

810-6-3-.47.02. Private Schools, Sales to. **(REPEAL)**

(1) Sales to private schools are specifically exempted from sales and use taxes.

(2) The term "private school" shall mean privately owned educational institutions operating within the State of Alabama offering conventional and traditional courses of study, such as those offered by public schools, colleges or universities within the State of Alabama.

(3) The term does not mean and shall not include institutions at which the courses of study are limited to specialized subjects as dancing, riding, music, cooking, sewing, and welding.

(4) The term "private school" shall, however, mean and include schools of business instruction where, in addition to such specialized courses as typing, there are also offered general courses in conventional academic subjects such as grammar, spelling, and mathematics. This term shall also include kindergartens at which pre-grammar-school-age children are given initial instructions in the arts of reading, writing and the use of numbers.

(5) The term "private school" does not include nurseries, day care centers, or home schools. Where nurseries or day care centers and kindergartens are operated together, it is necessary that separate purchase records be kept to substantiate the exemption for the kindergarten. In the absence of separate records, the total purchases will be subject to the tax.

Author: Ginger Buchanan

Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 40-23-30, 40-23-31.

History: Adopted March 9, 1961.

Amended: November 1, 1963; August 16, 1974.

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810-6-3-.47.02. Exemption from Sales and Use Tax for Privately Owned Educational Institutions. **(NEW)**

(1) Sales to privately owned educational institutions are exempt from sales and use tax.

(2) Privately owned educational institutions are:

a. Institutions operating within the State of Alabama offering conventional and traditional courses of study, such as those offered by public schools, colleges or universities within the State of Alabama. These are often referred to as “private schools”.

b. Schools of business instruction where, in addition to specialized courses such as typing, there are also offered general courses in conventional academic subjects such as grammar, spelling, and mathematics.

c. Kindergartens at which pre-grammar-school-age children are given initial instructions in the arts of reading, writing, and the use of numbers.

(3) Privately owned educational institutions are not:

a. Institutions at which the courses of study are limited to specialized subjects such as dancing, riding, music, cooking, sewing, and welding.

b. Nurseries, day care centers, or home schools.

(4) Nurseries or day care centers and kindergartens that are operated together must separate purchase records to support the exemption for the kindergarten. In the absence of separate records, the total purchases will be subject to the tax.

Author: Lee Ann Rouse

Authority: §§40-2A-7(a)(5), 40-23-30, 40-23-31, and 40-23-4, Code of Alabama 1975.

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