

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

810-6-1-.145. Meals Furnished to Employees by Restaurants.

Restaurants, cafes, and other eating establishments are liable for sales tax on meals furnished to their employees as part of a compensation plan. The measure of tax is the value of food withdrawn and consumed by the employees. (State v. Morrison Cafeterias Consolidated, Inc., 487 So.2d 898 (Ala. 1985)) (Sections 40-23-1(a)(6) and 40-23-1(a)(10)) (Readopted through APA effective October 1, 1982, amended April 3, 1987, amended March 10, 1998)