

The House Committee on Ways and Means offers the following substitute to HB 541:

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 change certain provisions regarding the
3 sales and use tax exemption for a qualified child-caring institution, child-placing agency, or
4 maternity home; to provide an effective date; to repeal conflicting laws; and for other
5 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 (41) of said Code section and
10 inserting in its place a new paragraph (41) to read as follows:

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

18 (A) The sale results from a specific charitable fund-raising activity;

19 (B) The number of days upon which the fund-raising activity occurs does not exceed
20 30 in any calendar year;

21 (C) No part of the gross sales or net profits from the sales inures to the benefit of any
22 private person; and

23 (D) The gross sales or net profits from the sales are used purely for charitable purposes
24 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5 All laws and parts of laws in conflict with this Act are repealed.