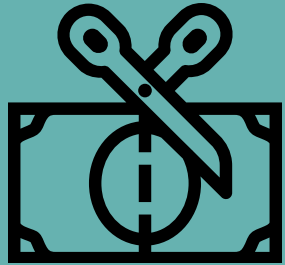


Alabama's Grocery Tax Cut: Key Facts

Act 2025-305

Sponsor: Representative Danny Garrett



1%

Decreases the state sales and use tax rate on food from 3% to 2%, beginning September 1, 2025



\$121.9 M

Estimated annual reduction in state sales and use tax receipts



Also allows for local governments to reduce their sales and use tax rate on food, regardless of any growth in their respective general fund.

