

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

810-6-2-.46. Manufacturer's Use of Patterns.

(1) Patterns purchased by a manufacturer for use as a part or attachment to a machine used in manufacturing tangible personal property are subject to the sales and/or use tax at the machine rate of 1 1/2%.

(2) Pattern materials purchased by a manufacturer for use in making patterns that will become a part or attachment for a machine used in manufacturing tangible personal property are subject to the sales and/or use tax at the machine rate of 1 1/2%.

(3) The patterns or materials used in making patterns are taxable to the manufacturer at the time of purchase even though the patterns may pass to the manufacturer's customer after use by the manufacturer in making castings. (Section 40-23-2(3)) (Adopted October 29, 1976, readopted through APA effective October 1, 1982)