

The House Committee on Ways and Means offers the following substitute to HB 364:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 40-3-20 of the Official Code of Georgia Annotated, relating to
2 applications for certificates of title for motor vehicles, so as to require proof of the payment
3 of the sales and use tax as a precondition to titling certain motor vehicles; to provide for the
4 collection of the tax; to provide for offset of administrative costs; to provide for related
5 matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 40-3-20 of the Official Code of Georgia Annotated, relating to applications for
9 certificates of title for motor vehicles, is amended by adding at the end thereof a new
10 subsection (d) to read as follows:

11 "(d) No application for a certificate of title for a vehicle purchased outside the State of
12 Georgia shall be accepted or processed unless the applicant shows, by a valid bill of sale
13 or contract of purchase or by such other documentation satisfactory to the commissioner,
14 that the Georgia sales and use tax has been paid or is not due. If Georgia sales and use tax
15 is owed on such vehicle but has not been paid, the local tag agent shall collect the tax. The
16 state revenue commissioner is authorized to designate each local tag agent as a sales tax
17 agent for the purpose of collecting sales and use tax as required by this Code section. Each
18 designated sales tax agent shall remit the state's portion of any sales and use tax collected
19 to the Department of Revenue and the local government's portion of any sales and use tax
20 collected to the appropriate local governing authority; provided, however, that for services
21 rendered with respect to the collection of such sales and use tax, the tax commissioner's
22 office shall retain 3 percent of the total state and local sales and use tax collected in
23 accordance with this subsection, which shall be used to offset the office's administrative
24 costs incurred under this subsection. The tax commissioner's office shall submit on an
25 annual basis to the county, an itemized report which shows the amount of fees collected
26 and the expenditures of such fees. Such report shall be included in the county audit."

H. B. 364 (SUB)

1 **SECTION 2.**

2 This Act shall become effective on January 1, 2006.

3 **SECTION 3.**

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