

SALES TAX HOLIDAY PRIMER

From **12:01 a.m. Friday, Aug. 6, 2010, until midnight Sunday, Aug. 8, 2010**, Alabama's four-percent sales tax as well as local sales taxes in many of the state's cities and counties are waived on the following items:



CLOTHING: Any item valued at \$100 or less

Tax-free regardless of how many items are sold on the same invoice to a customer. "Clothing" means all apparel suitable for general use, including sandals, shoes and sneakers. Does not include accessories, protective equipment, sport or recreational equipment. A full list of what is and is not taxable can be found on the Alabama Revenue Department's Web site at:

<http://www.revenue.alabama.gov/salestax/STHolidayQuickRefSheet10.pdf>

Call ARA at 1-800-239-5423 if you want the sales tax holiday rules faxed to you!



SCHOOL SUPPLIES: Noncommercial purchases of items valued at \$50 or less

Binders, book bags, calculators, cellophane tape, blackboard chalk, compasses, composition books, crayons, erasers, folders, glue/paste/paste sticks, highlighters, index cards, index card boxes, legal pads, lunch boxes, markers, notebooks, paper, pencil/school supply boxes, pencil sharpeners, pencils, pens, protractors, rulers, scissors and writing tablets, all are sales-tax-free regardless of how many items are sold on the same invoice to a customer. Also, school art supplies and school instructional material are included in this category.



COMPUTERS/COMPUTER EQUIPMENT: single purchases of \$750 or less

Includes computers, computer software and school computer supplies, except those intended for recreational use, or video games of a non-educational nature. Does NOT include furniture. Computer "means an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions, also known as a central processing unit (CPU). A computer may include a laptop, desktop or tower computer system, which consists of a CPU, display monitor, keyboard, mouse and speakers sold as a computer package. PDAs, computer storage media, computer printers, printer paper and printer ink also qualify in this category.



BOOKS: Any book valued at \$30 or less

A book is a set of printed sheets bound together and published in a volume with an ISBN number. Magazines, newspapers, periodicals, or any other document printed or offered for sale in a non-bound form are not considered books and are to be taxed. Textbooks valued at \$50 or less also are included in the sales tax holiday.

Turn over for more information on Alabama's fifth annual sales tax holiday



Helping you ...

BENEFIT FROM THE VALUE

of Alabama's sales tax holiday



