



**House Ways and Means Education Reported Substitute  
for HB326**

A BILL  
TO BE ENTITLED  
AN ACT

Relating to taxation; to amend the exemption provided in Section 40-9-25.23, Code of Alabama 1975, to expand the exemption to include that all subordinate lodges to both the Most Worshipful Prince Hall Grand Lodge Free and Accepted Masons of Alabama and the Most Worshipful Grand Lodge F. and A.M. of Alabama be exempt from all state fees and taxes; and to allow municipalities and counties to exempt these entities from local sales and use taxes.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-9-25.23, Code of Alabama 1975, is amended to read as follows:

"§40-9-25.23

(a) The Most Worshipful Prince Hall Grand Lodge Free and Accepted Masons of Alabama and the Most Worshipful Grand Lodge F. and A.M. of Alabama are exempted from paying all state, county, and municipal fees and taxes until September 30, 2027, unless extended by an act of the Legislature.

(b) (1) The Most Worshipful Prince Hall Grand Lodge Free and Accepted Masons of Alabama and the Most Worshipful Grand Lodge F. and A.M. of Alabama, and all other subordinate lodges



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to either lodge above, are exempted from paying all state fees and taxes.

(2) Any county or municipality may exempt the entities in (1) from the payment of county or municipal sales and use taxes in accordance with Section 40-23-4.01, Code of Alabama 1975.

(4) The exemptions provided by this subsection are effective beginning October 1, 2027.

(c) The Most Worshipful Prince Hall Grand Lodge Free and Accepted Masons of Alabama and the Most Worshipful Grand Lodge F. and A.M. of Alabama, shall provide the Department of Revenue with a list of all subordinate lodges on an annual basis.

(d) The Department of Revenue shall adopt rules for the implementation and administration of this act."

Section 2. This act shall become effective on September 1, 2026.