

House Bill 1462

By: Representative Royal of the 164<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to  
2 exemptions from state sales and use tax, so as to provide for an exemption with respect to  
3 sales for certain biotechnology research, product development, or manufacturing; to provide  
4 for a definition; to provide for conditions and limitations; to repeal conflicting laws; and for  
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from  
9 state sales and use tax, is amended by adding a new paragraph immediately following  
10 paragraph (37), to be designated paragraph (37.1), to read as follows:

11 "(37.1)(A)(i) Sale of any machinery, equipment, tools, materials, supplies, or fuel to  
12 be installed, consumed, or utilized for biotechnology research, product development,  
13 or manufacturing in the state.

14 (ii) For the purposes of this paragraph, 'biotechnology' means the application of  
15 technologies, such as recombinant DNA techniques, biochemistry, molecular and  
16 cellular biology, genetics and genetic engineering, biological cell fusion techniques,  
17 and new bioprocesses, using living organisms, or parts of organisms, to produce or  
18 modify products to improve plants or animals, to develop microorganisms for specific  
19 uses, to identify targets for small molecule pharmaceutical development, or to  
20 transform biological systems into useful processes and products.

21 (B) Any person making a sale of machinery, equipment, tools, materials, supplies, or  
22 fuel for the purpose specified in subparagraph (A) of this paragraph shall collect the tax  
23 imposed on the sale by this article unless the purchaser furnishes such person with a  
24 certificate issued by the commissioner certifying that the purchaser is entitled to  
25 purchase the machinery, equipment, tools, materials, supplies, or fuel without paying  
26 the tax. As a condition precedent to the issuance of the certificate, the commissioner,

1 at the commissioner's discretion, may require a good and valid bond with a surety  
2 company authorized to do business in this state as surety or may require legal securities,  
3 in an amount fixed by the commissioner, conditioned upon payment by the purchaser  
4 of all taxes under this article in the event it should be determined that the sale fails to  
5 meet the requirements of this paragraph;"

6 **SECTION 2.**

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