

Retailers count on sales tax holiday to ring registers

Discounts hailed as summer's Black Friday weekend

By **ROY L. WILLIAMS**
News staff writer

Barry Levin, owner of David Barry's Tall & Big at Colonial Brookwood Village, is pumped up as he prepares for the Friday kickoff of Alabama's holiday weekend.

His store is offering special deals on suits and is expecting a big crowd as Alabama launches its sixth annual tax free holiday weekend.

"This event is giving an incredible boost to retailers. It's getting stronger every year," Levin said. "It's a great way for us to clean out summer merchandise and gets folks in our stores at a time when we really need it."

Across metro Birmingham, many retailers are offering big discounts on back-to-school items exempt from taxes such as clothing, shoes, computers, notebooks and other school accessories. Shops in centers such as The Summit on U.S. 280 have extended hours, and many retailers are offering special sales on items not free from taxes as well.

"The tax free holiday has become sort of the 'Black Friday' weekend of the summer," said Betsy Holloway, an associate professor of marketing at Samford University's Brock School of Business.

She is referring to the weekend after Thanksgiving, the traditional start of the all-important shopping season for retailers.

Tax-free holiday sales start at 12:01 a.m. Friday and end at midnight Sunday. Alabama's 4 percent sales tax will be exempted on certain back-to-school items, along with the sales

taxes in a record 272 participating cities and counties statewide.

More than two dozens communities in the Birmingham area are participating; financially-strapped Jefferson County is not waiving its 2 percent tax.

Items exempt from taxation include clothing \$100 or less, school supplies at \$50 or less, books \$30 or less and computers or computer equipment \$750 or less.

Levin said his David Barry's store is covering taxes on items costing more than \$100. "We sell a lot of suits and want to help our customers," he said.

Holloway said 17 states now hold some form of tax-free holiday, usually coinciding with back to school season, a trend she says started in New York in 1997.

She suggested that customers compare prices ahead of time, and check out the Alabama Department of Revenue web site to find out what items are exempt and which are not.

Michele Casper, spokeswoman for Lands' End Shops at Sears, an arm of Sears Holding Co., is giving shoppers \$20 off purchases of \$75 or more Friday through Sunday at its locations across Alabama, including one at the Riverchase Galleria in Hoover. Lands' End sells school clothing, uniforms, shoes,

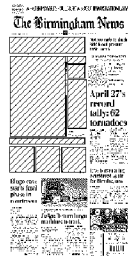
backpacks and casual apparel.

A Lands' End survey of parents found that across the country, 81 percent of parents will shop during upcoming tax-free holidays, up 9 percent from a year ago. Forty-two percent of respondents said they will travel up to 25 miles for tax-free opportunities, while 1 out of 6 shoppers (16 percent) said they are willing to travel up to 50 miles to take advantage of such deals.

"While not surprising, given the heightened state of people's concerns about the economy, it is interesting that shoppers will do whatever they can to get the greatest quality at the best value," Casper said.

Jamie Robinson, marketing director at The Shops of Grand River in Leeds, said the outlet mall that opened last October is expecting big crowds at its first tax-free holiday weekend. She said the mall is approaching its 2 millionth customer.

"I expect traffic to be comparable to what we see on Black Friday," said Robinson, adding that many of the 65 stores have cut prices versus said tax-free holidays are a win-win for retailers and consumers. She said Alabama's past five tax free holiday results have shown sales have increased during that period, with many businesses generating enough sales for items not exempt



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to make up for lost taxes.

“It’s something that families like me have built into their budgets and plan in advance for,” said Holloway, who has kids aged 9 and 12. “National data show that experts expect people to spend more than they did a year ago, even consumer confidence remains weak. This is an important event for retailers because we’ve seen dramatic changes in consumer behavior.”

The Summit started a special deal to entice folks to shop at the center this week. Folks who spend \$250 at five stores or restaurants there between Aug. 1 and this Sunday will receive a \$25 gift card good for retailers at The Summit, said Elisa Nelson, marketing manager.

The Gap has a special

friends and family promotion with deals from today through Sunday, and Belk is staying open an extra hour.

“We have a lot of great promotions going on here at the Summit,” Nelson said. forms, VF Outlet is offering a third uniform for free and a 20 percent discount on JanSport backpacks through Sunday, she said.

Win-win situation

Holloway of Samford University even deeper than their outlet mall prices.

Justice, a girls store that opened Wednesday at Shops of Grand River, has a 40 percent off sale on girls’ merchandise through Aug. 15, Robinson said. For folks who buy two school uni-

SHOPPING CENTERS’ SALES TAX

What sales tax you’ll pay on qualifying purchases Aug. 5-7.



1 FULTONDALE Colonial Promenade	2%
2 TRUSSVILLE Colonial Pinnacle, Promenade	2%
3 LEEDS Shops at Grand River	2%
4 HOMEWOOD Colonial Brookwood Village	2%
5 BIRMINGHAM The Summit	2%
6 HOOVER Riverchase Galleria, Patton Creek	2%
7 BESSEMER Colonial Promenade Tannehill	2%
8 FAIRFIELD Western Hills Mall	2%
9 ALABASTER Colonial Promenade	0%

Note: Jefferson County is not participating in the sales tax holiday

Mattie Beavers, manager of the Lands’ End Shop at Sears in the Riverchase Galleria, puts out new merchandise in anticipation of the sales tax holiday.

TAX HOLIDAY FYI

Alabama's sixth annual sales tax holiday starts at 12:01 a.m. Friday and ends at midnight Sunday.

▶ The state's 4 percent sales tax will be exempted on certain back-to-school items, along with the sales tax in 272

cities and counties.

▶ Exempt items include clothing priced at \$100 or less; school supplies valued at \$50 or less; books that cost \$30 or less; and computers and computer equipment priced at \$750 or less.

PARTICIPATING LOCAL GOVERNMENTS

JEFFERSON COUNTY

- ▶ Adamsville
- ▶ Bessemer
- ▶ Birmingham
- ▶ Center Point
- ▶ Clay
- ▶ Fairfield
- ▶ Fultondale
- ▶ Gardendale
- ▶ Homewood
- ▶ Hoover
- ▶ Hueytown
- ▶ Irondale
- ▶ Kimberly
- ▶ Leeds
- ▶ Morris
- ▶ Mountain Brook
- ▶ Pinson

- ▶ Tarrant
- ▶ Trussville
- ▶ Vestavia Hills
- ▶ Warrior
- ▶ Jefferson County itself will not participate

SHELBY COUNTY

- ▶ Alabaster
- ▶ Calera
- ▶ Chelsea
- ▶ Columbiana
- ▶ Montevallo
- ▶ Pelham
- ▶ Westover
- ▶ Wilsonville
- ▶ Shelby County itself will participate

