

Alabama Counties Removing Local Sales Tax on Hearing Instruments

In 2024, the Alabama Legislature passed **Act 2024-400 (HB51)**, which created a **state sales and use tax exemption for hearing instruments**, including hearing aids. This exemption became effective **October 1, 2024** and is scheduled to remain in effect through **September 30, 2029**.

The law applies only to **state sales tax**. Counties and municipalities were not automatically included and must individually adopt the exemption through a local resolution or ordinance for it to apply to their local sales taxes. As a result, some local governments have opted to remove their local sales tax on hearing instruments, while others have not. The Alabama Department of Revenue maintains an updated list of counties and municipalities that have chosen to adopt this exemption.

Counties and Municipalities Currently Not Requiring Local Sales Tax on Hearing Instruments

Based on the Alabama Department of Revenue's published exemption list, the following counties and municipalities have adopted local resolutions removing county sales tax on hearing instruments:

Location	Type	Local Effective Date	Local End Date
Baldwin	County	09/01/25	09/30/29
Madison	Municipality	10/1/24	08/31/25
Mobile	County	03/01/25	09/30/29
Mobile County CL (Prichard & Mobile)	County	03/01/25	09/30/29
Opelika	Municipality	10/1/25	09/30/29
Orange Beach	Municipality	12/1/24	08/31/25

Each of these counties and municipalities has formally adopted the hearing instrument exemption authorized under Act 2024-400, meaning **hearing instruments sold within these jurisdictions are not subject to county sales tax during the effective period of the exemption (through September 30, 2029 unless extended by legislation)**.

What This Means for Audiology Practices

Audiologists practicing in jurisdictions that have adopted the exemption should:

- Not collect state sales tax on hearing instruments beginning with their county or municipal effective start date.
- Verify whether county or municipal taxes apply based on the practice location.
- Monitor updates from the Alabama Department of Revenue as additional counties or municipalities may adopt the exemption over time.

Staying Updated

ABESPA encourages audiologists to regularly review the Alabama Department of Revenue's list of County and Municipal Sales and Use Tax Exemptions, as the list will continue to evolve as local governments adopt or modify exemptions.

Alabama Department of Revenue exemption list:

<https://www.revenue.alabama.gov/sales-use/county-and-municipal-sales-and-use-tax-exemptions/>