

House Bill 364 (RULES COMMITTEE SUBSTITUTE)

By: Representatives Williams of the 4th, Royal of the 171st, Scott of the 2nd, Forster of the 3rd,
Loudermilk of the 14th, and others

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 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 state and local sales and use tax has been paid or is not due. If state and local sales and
15 use tax is owed on such vehicle but has not been paid, the local tag agent shall collect the
16 tax. The state revenue commissioner is authorized to designate each local tag agent as a
17 sales tax agent for the purpose of collecting sales and use tax as required by this Code
18 section. Each designated sales tax agent shall be deemed a dealer within the meaning of
19 Code Section 48-8-2 and shall remit any state and local sales and use tax collected to the
20 Department of Revenue; provided, however, that for services rendered with respect to the
21 collection of such sales and use tax, the tax commissioner's office shall retain 3 percent of
22 the total state and local sales and use tax collected in accordance with this subsection,
23 which shall be used to offset the office's administrative costs incurred under this
24 subsection. The tax commissioner's office shall submit on an annual basis to the county,
25 an itemized report which shows the amount of fees collected and the expenditures of such
26 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.