

ALABAMA DEPARTMENT OF REVENUE - SALES AND USE TAX RULES
Code of Alabama 1975, Sections 40-23-31 and 40-23-83

810-6-2-.33. Ice Plants.

(1) The following are taxed at 1 1/2% rate levied on machines used in manufacturing when used by ice manufacturers: pumps, motors, compressors, pipes, valves, gauges, water filters, ice crushing and shaving machines and other machines and the machinery used directly in the ice making process beginning with the point where the water enters into the process through the point where the ice is removed from the cans in which it is made or, if the ice is to be sold as crushed or shaved ice, through the point where the ice is crushed or shaved. Refrigerants used in the manufacturing process are also taxed at the machine rate.

(2) Property taxed at 4% rate includes: ice hooks, hand saws, ice picks, containers (not furnished), tarpaulins, power saws, scoring machines, transportation equipment, ice tickets, office supplies and equipment, scales, chemicals of all kinds, fuel oil, other oils not classified and taxed as lubricants, advertising materials, mechanical conveyors having no part in the manufacturing process, etc. (Sections 40-23-2(3), 40-23-2(1)) (Adopted March 9, 1961, amended November 1, 1963, readopted through APA effective October 1, 1982)