



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

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5 A BILL

6 TO BE ENTITLED

7 AN ACT

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

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. (a) (1) The gross proceeds from the retail
15 sale of fish or other seafood which is in its original or
16 unmanufactured state by a producer are exempt from the state
17 sales and use tax as provided for in Section 40-23-2 and
18 40-23-61, Code of Alabama 1975.

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

24 (b) Any county or municipality may exempt the gross
25 proceeds from the retail sale of fish or seafood which is in
26 its original or unmanufactured state by a producer from county
27 or municipal sales and use taxes in accordance with Section
28 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.