

House Bill 148 (AS PASSED HOUSE AND SENATE)

By: Representatives Burkhalter of the 50th and Smith of the 113th

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 partial exemption for a limited
3 period of time from state sales and use tax only with respect to the sale or use of natural or
4 artificial gas, No. 2 fuel oil, No. 6 fuel oil, propane, and coal used directly or indirectly in the
5 manufacture or processing of tangible personal property primarily for resale, and the fuel cost
6 recovery component of retail electric rates used directly or indirectly in the manufacture or
7 processing of tangible personal property primarily for resale; to change certain provisions
8 regarding the exemption with respect to the sale of tangible property to or in construction
9 of an aquarium in this state for a limited period of time and provide for an exemption with
10 respect to expansion of such aquarium; to provide an effective date; to repeal conflicting
11 laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 style="text-align:center">**SECTION 1.**

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

16 "(70.1)(A) For the period commencing July 1, 2007, and concluding on December 31,
17 2009, the sale of natural or artificial gas, No. 2 fuel oil, No. 6 fuel oil, propane, and coal
18 used directly or indirectly in the manufacture or processing of tangible personal
19 property primarily for resale, and the fuel cost recovery component of retail electric
20 rates used directly or indirectly in the manufacture or processing of tangible personal
21 property primarily for resale.

22 (B) The exemption provided for in subparagraph (A) of this paragraph shall not apply
23 to the first \$7.55 per decatherm of the sales price or cost price of natural or artificial
24 gas, the first \$1.77 per gallon of the sales price or cost price of No. 2 fuel oil, the first
25 \$1.02 per gallon of the sales price or cost price of No. 6 fuel oil, the first \$1.07 per
26 gallon of the sales price or cost price of propane, the first \$45.00 per ton of coal, or the
27 first 3.67¢ per kilowatt hour of the fuel cost recovery component of retail electricity

1 rates whether such fuel recovery charges are charged separately or are embedded in
2 such electric rates.

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

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

12 (D) Any person making a sale of items qualifying for exemption under
13 subparagraph (A) of this paragraph shall be relieved of the burden of proving such
14 qualification if the person receives in good faith a certificate from the purchaser
15 certifying that the purchase is exempt under this paragraph;"

16 SECTION 2.

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

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

23 (B) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from the
24 effective date of this subparagraph until January 1, 2011, sales of tangible personal
25 property to, or used in the expansion of, an aquarium in this state owned or operated by
26 an organization which is exempt from taxation under Section 501(c)(3) of the Internal
27 Revenue Code;"

28 SECTION 3.

29 (a) Except as otherwise provided in subsection (b) of this section, this Act shall become
30 effective upon its approval by the Governor or upon its becoming law without such
31 approval.

32 (b) Section 1 of this Act shall become effective on July 1, 2007.

33 SECTION 4.

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