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**From:** ADOR.Notification@Revenue.alabama.gov  
**Sent:** Thursday, June 20, 2013 6:19 PM  
**To:**  
**Subject:** Notice of Change in Alabama Tax Law - Sales of Ophthalmic Materials

## NOTICE

**To all persons dispensing or transferring ophthalmic materials, to include but not limited to lenses, frames, eyeglasses, contact lenses, and other therapeutic devices to patients:**

Legislative Act No. 2013-333 amends Section 40-23-1, Code of Alabama 1975, to provide that the dispensing or transferring of ophthalmic materials, including lenses, frames, eyeglasses, contact lenses, and other therapeutic optic devices, to a patient by a licensed ophthalmologist as part of his or her professional services constitutes a sale, subject to sales tax. All licensed ophthalmologists, optometrists, and opticians must collect sales tax on the sale of ophthalmic materials and should register for a sales tax account if not already registered. This legislation became effective May 23, 2013, upon being signed by the Governor.

Legislative Act No. 2013-333 further provides that when ophthalmic materials are purchased by a consumer covered by a third party benefit plan (including Medicare), the sales tax shall be applicable to the amount that the ophthalmologist, optometrist, or optician is reimbursed by the third party benefit plan, plus the amount that the consumer pays to the ophthalmologist, optometrist, or optician at the time of the sale.

The applicable state sales tax rate for the sales of ophthalmic materials is 4 percent, plus the local levy of sales tax.

To file the Alabama Sales Tax, please go to the My Alabama Taxes (MAT) electronic filing and payment system at <https://myalabamataxes.alabama.gov>. If you already have a Sales Tax account you can sign up to file on MAT using the “Sign Up” button. If you don’t already have an account please use the “Obtain a New Tax Account #” link on MAT’s home page. Please have the following information readily available to complete the registration process: federal identification number (FEIN) or social security number (SSN).

To help you navigate through MAT, there is a Help link on MAT’s home page. There is also a link at the bottom of the home page for “Frequently Asked Questions” that may be helpful to you.

If you have questions regarding this notice, please contact the Sales and Use Tax Division at (334) 242-1490 or you may contact us toll free at 1-866-576-6531.