

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control 810 Department or Agency REVENUE

Rule Nos. 810-8-7-.02

Rule Title: Definitions

New; Amend; Repeal; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? N/A

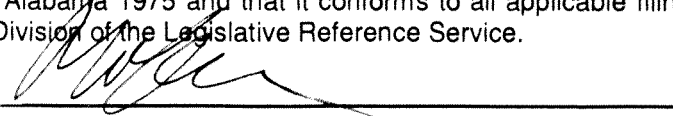
Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer 

Date 7/20/12

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-8-7-.02

Rule Title: Definitions.

New Amend Repeal Adopt by Reference

- NO
 YES

This rule has no economic impact.

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:

APA-2
11/96

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

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-8-7-.01	Scope of Rules
810-8-7-.02	Definitions
810-8-7-.03	Exemptions
810-8-7-.04	Sales Subject to the Tax
810-8-7-.05	Producer's Responsibility to Collect and Remit the Tax
810-8-7-.06	Purchaser's Responsibility to Remit the Tax
810-8-7-.07	Application of the Tax
810-8-7-.08	Conversion of Cubic Yards to Tons

INTENDED ACTION: Adopt the above new rules

SUBSTANCE OF PROPOSED ACTION: The department proposes to adopt the above rules to comply with the provisions of Act 2012-318 (Alabama Uniform Severance Tax).

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 2:00 p.m. on **Wednesday, September 12, 2012, 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.

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:

Wednesday, September 12, 2012

CONTACT PERSON AT AGENCY:

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

A handwritten signature in black ink, appearing to read "M. E. Mason", written over a horizontal line.

Michael E. Mason, Deputy Commissioner
Alabama Department of Revenue

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810-8-7-02 DEFINITIONS. (NEW RULE)

(1) The definitions of terms contained in Code of Alabama 1975, Section 40-31-51, are incorporated into this chapter by reference. In addition, the following terms shall have the meaning ascribed to them for the purpose of clarification and for the enforcement of Title 40, Code of Alabama 1975, Chapter 13, Article 3:

(a) **Agricultural Purposes** - The use of lime or limestone in accordance with the "Alabama Agricultural Liming Materials Act" as codified in Chapter 23 of Title 2, Code of Alabama 1975.

(b) **Chert** - A metamorphic, fragmentary, flint or silica formation interspersed with varying quantity and quality of clay binder. Chert in its natural formation may require blasting to facilitate loading and manipulation.

(c) **Commercial Quarry** - A place from which stone, aggregate sand, gravel, sandstone, granite, shale, clay, dolomite, limestone, and any other natural mineral listed as such by the Geological Survey of Alabama is severed for sale.

(d) **Lightweight Aggregate** - Expanded raw materials that are used in the production of lightweight concrete products (i.e. structural concrete, concrete building blocks, pre-cast structural units and insulating fill). Raw materials commonly used in the production of lightweight aggregate are clay, sand, gravel, and rock.

(e) **Manufactured or Processed Severed Materials** - Natural minerals which have been blended, converted or otherwise transformed by the producer or first purchaser, into a finished product different from the natural minerals such that the component natural minerals are no longer identifiable in the resulting finished product.

(f) **Pollution Control or Abatement** - As defined in Section 40-23-4(a)(16), Code of Alabama 1975, shall include but shall not be limited to, severed materials used in the treating, modifying, or disposing of water or air pollutants with lime or limestone in water treatment or scrubbing systems in order to comply with a federal, state, or local pollution control law or regulation.

(g) **Portland Cement** - A mortar made by heating lime and clay in a kiln and pulverizing the result. It contains a large proportion of clay, and hardens after water is added.

(h) **Processed Sand** - Severed sand that has been washed. Clean sand that has the clay removed.

(i) **Rock Dust** - Ground limestone or marble that is used for mine safety by rendering coal dust inert.

(j) **Severed Material** - All natural minerals, including sand, gravel, sandstone, granite, shale, clay, dolomite, limestone, and any other mineral listed as such by the Geological Survey of Alabama that is not specifically excluded from taxation. Other taxable minerals include bauxite, salt, and silicon.

(k) **Ton** - A short ton of 2000 pounds.

(l) **Unprocessed Naturally Occurring Sand** - Sand that is excavated from the earth in its natural form.

(m) **Used for Fill** - Any material used to build up a formation on a road, house pad, or building pad.

Author: Alisa G. Johnson

Authority: Title 40, Code of Alabama 1975, Sections 40-2A-7(a)(5) and 40-13-55

History: