

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

**810-6-1-.79.03. Industrial Uniforms, Sales or Replacement of.**

When a lessee is required under a contract with the lessor to reimburse the lessor for the depreciated value of any item lost or not returned by the lessee, the transaction is not a retail sale; therefore, no sales tax is due. (See State of Alabama v. Industrial Uniform Services, Inc.) (Adopted June 12, 1978, readopted through APA effective October 1, 1982).