



Vote 'Yes' on HB 386: Help Alabama families by reducing the state grocery tax

Why Alabama needs to untax groceries

- The grocery tax increases hunger rates and drives many struggling families deeper into poverty.
- Alabama's tax system is upside down. On average, people with low incomes pay a much higher share of their income in state and local taxes than the wealthiest households do.
- The grocery tax is a major reason that Alabama's tax system is so upside down. Grocery taxes take a much bigger bite out of household budgets for Alabamians with low and middle incomes than for wealthier people.
- Most states have rejected the grocery tax. Alabama is one of only 10 states still taxing groceries.

How HB 386 would help people across Alabama

- **HB 386** by Rep. Danny Garrett, R-Trussville, would reduce the state sales tax on groceries from 3% to 2% starting on Sept. 1, 2025. This would build on the progress made in 2023, when the Legislature reduced the tax from 4% to 3%.
- Reducing the state grocery tax by 1 percentage point would save an average Alabama family of four about \$125 to \$150 a year.

Bottom line

Alabama's grocery tax is a cruel tax on survival. Lawmakers should pass HB 386 to continue the progress toward eliminating the state grocery tax once and for all. And they should work to identify more sustainable, less harmful options to fund public education and other vital services.