

House Bill 541

By: Representatives Graves of the 137<sup>th</sup>, Royal of the 171<sup>st</sup>, and O'Neal of the 146<sup>th</sup>

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 clarify the sales and use tax exemption for  
3 a qualified child-caring institution, child-placing agency, or maternity home; to provide an  
4 effective date; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from  
8 state sales and use tax, is amended by striking paragraph (41) of said Code section and  
9 inserting in its place a new paragraph (41) to read as follows:

10 "(41)(A) Sales of tangible personal property and services to ~~or by~~ a child-caring  
11 institution as defined in paragraph (1) of Code Section 49-5-3, as amended; a  
12 child-placing agency as defined in paragraph (2) of Code Section 49-5-3, as amended;  
13 or a maternity home as defined in paragraph (14) of Code Section 49-5-3, as amended,  
14 when such institution, agency, or home is engaged primarily in providing child services  
15 and is a nonprofit, tax-exempt organization under Section 501(c)(3) of the Internal  
16 Revenue Code and obtains an exemption determination letter from the commissioner;

17 and

18 (B) Sales by an institution, agency, or home as described in subparagraph (A) of this  
19 paragraph when:

20 (i) The sale results from a specific charitable fund-raising activity;

21 (ii) The number of days upon which the fund-raising activity occurs does not exceed  
22 30 in any calendar year;

23 (iii) No part of the gross sales or net profits from the sales inures to the benefit of any  
24 private person; and

25 (iv) The gross sales or net profits from the sales are used purely for charitable  
26 purposes in providing child services;".

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5 All laws and parts of laws in conflict with this Act are repealed.