

House Bill 107

By: Representative Dean of the 49<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to cigar  
2 and cigarette taxes, so as to authorize the imposition and levy of certain local excise taxes  
3 upon certain cigars and cigarettes; to provide for legislative purpose and intent; to provide  
4 for the creation of special districts; to provide for the levy and collection of such taxes and  
5 for the use of the proceeds thereof; to provide for procedures, conditions, and limitations; to  
6 provide for statutory construction; to provide for powers, duties, and authority of the state  
7 revenue commissioner with respect to the foregoing; to provide an effective date; to repeal  
8 conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

11 Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to cigar and  
12 cigarette taxes, is amended by adding at the end thereof a new Code section, to be designated  
13 Code Section 48-11-30, to read as follows:

14 "48-11-30.

15 (a) It is declared to be the purpose and intent of the General Assembly that each county  
16 and municipality in this state shall be authorized to levy certain excise taxes as provided  
17 in this Code section.

18 (b) Pursuant to the authority granted by Article IX, Section II, Paragraph VI of the  
19 Constitution of this state, there are created within this state 159 special districts. One such  
20 district shall exist within the geographical boundaries of each county, and the territory of  
21 each district shall include all of the territory within the county except territory located  
22 within the boundaries of any municipality that imposes an excise tax on cigars and  
23 cigarettes under this Code section.

24 (c) The governing authority of each municipality in this state may impose an excise tax  
25 upon the sale, receipt, purchase, possession, consumption, handling, distribution, or use of  
26 cigars and cigarettes in this state. Within the territorial limits of the special district located

1 within the county, each county in this state may impose an excise tax upon the sale, receipt,  
2 purchase, possession, consumption, handling, distribution, or use of cigars and cigarettes  
3 in this state. The tax imposed pursuant to this Code section shall be at the rate of \$3.00 per  
4 pack of 20 cigars or cigarettes and a like rate, pro rata, for other size packages. Such tax  
5 shall be imposed with respect to every transaction or event which is taxable pursuant to  
6 Code Section 48-11-2 and shall be imposed at the same time and in the same manner as the  
7 taxes imposed under Code Section 48-11-2.

8 (d) A county or municipality levying an excise tax under this Code section shall only levy  
9 such tax by ordinance. The proceeds of the tax shall be expended solely for water and  
10 sewer purposes.

11 (e) Any tax imposed pursuant to this Code section shall be imposed for a period of time  
12 not to exceed five years. Following the termination of the tax, any county or municipality  
13 which has levied a tax pursuant to this Code section may reimpose such tax for additional  
14 five-year periods of time.

15 (f) Any action by a local governing authority to impose the tax authorized under this Code  
16 section shall become effective no sooner than the first day of the month following the  
17 month of its adoption by the local governing authority.

18 (g) No tax under this Code section may be levied or collected by a county outside the  
19 territorial limits of the special district located within the county.

20 (h) The commissioner shall secure stamps of such design and materials as the  
21 commissioner deems appropriate to protect the revenue and shall sell the stamps to licensed  
22 distributors under the same conditions and procedures specified under Code Section  
23 48-11-3.

24 (i) The tax imposed pursuant to this Code section shall be exclusively administered and  
25 collected by the commissioner for the use and benefit of the municipality or county whose  
26 geographical boundary is conterminous with that of a special district. The proceeds of such  
27 tax collected by the commissioner in each municipality or special district shall be disbursed  
28 as soon as practicable after collection, as follows:

29 (1) One percent of the amount collected shall be paid into the general fund of the state  
30 treasury in order to defray the costs of administration; and

31 (2) Except for the percentage provided for in paragraph (1) of this subsection, the  
32 remaining proceeds of such tax shall be distributed to the governing authority of the  
33 municipality or special district which has imposed such tax.

34 (j) As a part of the audit report required under Code Section 36-81-7, the auditor shall  
35 include, in a separate schedule, a report of the revenues and expenditures pertaining to the  
36 tax under this Code section."

1 **SECTION 2.**

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

4 **SECTION 3.**

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