

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

**810-6-5-16. Churches and Other Religious Organizations and Institutions.**

(1) Except as noted in paragraphs (2) and (3), religious organizations and institutions, including churches and church hospitals, are not exempt from the payment of sales or use taxes on their purchases of tangible personal property. Further, these organizations and institutions, when engaging in the business of selling tangible personal property at retail or operating a public place of amusement or entertainment, must comply with the provisions of the sales and use tax laws relative to collecting, reporting, and paying sales or use taxes. (Sections 40-23-2, 40-23-7, 40-23-61, and 40-23-68, Code of Alabama 1975)

(2) Printed or illustrated lessons, notes, and explanations purchased by churches or other religious organizations for distribution free of charge to pupils or students in Sunday schools, Bible classes, or other educational facilities established and maintained by churches or similar religious organizations are exempt from use tax. There is no corresponding exemption from sales tax. This use tax exemption does not apply to purchases which are not distributed in the manner enumerated above or to purchases made by individuals. Sales of hymn books, Bibles, and other religious publications to churches, other religious organizations and institutions, or individuals are taxable at the general rate of sales or use tax. (Sections 40-23-2, 40-23-61, and 40-23-62(20), Code of Alabama 1975)

(3) Certain religious organizations and institutions are specifically exempted from the payment of sales and use taxes pursuant to special acts of the Legislature. See Rule 810-6-3-.07.05 entitled Charitable Organizations and Institutions. (Adopted March 9, 1961, amended November 1, 1963, amended August 16, 1974, readopted through APA effective October 1, 1982, amended December 28, 1998)