

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

**810-6-1-.50. Dentists, Dental Laboratories, and Dental Supply Houses.**

(1) Dentists or dental laboratories primarily render professional services and incidentally use tangible personal property in connection therewith. The courts have ruled that dentists are not selling dentures and other prosthetic devices when they transfer such items to their patients, and in-state or out-of-state dental laboratories are not making retail sales when they transfer the finished dental appliances to dentists. Consequently, gross receipts of dentists or dental laboratories derived from these sources are not subject to the sales tax. Rather, dentists and dental laboratories are using or consuming the items incidental to performing their professional services, and are required to pay state and local sales or use tax at the time of purchase on all tangible personal property purchased at retail for use in the practice of their profession. Dentists and dental laboratories purchasing machinery, equipment, fixtures, supplies and other tangible personal property from out-of-state dental supply houses and other vendors who fail to collect and remit Alabama tax on such items sold at retail, would subsequently owe use tax when they use or consume the personal property in Alabama as part of their professional services. (Haden v. McCarty, 152 So.2d 141 (Ala. 1963), and Hamm v. Proctor, 198 So.2d 782 (Ala. 1967)).

(2) Dental supply houses within or without Alabama engaged in the business of selling tangible personal property such as platinum, gold, silver or cement for fillings, artificial teeth or other such materials to dentists or dental laboratories for use in the performance of such professional services are making sales at retail within the Sales and Use Tax Laws. This is true whether dental supply houses sell materials to a dentist whose services are rendered directly to a patient, or to a dental laboratory that uses them in producing plates, bridge-work, artificial teeth or prosthetic devices on prescription of a dentist, who then uses the latter items in connection with rendering dental services. Dental supply houses likewise make retail sales of dental chairs, motors, instruments, drilling machines, fixtures and other such items of tangible personal property for use by dentists or dental laboratories. Dental supply houses within Alabama and those located outside Alabama that have nexus with Alabama and its municipalities and counties are required to collect and remit the state and local sales or use tax on their retail sales. (Adopted May 18, 1967, readopted through APA effective October 1, 1982, amended January 10, 1985, amended May 7, 1997, amended September 26, 2006)