

House Bill 1446

By: Representatives Buck of the 135th, Skipper of the 137th, Royal of the 164th, Hudson of the 156th, Ehrhart of the 36th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-2 of the Official Code of Georgia Annotated, relating to
2 definitions regarding sales and use tax, so as change the definition of "gross sales" with
3 respect to transactions relating to certain sales of telephone services; to provide an effective
4 date; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Code Section 48-8-2 of the Official Code of Georgia Annotated, relating to definitions
8 regarding sales and use tax, is amended by striking paragraph (4) and inserting in its place
9 a new paragraph (4) to read as follows:

10 "(4) 'Gross sales' means the:

11 (A) Sum total of all retail sales of tangible personal property or services without any
12 deduction of any kind other than as provided in this article; or

13 (B)(i) Charges, when applied to sales of telephone service, made for local exchange
14 telephone service, except local messages which are paid for by inserting coins in coin
15 operated telephones, but including the total amount of the guaranteed charge for
16 semipublic coin box telephone services; except as otherwise provided in division (ii)
17 of this paragraph.

18 (ii)(I) If a telephone service is not subject to the tax levied by this chapter, and if
19 the amount charged for such telephone service is aggregated with and not separately
20 stated from the amount paid or charged for any service that is subject to such tax,
21 then the nontaxable telephone service shall be treated as being subject to such tax
22 unless the telephone service provider can reasonably identify the amount paid or
23 charged for the telephone service not subject to such tax from its books and records
24 kept in the regular course of business.

25 (II) If a telephone service is not subject to the tax levied by this chapter, a customer
26 may not rely upon the nontaxability of such telephone service unless the telephone

1 service provider separately states the amount charged for such nontaxable telephone
2 service or the telephone service provider elects, after receiving a written request
3 from the customer in the form required by the provider, to provide verifiable data
4 based upon the provider's books and records that are kept in the regular course of
5 business that reasonably identifies the amount charged for such nontaxable
6 telephone service."

7 **SECTION 2.**

8 This Act shall become effective upon its approval by the Governor or upon its becoming law
9 without such approval.

10 **SECTION 3.**

11 All laws and parts of laws in conflict with this Act are repealed.