START A BUSINESS - ALABAMA

How to start a roadside assistance company in Alabama

Form the business and register for sales tax; we found no state roadside license, and itemized labor is not taxed.

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1 Is roadside assistance right for you?

Roadside companies help stranded drivers with jump starts, tire changes, fuel delivery, lockouts and winch-outs. It suits people who like driving and stay calm next to traffic.

2 Form the business and register for sales tax

1. Choose a structure. LLCs and corporations file with the Alabama Secretary of State.
2. Register with the Alabama Department of Revenue (My Alabama Taxes) to collect state sales tax plus any city and county sales taxes.
3. Check your city or county for business licenses and zoning.

3 Licenses

We found no Alabama State license for roadside assistance. Check your city or county for business licenses and zoning.

4 Sales tax on repairs

Parts are taxable at the state and local rates. Itemized repair and installation labor is not taxed, but if you do not itemize, the whole bill is taxable. Keep books that separate parts and labor.

5 Your first steps

1. Form the business and register for sales tax.
2. Get local business licenses and check zoning.
3. Buy insurance and equipment.
4. List your business on Nearby Car Care

Requirements at a glance

Sales tax on parts; itemize labor

Required - State - Alabama Department of Revenue

Parts used in repairs are retail sales and taxable. Labor and installation charges are taxable only when they are not separately stated, so list parts and labor separately and keep books that separate them. Paint, lubricants and tools are taxed when you buy them.

We found no Alabama State license for roadside assistance.

Official agencies and links

Rule 810-6-1-.07, Sales of automotive vehicle parts by repair shops and garages

Alabama Department of Revenue

https://www.revenue.alabama.gov/wp-content/uploads/2021/12/810-6-1-.07.pdf

Frequently asked questions

Do I need a license for roadside assistance in Alabama?
We found no state license.

This guide is general information, not legal advice. Rules change and can depend on your city or county, so confirm with the official agencies linked below before you apply.