

House Bill 558

By: Representatives McBee of the 88th, Heard of the 89th and Hudgens of the 24th

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 certain sales to nonprofit organizations providing services to mentally retarded persons; to
4 provide for conditions and limitations; to provide an effective date; to repeal conflicting
5 laws; and for 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 (7), to be designated paragraph (7.1), to read as follows:

11 "(7.1) Sales of tangible personal property and services to a nonprofit organization, the
12 primary function of which is the provision of services to mentally retarded persons, when
13 such organization is a tax exempt organization under the Internal Revenue Code and
14 obtains an exemption determination letter from the commissioner;"

15 **SECTION 2.**

16 This Act shall become effective on January 1, 2002.

17 **SECTION 3.**

18 All laws and parts of laws in conflict with this Act are repealed.