

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

810-6-1-.107. Movie Theaters.

(1) Movie theater operators owe sales or use tax on all of the equipment, furniture, fixtures, and supplies used by them in operating their businesses. Movie film and advertising materials, including trailers and posters, are subject to tax to be measured by the purchase price when this property is bought outright and not rented. (Sections 40-23-2(1) and 40-23-61(a), Code of Alabama 1975)

(2) The lessor of film or films is not required to report and pay rental tax on the gross receipts derived from the leasing or rental of the film or films, when the lessee charges admission for viewing the film or films. (Sections 40-23-2(2) and 40-12-223(1), Code of Alabama 1975) (Adopted March 9, 1961, amended June 12, 1978, readopted through APA effective October 1, 1982, amended July 30, 1998)