

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

810-6-1-.125.01. Amusement Tax Due on Fees Collected by Golf Courses open to the Public.

(1) The term "golf course open to the public" as used in this regulation shall mean any golf course, except those owned and operated by the State of Alabama or a county or incorporated municipality of the State of Alabama, which allows the public to use one or more of its facilities for a fee. However, the following policies or activities shall not cause an otherwise private golf course to be classified as a golf course open to the public:

(a) reciprocal play agreements with other golf courses that are also not open to the public.

(b) play by guests of a member (whether or not accompanied by the member).

(c) hosting a tournament in compliance with the provisions of Section 40-23-4(a)(39), as amended.

(d) periodically holding invitational or charitable tournaments.

(e) the sale of condominium units the purchase of which carries with it the privilege of using the golf course facilities.

(2) Golf courses open to the public are liable for and shall collect and remit the amusement tax levied in Section 40-23-2(2) on fees paid by their customers including but not limited to the following fees as of the effective date of this regulation:

membership dues	tennis court fees
initiation fees	swimming pool fees
golf cart fees	driving range fees
greens fees	locker fees

(3) The gross proceeds from the sales of condominium units by golf courses open to the public do not constitute gross receipts from places of amusement and, therefore, are not to be included in the measure of tax levied in Section 40-23-2(2).

(4) Golf courses owned and operated by the State of Alabama or a county or incorporated municipality of the State of Alabama are exempt from the amusement levy contained in Section 40-23-2(2). (City of Anniston v. State, 265 Ala. 303, 91 So.2d 211 (1956))

(5) Retail sales of tangible personal property by golf courses owned and operated by counties or incorporated municipalities of the State of Alabama are exempt from sales tax. Retail sales of tangible personal property by all other golf courses, public or private, are taxable.

(6) The provisions of this rule shall become effective October 1, 1993. (Adopted through APA effective October 12, 1993)