

House Bill 306

By: Representatives Rice of the 51st, Ehrhart of the 36th, and Burkhalter of the 50th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-63 of the Official Code of Georgia Annotated, relating to
2 payment of sales and use tax by contractors, so as to change certain provisions regarding
3 payment of use tax with respect to certain tangible personal property; to repeal conflicting
4 laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

7 Code Section 48-8-63 of the Official Code of Georgia Annotated, relating to payment of
8 sales and use tax by contractors, is amended by striking subsection (b) and inserting in its
9 place a new subsection (b) to read as follows:

10 "(b)(1) Except as otherwise provided in paragraph (2) of this subsection, each Each
11 person who contracts to perform services in this state and who is furnished tangible
12 personal property for use under the contract by the person, or such person's agent or
13 representative, for whom the contract is to be performed, when a sales or use tax has not
14 been paid to this state by the person supplying the tangible personal property, shall be
15 deemed to be the consumer of the tangible personal property so used and shall pay a use
16 tax based on the fair market value of the tangible personal property so used irrespective
17 of whether any right, title, or interest in the tangible personal property becomes vested
18 in the contractors.

19 (2) No use tax shall be required under paragraph (1) of this subsection with respect to
20 tangible personal property purchased by a government or bona fide department thereof
21 which is exempt therefrom under paragraph (1) of Code Section 48-8-3, which property
22 is furnished to a contractor for incorporation into a construction, renovation, or repair
23 project conducted pursuant to a contract with such government or bona fide department
24 thereof."

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SECTION 2.

2 All laws and parts of laws in conflict with this Act are repealed.