

ALABAMA DEPARTMENT OF REVENUE

FOREST PRODUCTS TAX

810-8-5-.05 Clarification of Definitions and Exemptions for Lumber and Timber Dealers.

(1) **SCOPE:** A wholesale lumber and timber dealer is one who buys and resells lumber and timber at wholesale in substantially the same condition as when purchased. This regulation provides definitions and clarifications for the enforcement of Section 40-12-121, Code of Alabama 1975.

(2) **DEFINITIONS:** The following terms shall have the meaning ascribed to them for purposes of this regulation:

(a) **Lumber** - Timber, esp. that sawed or split into boards, planks, staves, etc., and of comparatively small dimensions.

(b) **Timber** - Land covered by trees from which timber is produced; forest; wood; trees collectively; also a tree or its bole. Wood suitable for building houses, bridges, ships, etc. whether on the tree or cut and seasoned; wood used in carpentry or joinery. A squared or dressed piece of wood, esp. one of comparatively large width and thickness (in United States, four inches or more), ready for use or already forming part of a structure; as the timbers of a roof; bridge or floor timbers. Lumber.

(c) **Wholesale Dealer/Jobber** - Any persons, firms, or corporations who sell at wholesale only.

(d) **Wholesale** - A sale to one who intends to, and does, resell to the ultimate consumer.

(3) The following shall be exempt for purchasing this license:

(a) A sawmill, pole mill, veneer mill, planning mill, box factories, etc., regularly licensed under Sections 40-12-154 or 40-12-177, shall not become liable for the license tax imposed by this section by reason of his purchasing partially manufactured lumber from other mills, if the processing of said partially manufactured lumber is completed at the plant of the mill operator so purchasing the same and the lumber is thereafter shipped or sold in the same manner as lumber manufactured at the plant of such operator; provide, that such purchases do not exceed in volume the lumber manufactured by such operator at his own plant or plants.

(b) A property owner selling timber from his own property. (Adopted through APA effective June 17, 1999.)