

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

**810-6-1-.186.03. Warehousemen, Sales Made by.**

(1) Receipts of warehousemen from their services in storing, handling, packing, crating, delousing, etc., property for others are not subject to the sales tax. Any materials used incidental to the rendering of such services are taxable at the sale to the warehousemen.

(2) When, however, warehousemen buy and sell property as a regular course of business, such sales, if not otherwise exempted, are subject to the sales tax, including sales of goods held on consignment and including transactions in which the warehouseman acts as a broker selling goods not actually owned by him or in his possession at the time he accepts the order.

(3) Sales by warehousemen of property forfeited to them in the operation of their warehousing business are subject to tax where such sales are made as a regular course of business. Where such sales are infrequently made they will be considered casual sales not required to be reported in sales tax returns filed with this Department. (Section 40-23-2(1)) (Readopted through APA effective October 1, 1982)