



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 Gasoline,  
Motor Fuel and Lubricating Oil

New  Amend  Repeal  Adopt by Reference

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 WHERE 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-.11	Stated and Uniform Policy Pertaining to the Exemption of Certain Organizations from State Gasoline and Motor Fuel Excise Taxes
810-8-1-.17	Dyed Motor Fuel for a Motor Vehicle used Exclusively "Off the Highway"
810-8-1-.20	Motor Fuel Sales to the United States. Reference: § 40-17-31(b)
810-8-1-.22	Exemptions Pertaining to the Additional Excise Tax on Gasoline, Motor Fuel and Lubricating Oil
810-8-1-.29	Deposits in Lieu of Surety Bonds
810-8-1-.31	Sale-Reference: Section 40-17-2
810-8-1-47.01	Dyed Motor Fuels Sold for Exclusive Off-Road Use
810-8-1-.53	Internet-Based Electronic Filing of Tax Returns and Schedules
810-8-1-.56	Sales Records of a Licensed Distributor

**INTENDED ACTION:** Amend the above rules

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rules due to the passage of the Alabama Terminal Excise Tax Act (Act 2011-565). In addition, the titles of the above rules will also be amended with the exception of Rule 810-8-1-.29 and Rule 810-8-1-.56.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** A public hearing will be held at **2:00 p.m. on Wednesday, May 9, 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](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:**  
Wednesday, May 9, 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 that reads "Michael E. Mason". The signature is written in a cursive style and is positioned above a horizontal line.

Michael E. Mason, Deputy Commissioner  
Alabama Department of Revenue

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810-8-1-.22 Exemptions Pertaining to the Additional Excise Tax on ~~Gasoline, Motor Fuel and~~ Lubricating Oil.

(1) The additional excise tax of four cents (0.04¢) effective August 1, 1980, does not apply with respect to that ~~gasoline and~~ lubricating oil which the ~~licensed distributor~~ 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 gasoline and~~ 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 ~~licensed distributor~~ 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) Effective October 1, 2004, the additional excise tax of six cents (\$0.06) does not apply to the following sales of motor fuel by licensed distributors:~~
- ~~(a) Motor fuel sold to the United States,~~
  - ~~(b) Motor fuel used to propel aircraft powered by jet or turbine engines,~~
  - ~~(c) Motor fuel sold to governing bodies of counties and incorporated municipalities,~~
  - ~~(d) Motor fuel sold to city and county boards of education,~~
  - ~~(e) Motor fuel sold to the Alabama Institute for Deaf and Blind, the Department of Youth Services school district, and to private and church school systems,~~
  - ~~(f) Motor fuel sold as kerosene for lighting or heating purposes,~~
  - ~~(g) Motor fuel that is sold from one Alabama licensed distributor to another Alabama licensed distributor,~~
  - ~~(h) Motor fuel which is exported by a licensed distributor, and~~
  - ~~(i) Motor fuel that is used for off-road agricultural purposes on the farm. (Only if dyed motor fuel is unavailable.)~~

Author: Steve DuBose  
Authority: Sections 40-2A-7(a)(5), 40-17-220, 40-2-11, ~~40-17-18~~, 40-17-323, ~~40-17-221(a)~~, ~~40-17-221(b)~~, and 40-17-221(~~c~~), 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.