

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

**810-6-3-.23. Fluid, Milk.**

(1) Sales of milk and milk products made by milk processors and distributors are subject to sales and use tax. The only exemption for milk and milk products is the producer's exemption. (See Rule 810-6-3-.01, Agricultural Products) (Sections 40-23-2(1), 40-23-4(a)(5), 40-23-61(a) and 40-23-62(8))

(2) The exemption contained in Section 40-23-4(a)(44) for sales of agricultural products by the person or corporation that planted, cultivated, and harvested such agricultural products does not apply to sales of milk and milk products by the producer, processor, or distributor. (Readopted through APA effective October 1, 1982, amended May 22, 1993)