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## NOTICE

### Tax Guidance for Airport Authorities

Act 2021-298 provides that beginning January 1, 2020, all airport authorities established pursuant to Chapter 3 of Title 4 of the Code of Ala. 1975, or by local law and contracts entered into by airport authorities on or after January 1, 2020, are exempt from paying any state, county, and municipal sales and use tax. Airport authorities may apply for a State Sales and Use Tax Certificate of Exemption (Form: STE-1).

Act 2021-298 also broadens the term “governmental entity” as used in §40-9-14.1, Code of Ala. 1975, to include airport authorities. Therefore, airport authorities and their contractors may also apply for a Contractor’s Certificate of Exemption beginning January 1, 2020, and thereafter, for construction-related contracts.

Eligible airport authorities may apply for a State Sales and Use Tax Certificate of Exemption (Form: STE-1) by completing the Application for Certificate of Exemption for Statutorily Exempt Entities (Form ST: EX-A1-SE), which is available at the following link:

<https://revenue.alabama.gov/wp-content/uploads/2017/05/stexal1se.pdf>

Eligible airport authorities and their contractors may apply for a Contractor’s Certificate of Exemption by completing the Application for Certificate of Exemption for Government Entity Project (ST: EXC-01), which is available at the following link:

<https://revenue.alabama.gov/wp-content/uploads/2017/05/ST-EXC-01.pdf>

If you should have any questions concerning this notice, please contact the Sales and Use Tax Division by telephone at 334-242-1490, by email at [STExemptionUnit@revenue.alabama.gov](mailto:STExemptionUnit@revenue.alabama.gov), or by mail at Sales and Use Tax Division, Exemption Unit, P.O. Box 327710, Montgomery, AL 36132-7710.