

House Bill 502

By: Representatives Jamieson of the 22nd, Skipper of the 137th and Buck of the 135th

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 the
3 sale or use of certain digital broadcast equipment; to provide for definitions; to provide for
4 conditions and limitations; to provide an effective date; 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 striking "or" at the end of paragraph (71), by striking
10 the period at the end of paragraph (72) and inserting in its place "; or", and by adding a new
11 paragraph immediately following paragraph (72), to be designated paragraph (73), to read
12 as follows:

13 "(73)(A) The sale or use of digital broadcast equipment by a federally licensed
14 commercial or public radio or television broadcast station that enables a radio or
15 television station to originate and broadcast or to receive and broadcast digital signals,
16 including, but not limited to, digital broadcast equipment required by the Federal
17 Communications Commission.

18 (B) As used in this paragraph, the term:

19 (i) 'Digital broadcast equipment' means equipment purchased by a radio or television
20 broadcast station for the origination or integration of program materials for broadcast
21 over the airwaves which uses or produces an electronic signal where the signal carries
22 data generated, stored, and processed as strings of binary data. Data transmitted or
23 stored as digital data consists of strings of positive or nonpositive elements of a
24 transmission expressed in strings of 0's and 1's which a computer or processor can
25 reconstruct as an electronic signal.

1 (ii) 'Federally licensed commercial or public radio or television broadcast station'
2 means any entity or enterprise, either commercial or noncommercial, which operates
3 under a license granted by the Federal Communications Commission for the purpose
4 of free distribution of audio and video services when the distribution occurs by means
5 of transmission over the public airwaves.

6 (C) The exemption provided under this paragraph shall not apply to any of the
7 following:

8 (i) Repair or replacement parts purchased for the machinery or equipment described
9 in this paragraph;

10 (ii) Machinery or equipment purchased to replace machinery or equipment for which
11 an exemption was previously claimed and taken under this paragraph; or

12 (iii) Any machinery or equipment purchased after the radio or television station has
13 ceased analog broadcasting, or purchased after November 1, 2011, whichever occurs
14 first."

15 **SECTION 2.**

16 This Act shall become effective on July 1, 2001.

17 **SECTION 3.**

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