

House Bill 928

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 change the exemption with respect to certain  
3 sales of aircraft, watercraft, railroad locomotives and rolling stock, motor vehicles, and major  
4 components of each with respect to certain carriers, so as to provide for a credit with respect  
5 to certain fuel purchases; to provide for conditions and limitations; to provide for powers,  
6 duties, and authorities of the Department of Revenue; to provide an effective date; to repeal  
7 conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from  
11 state sales and use tax, is amended by striking paragraph (33) and inserting in its place a new  
12 paragraph (33), to read as follows:

13 "(33)(A) The sale of aircraft, watercraft, railroad locomotives and rolling stock, motor  
14 vehicles, and major components of each, which will be used principally to cross the  
15 borders of this state in the service of transporting passengers or cargo by common  
16 carriers and by carriers who hold common carrier and contract carrier authority in  
17 interstate or foreign commerce under authority granted by the United States  
18 government. Replacement parts installed by carriers in such aircraft, watercraft,  
19 railroad locomotives and rolling stock, and motor vehicles which become an integral  
20 part of the craft, equipment, or vehicle shall also be exempt from all taxes under this  
21 article;

22 (B) In lieu of any tax under this article which would apply to the purchase, sale, use,  
23 storage, or consumption of the tangible personal property described in this paragraph  
24 but for this exemption, the tax under this article shall apply with respect to all fuel  
25 purchased and delivered within this state by or to any common carrier and with respect

1 to all fuel purchased outside this state and stored in this state irrespective, in either case,  
2 of the place of its subsequent use;

3 (C) A railroad company shall be allowed a credit against the tax imposed on all fuel  
4 purchased and delivered within the state and fuel purchased outside this state and stored  
5 in this state regardless of the place of its subsequent use as provided in subparagraph  
6 (B) of this paragraph in an amount equal to 100 percent of the amount invested in the  
7 improvement of rights of way, including those items, except depreciation, in the official  
8 maintenance of way and capital track accounts of the railroad company in this state  
9 during the calendar year immediately preceding the tax year but not to exceed the total  
10 liability for the tax under this paragraph. The manner of applying for the credit and the  
11 proof of expenditures required shall be prescribed by the Department of Revenue."

12 **SECTION 2.**

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

15 **SECTION 3.**

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