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STATE OF ALABAMA
OFFICE OF THE ATTORNEY GENERAL

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ATTORNEY GENERAL

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Honorable Alex Dudchock
County Manager
Shelby County Business Revenue Office
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Columbiana, Alabama 35051

County Commissions – Sales Tax –
Exemptions – Tickets

The sale of admission tickets to the Champions Tour golf tournament, which is conducted as a Champions Tour event by PGA Tour, Inc., is exempt from state, county, and municipal sales taxes under section 40-23-5(q) of the Code of Alabama, notwithstanding the incorrect reference in the Code section to “Senior PGA” as “Senior Professional Golfers Association.”

Dear Mr. Dudchock:

This opinion of the Attorney General is issued in response to your request on behalf of the Shelby County Commission.

QUESTION

Is the sale of admission tickets to the Champions Tour golf tournament, which is conducted as a Champions Tour event by PGA Tour, Inc., exempt from state, county, and municipal sales taxes under section 40-23-5(q) of the Code of Alabama, notwithstanding the incorrect reference in the Code section to “Senior PGA” as “Senior Professional Golfers Association?”

FACTS AND ANALYSIS

In your letter of request, you informed this Office that, for the past 20 years, the PGA Tour, Inc., has conducted a golf tournament in this state. Although the PGA Tour operates three separate golf tournament divisions, PGA Tour, Champions Tour (previously Senior PGA Tour), and Nationwide Tour, it is the Champions Tour that has been conducted annually throughout this time. In May 1993, the Legislature amended section 40-23-5 of the Code of Alabama to include subsection (q), which states that “[t]he gross receipts from the sale of admissions to a sporting event conducted by the Senior Professional Golfers Association are exempted from any state, county, and municipal sales taxes.” ALA. CODE § 40-23-5 (2008).

As noted in your question, your particular concerns center around the fact that, although the Code refers to the program as the Senior Professional Golfers Association, the accurate description for the program was Senior PGA Tour. The issue is further compounded by the fact that the PGA Tour has since modified the name of that tour to Champions Tour. Both the Senior PGA Tour and Champions Tour refer to golfers 50 years of age and older. At this time, you seek guidance from this Office regarding whether gross receipts from the sale of admissions to this sporting event remain exempt from state, county, and municipal sales taxes, despite the fact that the reference to the tournament is incorrect in the Code of Alabama.

Statutory construction begins with the plain language of the statute, and the court assumes that the legislative purpose is expressed by the ordinary meaning of the words used. *Neeley v. Nagle*, 138 F. 3d 917 (11th Cir. 1998). The courts, however, are not controlled by the literal meaning or language of a statute, but by its clear meaning and intention. *Bell v. Pritchard*, 273 Ala. 289, 292, 139 So. 2d 596, 598 (1962); *Hawkins v. City of Birmingham*, 239 Ala. 185, 187, 194 So. 533, 534 (1940). Hence, the fundamental rule of construction is to ascertain and give effect to the intent of the Legislature in enacting the statute. *Ex parte Ala. Dep’t of Mental Health & Mental Retardation*, 840 So. 2d 863, 867 (Ala. 2002); *Gholston v. State*, 620 So. 2d 719, 721 (Ala. 1993); opinion to Honorable Ryan deGraffenried, Jr., Member, Alabama State Legislature, dated February 19, 1993, A.G. No. 93-00112, at 5.

The clear intention of the Legislature was to provide a mechanism by which the gross receipts from the sale of admissions to sporting events

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conducted by the senior-tour portion of the Professional Golfers Association would be exempt from state, county, and municipal sales taxes. The commonly recognized abbreviation for the Professional Golfers Association is PGA.

Undoubtedly, although the tour may have been the Senior PGA Tour, the Legislature chose to use the full and commonly known name for PGA. Because the intent of the Legislature is clear, it is the opinion of this Office that the gross receipts from the sale of admissions to sporting events conducted by the PGA Tour for golfers 50 years of age and older are exempt from state, municipal, and county sales taxes, regardless of the fact that the Legislature did not use the official name of the association in question. Furthermore, your facts indicate that the "Champions Tour" is the successor name used to replace the "Senior PGA Tour."

CONCLUSION

The sale of admission tickets to the Champions Tour golf tournament, which is conducted as a Champions Tour event by PGA Tour, Inc., is exempt from state, county, and municipal sales taxes under section 40-23-5(q) of the Code of Alabama, notwithstanding the incorrect reference in the Code section to "Senior PGA" as "Senior Professional Golfers Association."

I hope this opinion answers your question. If this Office can be of further assistance, please contact Monet Gaines of my staff.

Sincerely,

LUTHER STRANGE
Attorney General

By:


BRENDA F. SMITH
Chief, Opinions Division

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