electronic schedulers, except devices that  
123 are cellular phones.

124           3. Personal digital assistants, except devices that are  
125 cellular phones.

126           4. Computer printers.

127           5. Printer supplies for computers; printer paper,  
128 printer ink.

129           d. "Computer," "computer software," and "school  
130 computer supplies" shall not include furniture and any  
131 systems, devices, software, peripherals designed or intended  
132 primarily for recreational use, or video games of a  
133 noneducational nature.

134           (3) Noncommercial purchases of school supplies, school  
135 art supplies, and school instructional material, up to a sales  
136 price of fifty dollars (\$50) per item.

137           a. "School supply" is an item commonly used by a  
138 student in a course of study. The following is an  
139 all-inclusive list:

140           1. Binders.



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- 141 2. Book bags.
- 142 3. Calculators.
- 143 4. Cellophane tape.
- 144 5. Blackboard chalk.
- 145 6. Compasses.
- 146 7. Composition books.
- 147 8. Crayons.
- 148 9. Erasers.
- 149 10. Folders; expandable, pocket, plastic, and manila.
- 150 11. Glue, paste, and paste sticks.
- 151 12. Highlighters.
- 152 13. Index cards.
- 153 14. Index card boxes.
- 154 15. Legal pads.
- 155 16. Lunch boxes.
- 156 17. Markers.
- 157 18. Notebooks.
- 158 19. Paper; loose leaf ruled notebook paper, copy paper,
- 159 graph paper, tracing paper, manila paper, colored paper,
- 160 poster board, and construction paper.
- 161 20. Pencil boxes and other school supply boxes.
- 162 21. Pencil sharpeners.
- 163 22. Pencils.
- 164 23. Pens.
- 165 24. Protractors.
- 166 25. Rulers.
- 167 26. Scissors.
- 168 27. Writing tablets.



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

- 172           1. Clay and glazes.
- 173           2. Paints; acrylic, tempera, and oil.
- 174           3. Paintbrushes for artwork.
- 175           4. Sketch and drawing pads.
- 176           5. Watercolors.

177           c. "School instructional material" is written material  
178 commonly used by a student in a course of study as a reference  
179 and to learn the subject being taught. The following is an  
180 all-inclusive list:

- 181           1. Reference maps and globes.
- 182           2. Required textbooks on an official school book list  
183 with a sales price of more than thirty dollars (\$30) and less  
184 than fifty dollars (\$50).

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

191           (b) (1) For calendar year 2026, the Alabama Department  
192 of Revenue, by rule, shall adjust the dollar amounts provided  
193 in subsection (a) by the percentage change in the Consumer  
194 Price Index for all urban consumers as published by the U.S.  
195 Department of Labor, Bureau of Labor Statistics, from December  
196 2006 to December 2024, rounded to the nearest whole dollar.





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197           (2) The Alabama Department of Revenue shall repeat the  
198 adjustment provided in subdivision (1) every five calendar  
199 years using the Consumer Price Index for all urban consumers  
200 as published by the U.S. Department of Labor, Bureau of Labor  
201 Statistics, for the previous five years forward."

202           Section 2. Section 40-23-230, Code of Alabama 1975, is  
203 amended to read as follows:

204           "§40-23-230

205           (a) As used in this article, the term "covered items"  
206 includes the following selling for \$60 or less per item:

207           (1) Any package of AAA-cell, AA-cell, C-cell, D-cell,  
208 6-volt, or 9-volt batteries, excluding coin batteries and  
209 automobile and boat batteries.

210           (2) Any cellular phone battery or cellular phone  
211 charger.

212           (3) Any portable self-powered or battery-powered radio,  
213 two-way radio, weatherband radio, or NOAA weather radio.

214           (4) Any portable self-powered light source, including  
215 battery-powered flashlights, lanterns, or emergency glow  
216 sticks.

217           (5) Any tarpaulin, plastic sheeting, plastic drop  
218 cloths, or other flexible, waterproof sheeting.

219           (6) Any ground anchor system, such as bungee cords or  
220 rope, or tie-down kit.

221           (7) Any duct tape.

222           (8) Any plywood, window film, or other materials  
223 specifically designed to protect window openings.

224           (9) Any non-electric food storage cooler or water



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225 storage container.

226 (10) Any non-electric can opener.

227 (11) Any artificial ice, blue ice, ice packs, or  
228 reusable ice.

229 (12) Any self-contained first aid kit.

230 (13) Any fire extinguisher, smoke detector, or carbon  
231 monoxide detector.

232 (14) Any gas or diesel fuel tank or container.

233 (b) The term "covered items" also includes any portable  
234 generator and power cords used to provide light or  
235 communications or preserve food in the event of a power outage  
236 selling for \$1,000 or less per item.

237 (c) (1) For calendar year 2026, the Alabama Department  
238 of Revenue, by rule, shall adjust the dollar amounts provided  
239 in subsection (a) and (b) by the percentage change in the  
240 Consumer Price Index for all urban consumers as published by  
241 the U.S. Department of Labor, Bureau of Labor Statistics, from  
242 December 2006 to December 2024, rounded to the nearest whole  
243 dollar.

244 (2) The Alabama Department of Revenue shall repeat the  
245 adjustment provided in subdivision (1) every five calendar  
246 years using the Consumer Price Index for all urban consumers  
247 as published by the U.S. Department of Labor, Bureau of Labor  
248 Statistics, for the previous five years forward."

249 Section 3. Section 40-23-213, Code of Alabama 1975, is  
250 amended to read as follows:

251 "§40-23-213

252 Any county or municipality ~~may~~, by resolution or



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253 ordinance adopted at least ~~30~~90 days prior to the third full  
254 weekend of July, may provide for the exemption of covered  
255 items from ~~paying~~ county or municipal sales and use taxes  
256 during a period commencing at 12:01 a.m. on the third Friday  
257 in July of each year and ending at 12 midnight the following  
258 Sunday under the same terms, conditions, and definitions as  
259 provided for the state sales tax holiday. Notwithstanding the  
260 foregoing, a county or municipality is prohibited from  
261 providing such an exemption during any other period of the  
262 year."

263 Section 4. Section 40-23-233, Code of Alabama 1975, is  
264 amended to read as follows:

265 "§40-23-233

266 Any county or municipality ~~may~~, by resolution or  
267 ordinance adopted at least 14 days prior to the first full  
268 weekend of July in 2012 and at least ~~30~~90 days prior to the  
269 last full weekend of February in subsequent years, may provide  
270 for the exemption of covered items from ~~paying~~ county or  
271 municipal sales and use taxes during a period commencing at  
272 12:01 a.m. on the first Friday in July in 2012, and the Friday  
273 of the last full weekend of February in subsequent years, and  
274 ending at ~~twelve~~12:00 midnight the following Sunday under the  
275 same terms, conditions, and definitions as provided for the  
276 state sales tax holiday. Notwithstanding the foregoing, a  
277 county or municipality is prohibited from providing such an  
278 exemption during any other period of the year that is not  
279 designated as a sales tax holiday."

280 Section 5. This act shall become effective on October



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281 1, 2025.