



**House Ways and Means Education Reported Substitute  
for HB3**

A BILL  
TO BE ENTITLED  
AN ACT

Relating to taxation; to provide an exemption from the state sales and use tax for certain retail sales of fish or other seafood; and to provide for counties and municipalities to exempt these sales from local sales and use taxes.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) (1) The gross proceeds from the retail sale of fish or other seafood which is in its original or unmanufactured state by a producer are exempt from the state sales and use tax as provided for in Section 40-23-2 and 40-23-61, Code of Alabama 1975.

(2) For the purposes of this section, "producer" shall mean a licensed commercial fisherman or an owner of a commercially licensed vessel that is also licensed pursuant to Section 9-12-125, Code of Alabama 1975 to sell seafood to the public.

(b) Any county or municipality may exempt the gross proceeds from the retail sale of fish or seafood which is in its original or unmanufactured state by a producer from county or municipal sales and use taxes in accordance with Section 40-23-4.01, Code of Alabama 1975.



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29                   Section 2. This act shall become effective on September  
30   1, 2026.