

House Bill 287

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

A BILL TO BE ENTITLED
AN ACT

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

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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

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

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

(2) Any tax levied for purposes of a metropolitan area system of public transportation, as authorized by the amendment to the Constitution set out at Georgia Laws, 1964, page 1008; the continuation of such amendment under Article XI, Section I, Paragraph IV(d) of the Constitution; and the laws enacted pursuant to such constitutional amendment;

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

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

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

SECTION 2.

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

"48-8-96.

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

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

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

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

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

() NO _____ County be increased from 1 percent to 2 percent?'

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

(d) Such increased tax rate may be decreased from 2 percent to 1 percent if such decrease is approved by:

(1) A resolution of the governing authority of the consolidated government in the same manner as otherwise required under Code Section 48-8-92; and

(2) A referendum conducted in the same manner as otherwise required for discontinuation of the tax under Code Section 48-8-92, except that the ballot shall have printed or written thereon the following:

'() YES Shall the retail sales and use tax levied in the special district within
() NO _____ be decreased from 2 percent to 1 percent?'

(e) Such decreased tax rate shall become effective on the first day of the second calendar quarter following the month in which the commissioner receives certification of the result of the election.

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

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

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

'() YES Shall a retail sales and use tax of 2 percent be levied within the special
() NO district within _____ ?'

(g) Such 2 percent tax may be discontinued if such discontinuation is approved by:

(1) A resolution of the governing authority of the consolidated government in the same manner as otherwise required under Code Section 48-8-92; and

(2) A referendum conducted in the same manner as otherwise required for discontinuation of the tax under Code Section 48-8-92, except that the ballot shall have printed or written thereon the following:

'() YES Shall the retail sales and use tax levied in the special district within
() NO _____ be terminated?'

(h)(1) In the case of increase from 1 percent to 2 percent, the amount in excess of the initial 1 percent sales and use tax shall not apply to the furnishing of value to the public of any room or rooms, lodgings, or accommodations which are subject to taxation under Article 3 of Chapter 13 of this title.

(2) In the case of a newly imposed 2 percent sales and use tax under this Code section, only the amount in excess of a 1 percent sales and use tax shall not apply to the furnishing

1 for value of any room or rooms, lodgings, or accommodations which are subject to tax
2 under Article 3 of Chapter 13 of this title.

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

6 **SECTION 3.**

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

9 **SECTION 4.**

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