

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

810-6-1-.09. Automobile Repair Shops and Garages.

(1) Sales of tangible personal property, such as automobile parts, automobile accessories, tires, batteries, etc., by automobile repair shops and garages to purchasers for use and not for resale, either separately or in connection with automobile repair work, are subject to the sales tax. Charges for labor and service performed in connection with such repair work or installations are to be included in the measure of the tax, if not separately billed to customers.

(2) When labor and service are separately billed from the sale of parts, etc., the tax does not apply to the labor and service rendered.

(3) Books must be kept in such a manner as to clearly reflect the separate sources of receipts. This tax will apply to the total gross receipts of any automobile repairers who fail to make such separation of charges on bills tendered to their customers. Materials and supplies used by automobile repair shops and garages in rendering services but which are not resold as merchandise are subject to sales tax when purchased by repairmen from the supply dealer. (Section 40-23-1(a)(6)) (Readopted through APA effective October 1, 1982)