

APA-6
10/96

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

Control No. 810 Department or Agency REVENUE

Rule No: 810-6-3-.47.02

Rule Title: Private Schools, Sales to

 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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**ALABAMA DEPARTMENT OF REVENUE
Sales & Use Tax Division**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-6-1-.103 Metal Name Plates

INTENDED ACTION: Repeal above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to repeal the above rule due to the fact that it is a duplication of Sales & Use Tax Rule 810-6-1-.109; therefore, it is not necessary.

RULE NO. & TITLE

810-6-1-.109 Name Plates, Metal

INTENDED ACTION: Amend above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes amend title of the above rule to be more in line with current industry trends.

RULE NO. & TITLE

810-6-1-.112 Outdoor Advertising Signs

INTENDED ACTION: Amend above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule in order to provide further guidance and clarification. In addition, the title of the rule will be amended.

RULE NO. & TITLE

810-6-3-.47.02 Private Schools, Sales to

INTENDED ACTION: Amend above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to clarify the exemption in the law for sales to schools, specifically, private schools.

RULE NO. & TITLE

810-6-5-.36 Prepaid Wireless 9-1-1 Charge

INTENDED ACTION: Amend above rule

SUBSTANCE OF PROPOSED ACTION: The department proposes to amend the above rule to notify taxpayers that the Emergency 9-1-1 Board has increased the rate applied to each retail sale of prepaid wireless minutes and to provide historical rates.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at 2:30 p.m. on Wednesday, August 6, 2014, Room 1203, First Floor, 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 **Secretary of the Alabama Department of Revenue, Room 4131, 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, August 6, 2014

CONTACT PERSON AT AGENCY:

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



Michael D. Gamble, Secretary
Alabama Department of Revenue

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810-6-3-.47.02 Private Schools, Sales to.

(1) Sales to private schools are specifically exempted from sales and use taxes.

(2) The term "private school" ~~as used is understood to~~ **shall** mean privately owned ~~and operated~~ **educational** institutions operating within the State of Alabama offering conventional and traditional courses of study, such as ~~are~~ **those** offered by public schools, colleges or universities of within the State of Alabama ~~and the counties and cities of the state.~~

(3) The term does not mean and shall not include institutions at which the courses of study are limited to specialized subjects as dancing, riding, music, cooking, sewing, and welding.

(4) The term "private school" shall, however, mean and include schools of business instruction where, in addition to such specialized courses as typing, there are also offered general courses in conventional academic subjects such as grammar, spelling, and mathematics. This term shall also include kindergartens at which pre-grammar-school-age children are given initial instructions in the arts of reading, writing and the use of numbers.

(5) The term "private school" does not include nurseries, ~~or~~ day care centers, or home schools. Where nurseries or day care centers and kindergartens are operated together, it is necessary that separate purchase records be kept to substantiate the exemption for the kindergarten. In the absence of separate records, the total purchases will be subject to the tax.

Author: Ginger Buchanan

Authority: Sections 40-2A-7(a)(5), 40-23-30, 40-23-31, Code of Alabama 1975 and Act No. 2014-325

History: Adopted March 9, 1961.

Amended November 1, 1963.

Amended August 16, 1974.

Readopted through APA effective October 1, 1982.