

ALABAMA GROCERS ASSOCIATION

The Voice of the Grocery Industry

News Release

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Alabamians to Benefit from Additional Grocery Tax Relief Beginning September 1

MONTGOMERY, Ala. – Alabama families will soon feel some much-needed relief at the checkout line. On Wednesday, May 7, 2025, the Alabama Legislature approved an additional 1% reduction in the state's grocery tax, effective **September 1, 2025**. This move marks continued progress toward making food more affordable for all Alabamians.

Ellie Taylor, President and CEO of the Alabama Grocers Association (AGA) praised state leaders for their commitment to tackling hunger.

"The Alabama Grocers Association commends Governor Kay Ivey, Lieutenant Governor Will Ainsworth, Speaker Nathaniel Ledbetter, and the Alabama Legislature for passing this important legislation," said Taylor. "Reducing the grocery tax by another 1% will allow more families to put nutritious food on the table and moves us closer to eliminating hunger in our state."

Grocers across Alabama witness firsthand the daily struggles families face when trying to afford food. While wages have increased in recent years, the cost of food has risen even faster—second only to transportation in household expense growth.

The grocery tax is widely considered a regressive tax, placing a heavier burden on those with lower incomes. According to the Alabama Department of Public Health, 17% of adults and 23% of children in the state experience food insecurity—meaning they lack consistent access to enough nutritious food for a healthy, active life.

For many low-income residents, seniors, and retirees living on fixed incomes, essentials like housing and medication often take priority, leaving little for food and other necessities.

"This tax cut is a meaningful step, but it's only the beginning," Taylor added. "The AGA has advocated for the full elimination of the grocery tax for more than a decade, and we will continue that fight to ensure every Alabamian has access to affordable food."

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About the Alabama Grocers Association: The Alabama Grocers Association is a state trade association representing the grocery retail industry since 1990. With more than 125 retail members operating over 850 stores statewide, as well as over 210 manufacturers, brokers, wholesalers and other members, the AGA is the voice of the industry in the state of Alabama. The food retail industry in Alabama provides over 188,000 jobs with over \$6.8 billion in annual wages paid. Grocers pay over \$1.5 billion in state taxes and have a total economic impact on the state's economy of over \$18 billion. For more information, go to www.alabamagrocers.org.