

**ALABAMA DEPARTMENT OF REVENUE
SALES AND USE TAX DIVISION**

Instructions for Use of Exemption Certificate

The attached certificate of exemption is issued to the person, firm, or corporation whose name appears at the bottom of the certificate and is not transferable. The certificate holder is required to notify the Alabama Department of Revenue in writing of any change in name or address. The holder is also required to return the certificate to the Alabama Department of Revenue if the business for which the certificate was issued is closed or engages in retail sales for which a sales tax license is required. However, if upon expiration you still have a need for the exemption certificate, you should contact the Taxpayer Service Center listed on the reverse side that serves the county in which you are located.

The person, firm, or corporation to whom the certificate is issued is authorized to reproduce the necessary copies of the certificate to furnish their suppliers. The space for the name and address of the supplier must be filled in by the purchaser.

If the purchaser is a corporation, an officer of the corporation or other person authorized to sign on behalf of the corporation must sign; if a partnership, one partner must sign; if an unincorporated association, a member must sign; and if a sole proprietorship, the proprietor must sign.

The certificate holder is required to maintain a list of all vendors to whom he furnishes copies of the certificate. This list must be retained in the purchaser's records available for inspection by the Alabama Department of Revenue and must provide the name, address, and type of business of each vendor to whom a copy of the certificate has been furnished.

The certificate is not valid until it has been signed by an examiner or revenue manager for the Alabama Department of Revenue.

The purchaser must check the proper box on the certificate designating the reason for exempting the tangible personal property purchased. Exemptions are explained below:

1. A sale of tangible personal property by wholesalers to licensed retail merchants, jobbers, dealers, or other wholesalers for resale. Does not include a sale by wholesalers to users or consumers not for resale.
2. A sale of tangible personal property to manufacturers or compounders which enters into and becomes an ingredient or component part of tangible personal property or products which such compounder or manufacturer manufactures or compounds for sale and the furnished container and label thereof. Does not include tangible personal property purchased by a manufacturer or compounder that does not become part of the product manufactured or compounded for sale.
3. Tangible personal property purchased by wholesalers for resale only to tax exempt customers.
4. Any other item exempt from sales tax not covered by the above three classifications.