

The Senate Finance Committee offered the following substitute to HB 148:

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 sales and use taxes, so as to provide for a limited duration exemption with
3 respect to state sales and use tax only for the sale of natural or artificial gas, electricity, or
4 any other energy used directly or indirectly in the manufacture or processing of tangible
5 personal property; to provide for a sales and use tax exemption with respect to the sale of
6 tangible property to or used in construction or expansion of an aquarium in this state for a
7 limited period of time; to provide an effective date; to repeal conflicting laws; and for other
8 purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

10 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from
11 sales and use taxes, is amended by adding a new paragraph to read as follows:

12 "(70.1)(A) For the period beginning on January 1, 2008, and ending on December 31,
13 2008, the sale of natural or artificial gas, electricity, or any other energy used directly
14 or indirectly in the production or processing of tangible personal property at the rate of
15 25 percent of such total sale or use.

16 (B) For the purposes of this paragraph, the term 'local sales and use tax' shall mean any
17 sales tax, use tax, or local sales and use tax which is levied and imposed in an area
18 consisting of less than the entire state, however authorized, including, but not limited
19 to, such taxes authorized by or pursuant to constitutional amendment; by or pursuant
20 to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended,
21 the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; by or pursuant to
22 Article 2, 2A, 3, or 4 of this chapter.

23 (C) The exemption provided for in subparagraph (A) of this paragraph shall not apply
24 to any local sales and use tax levied or imposed at any time.
25

1 (D) The commissioner shall adopt rules and regulations to carry out the provisions of
2 this paragraph;".

3 **SECTION 2.**

4 Said Code section is further amended by revising paragraph (76) as follows:

5 "(76) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from ~~the~~
6 ~~effective date of this paragraph~~ June 4, 2003, until January 1, ~~2007~~ 2011, sales of tangible
7 personal property to, or used in the construction or expansion of, an aquarium in this state
8 owned or operated by an organization which is exempt from taxation under Section
9 501(c)(3) of the Internal Revenue Code;"

10 **SECTION 3.**

11 This Act shall become effective upon its approval by the Governor or upon its becoming law
12 without such approval.

13 **SECTION 4.**

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