

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

810-6-3-.20. Fertilizer.

(1) Sales of fertilizer when used for agricultural purposes are exempt from sales and use tax. (Sections 40-23-4(a)(2) and 40-23-62(5))

(2) The word "fertilizer" as used in the exemption sections referenced above means any material (not including cottonseed meal when unmixed with other material) which results in an increase in plant growth when added to the basic natural substances in which plants are grown. Basic natural substances, including sand, clay, top soil, and water are not to be considered to fall within the meaning of the word "fertilizer" as used in those sections. (Sections 40-23-4(a)(2) and 40-23-62(5))

(3) Ammonium nitrate when used as an explosive, and not for agricultural purposes as a fertilizer, is taxable when sold to the consumer or user. (Sections 40-23-2(1) and 40-23-61(a)) (Adopted March 9, 1961, amended November 1, 1963, readopted through APA effective October 1, 1982, amended March 24, 1993)