

House Bill 542

By: Representatives Richardson of the 26th, O`Neal of the 117th, Borders of the 142nd, Shaw of the 143rd and Smith of the 110th

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 the
3 sale of certain school supplies, clothing, footwear, computers, and computer related
4 accessories for a limited period of time; 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 striking paragraph (75) and inserting in its place a new
10 paragraph (75), to read as follows:

11 "(75)(A) The sale of any covered item. The exemption provided by this paragraph
12 shall apply only to sales occurring during a period commencing at 12:01 A.M. on
13 ~~March 29, 2002, and concluding at 12:00 Midnight on March 30, 2002, and to a period~~
14 ~~commencing at 12:01 A.M. on August 2, 2002, and concluding at 12:00 Midnight on~~
15 ~~August 3, 2002~~ July 31, 2003, and concluding at 12:00 Midnight on August 3, 2003.

16 (B) As used in this paragraph, the term 'covered item' shall mean:

17 (i) Articles of clothing and footwear with a sales price of \$100.00 or less per article
18 of clothing or pair of footwear, excluding accessories such as jewelry, handbags,
19 umbrellas, ~~items intended primarily for use as athletic or sporting gear~~, eyewear,
20 watches, and watchbands;

21 (ii) ~~The first \$1,500.00 of the sales price of a~~ A single purchase, with a sales price
22 \$1,500.00 or less, of personal computers and personal computer related accessories
23 purchased for noncommercial home or personal use, including personal computer
24 base units and keyboards, personal digital assistants, handheld computers, monitors,
25 other peripheral devices, modems for Internet and network access, and
26 nonrecreational software, whether or not they are to be utilized in association with the

1 personal computer base unit; ~~provided, however, that such exemption shall be~~
 2 ~~available only when such purchase includes the purchase of a personal computer base~~
 3 ~~unit. For purposes of this paragraph, personal digital assistant devices shall not be~~
 4 ~~considered personal computer base units but may be included in a single purchase~~
 5 ~~which also includes a personal computer base unit.~~ Computer and computer related
 6 accessories shall not include furniture and any systems, devices, software, or
 7 peripherals designed or intended primarily for recreational use; and

8 (iii) Noncommercial purchases of general school supplies to be utilized in the
 9 classroom or in classroom related activities, such as homework, up to a sales price of
 10 \$20.00 per item including pens, pencils, notebooks, paper, book bags, calculators,
 11 dictionaries, ~~and~~ thesauruses, and children's books and books listed on approved
 12 school reading lists for pre-kindergarten through twelfth grade.

13 (C) The exemption provided by this paragraph shall not apply to rentals, sales in a
 14 theme park, entertainment complex, public lodging establishment, restaurant, or airport
 15 or to purchases for trade, business, or resale.

16 (D) The commissioner shall promulgate any rules and regulations necessary to
 17 implement and administer this paragraph including but not be limited to a list of those
 18 articles and items qualifying for the exemption pursuant to this paragraph."

19 **SECTION 2.**

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

22 **SECTION 3.**

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