

House Bill 207

By: Representatives Buck of the 112<sup>th</sup>, Smyre of the 111<sup>th</sup>, Smith of the 110<sup>th</sup>, Buckner of the 109<sup>th</sup> and Hugley of the 113<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales  
2 and use taxes, so as to change certain provisions regarding the joint county or municipal sales  
3 and use tax and provide for an optional rate increase to 2 percent with respect to imposition  
4 by consolidated governments; to provide for imposition of such tax at the rate of 2 percent  
5 by consolidated governments; to provide for procedures, conditions, and limitations; to  
6 exclude applicability of certain limitations; to provide an effective date; to repeal conflicting  
7 laws; and for other purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

10 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use  
11 taxes, is amended by striking subsection (b) of Code Section 48-8-6, relating to limitations  
12 regarding local sales and use taxes, and inserting in its place a new subsection (b) to read as  
13 follows:

14 "(b) There shall not be imposed in any jurisdiction in this state or on any transaction in this  
15 state local sales taxes, local use taxes, or local sales and use taxes in excess of 2 percent.  
16 For purposes of this prohibition, the taxes affected are any sales tax, use tax, or sales and  
17 use tax which is levied in an area consisting of less than the entire state, however  
18 authorized, including such taxes authorized by or pursuant to constitutional amendment,  
19 except that the following taxes shall not count toward or be subject to such 2 percent  
20 limitation:

21 (1) A sales and use tax for educational purposes exempted from such limitation under  
22 Article VIII, Section VI, Paragraph IV of the Constitution; ~~and~~

23 (2) Any tax levied for purposes of a metropolitan area system of public transportation,  
24 as authorized by the amendment to the Constitution set out at Georgia Laws, 1964, page  
25 1008; the continuation of such amendment under Article XI, Section I, Paragraph IV(d)  
26 of the Constitution; and the laws enacted pursuant to such constitutional amendment;  
27 provided, however, that the exception provided for under this paragraph shall only apply

1 in a county in which a tax is being imposed under subparagraph (a)(1)(F) of Code Section  
 2 48-8-111 solely for the purpose or purposes of a water capital outlay project or projects,  
 3 a sewer capital outlay project or projects, a water and sewer capital outlay project or  
 4 projects, or a combination of such projects and such exception shall apply only during the  
 5 period the tax under said subparagraph (a)(1)(F) is in effect; and

6 (3) In the event of a rate increase pursuant to Code Section 48-8-96, only the amount in  
 7 excess of the initial 1 percent sales and use tax and in the event of a newly imposed tax  
 8 pursuant to Code Section 48-8-96, only the amount in excess of a 1 percent sales and use  
 9 tax.

10 If the imposition of any otherwise authorized local sales tax, local use tax, or local sales  
 11 and use tax would result in a tax rate in excess of that authorized by this subsection, then  
 12 such otherwise authorized tax may not be imposed."

### 13 SECTION 2.

14 Said chapter is further amended by adding a new Code section immediately following Code  
 15 Section 48-8-95, to be designated Code Section 48-8-96, to read as follows:

16 "48-8-96.

17 (a) With respect to any consolidated government created by the consolidation of a county  
 18 and one or more municipalities, the provisions of this Code section shall control over any  
 19 conflicting provisions of Article 1 of this chapter or this article.

20 (b) If the tax authorized by this article is in effect in the special district coterminous with  
 21 a consolidated government, then the rate of tax imposed under this article may be increased  
 22 from 1 percent to 2 percent if such increase is approved by:

23 (1) A resolution of the governing authority of the consolidated government in the same  
 24 manner as otherwise required for the initial 1 percent sales tax pursuant to Code Section  
 25 48-8-84; and

26 (2) A referendum conducted in the same manner as otherwise required for the initial 1  
 27 percent sales tax pursuant to Code Section 48-8-85, except that the ballot shall have  
 28 written or printed thereon the following:

29 '( ) YES Shall the retail sales and use tax levied within the special district in

30 '( ) NO \_\_\_\_\_ County be increased from 1 percent to 2 percent?'

31 (c) Such increased tax rate shall become effective on the first day of the next succeeding  
 32 calendar quarter which begins more than 80 days after the date of the election at which  
 33 such increase was approved by the voters. The proceeds of the increased tax shall be  
 34 divided in the same proportions as the original tax.

1 (d) If the tax authorized by this article is to be newly imposed in the special district  
 2 coterminous with a consolidated government, then such tax may be imposed at the rate of  
 3 2 percent if such rate is approved by:

4 (1) A resolution of the governing authority of the consolidated government in the same  
 5 manner as otherwise required pursuant to Code Section 48-8-84; and

6 (2) A referendum conducted in the same manner as otherwise required pursuant to Code  
 7 Section 48-8-85, except that the ballot shall have written or printed thereon the following:

8 '( ) YES Shall a retail sales and use tax of 2 percent be levied within the special  
 9 ( ) NO district within \_\_\_\_\_ County?'

10 (e) A consolidated government shall only be authorized to exercise the authority granted  
 11 under this Code section if all qualified municipalities within the special district have been  
 12 consolidated into the consolidated government.

13 (f) In all respects not otherwise provided for in this Code section, the levy of a tax under  
 14 this article by a consolidated government shall be in the same manner as the levy of the tax  
 15 by any other county."

16 **SECTION 3.**

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

19 **SECTION 4.**

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