



APA-6  
10/96

**ECONOMIC IMPACT STATEMENT  
FOR APA RULE  
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-8-1-.22

Rule Title: Exemptions Pertaining to the Additional Excise Tax on Lubricating Oil

           New   X   Amend            Repeal            Adopt by Reference

- NO This rule has no economic impact.  
 YES This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND

BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE  
BENEFITS AND BURDEN COMPARISON:

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC  
HEALTH:

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH  
IF THE RULE IS NOT IMPLEMENTED:

11. OTHER COMMENTS:

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11/96

**ALABAMA DEPARTMENT OF REVENUE  
Business & License Tax Division**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE**

810-8-1-.01                      Criteria for Governing Bodies of Counties and Incorporated  
Municipalities to Receive Refund of Motor Fuel Excise Taxes

**INTENDED ACTION:**      Adopt a new rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to adopt the above rule to establish the eligibility requirements that governing bodies of counties or incorporated municipalities must meet in order to receive motor fuel excise tax refunds.

810-8-1-.22                      Exemptions Pertaining to the Additional Excise Tax on  
Lubricating Oil

**INTENDED ACTION:**      Amend the above rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rule to provide a code reference in paragraph (1) and to remove the word "gasoline" from paragraph (1)(e)3. In addition, the department proposes to remove paragraph (2) since it is no longer necessary.

810-8-1-.65                      Wholesale Oil License Fee/Import License Fee Return Required

**INTENDED ACTION:**      Adopt new rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to adopt the above rule to establish requirements that a taxpayer file a return even if the entity ceases operations within the prior fiscal year.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:**      A public hearing will be held at **10:00 a.m. on Tuesday, June 18, 2013, in the Office of the Legal Division, Room 3114,** Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at [www.revenue.alabama.gov/rulehear.html](http://www.revenue.alabama.gov/rulehear.html).

All interested parties may present their views in writing to the **Deputy Commissioner of the Alabama Department of Revenue, Room 4112, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time during the thirty-five (35) day period following publication of the notice or by appearing at the hearing.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

June 18, 2013

**CONTACT PERSON AT AGENCY:**

Patricia Toles  
Alabama Department of Revenue  
4131 Gordon Persons Building  
Montgomery, Alabama 36132  
(334) 242-1380



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Michael D. Gamble, Secretary  
Alabama Department of Revenue

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810-8-1-.22 Exemptions Pertaining to the Additional Excise Tax on Lubricating Oil.

(1) The additional excise tax, ~~of four cents (0.04¢) effective August 1, 1980~~ **as provided for in Section 40-17-220**, does not apply with respect to that lubricating oil which the permit holder establishes to the satisfaction of the Department as being:

- (a) Sold to the United States.
- (b) Used to propel aircraft powered by reciprocating engines.
- (c) Used to propel ships, vessels, barges, railroad locomotives, and other railroad equipment.
- (d) Sold for agricultural purposes. The additional excise tax applies for lubricating oil used in motor vehicles travelling the highways of this state although engaged exclusively in agricultural purposes, or only incidentally operated upon a highway in moving between farms or parts of farms contiguous or in close proximity.
- (e) Sold to governing bodies of counties and incorporated municipalities.
  - 1. The governing body of a county or incorporated municipality is that body of the county or incorporated municipality which performs the legislative function and has the ultimate power to determine the policies of the county or incorporated municipality and control the activities of the county or incorporated municipality.
  - 2. Governing bodies of counties and incorporated municipalities exempt from the additional excise tax include county commissions and city councils or city commissions or town councils.
  - 3. Sales claimed by the permit holder as being made to a governing body of a county or incorporated municipality for highway use must be supported by invoice or other documents specifically billed to that governing body. It is further required that payments be made directly by the governing body. Any questionable sales may be substantiated or disallowed by determining whether payment for the ~~gasoline or~~ lubricating oil is made from an account controlled solely by the governing body of the county or incorporated municipality.
- (f) Used in off-road vehicles which presently do not require state licensing; specifically, but not limited to, forklifts and other like devices not for use on the streets and highways of this state.
- (g) Sold to city and county boards of education.
- (h) Sold to private and church school systems which essentially offers the same curriculum as offered in grades K-12 in the public schools, the Alabama Institute for Deaf and Blind, and the Department of Youth Services.

~~(2) The amendments to this regulation which were filed with the Legislative Reference Service on March 20, 2012 will be effective for transactions occurring on or after October 1, 2012 which are subject to the provisions of Act 2011-565, known as the Alabama Terminal Excise Tax Act.~~

Author: Steve DuBose  
Authority: Sections 40-2A-7(a)(5), 40-17-220, 40-2-11, 40-17-323, and 40-17-221,  
Code of Alabama 1975  
History: Adopted August 21, 1986.  
Amended December 14, 1987.  
Amended: Filed April 26, 1996, effective June 3, 1996.  
Amended: Filed December 18, 2008, effective January 22, 2009.  
Amended: Filed June 29, 2012, effective August 3, 2012.