

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

810-6-2-.52.03. Music Machines.

Gross receipts from the operation of musical devices (juke boxes) are taxable. The Supreme Court of Alabama held in the case Birmingham Vending Company v. State of Alabama, 38 So.2d 876, that both the machine owner and the proprietor of the place of business where the machine was operated are jointly and individually liable for the total amount of sales tax due on the gross receipts from such machines, where the machine owner supplied the machine and recordings, and where the proprietor of the location controlled the playing of the machine and both the owner and the proprietor shared in the income. The court held that this was a joint venture with either of the parties to the venture being liable for the payment of the tax due. (Section 40-23-2(2)) (Readopted through APA effective October 1, 1982)