

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

810-6-1-.194. Wrapping Paper.

(1) Wrapping paper is sold at wholesale, tax free when sold to manufacturers or compounders for use by them in the form of containers to be furnished by them with the products which they manufacture or compound for sale and when there is no intention on the part of the manufacturers, compounders or their customers for the containers to be returned for reuse. (Section 40-23-1(a)(9)c)

(2) Wrapping paper is sold at wholesale, tax free when sold to retailers for use by them in the form of containers to be furnished with the product they have for sale when there is no intention on the part of the retailer or his customer for the container to be returned for reuse. (Section 40-23-1(a)(9)c)

(3) The term "wrapping paper" as used in this rule does not include the material used to line transportation equipment for the protection of products during shipment. Such material is subject to tax when sold to the user. (Section 40-23-1(a)(10)) (Adopted March 9, 1961, amended November 1, 1963, amended July 27, 1964, readopted through APA effective October 1, 1982)