

House Bill 186 (AS PASSED HOUSE AND SENATE)

By: Representatives Cole of the 125th, O'Neal of the 146th, Smith of the 129th, Golick of the 34th, Maddox of the 172nd, and others

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 tax, so as to provide for a temporary exemption regarding the
3 sale of tangible personal property to, or used in or for the construction of, an alternative fuel
4 facility primarily dedicated to the processing and production of ethanol, biodiesel, and
5 butanol; to provide for definitions; to provide for powers, duties, and authority of the state
6 revenue commissioner with respect to the foregoing; to provide an effective date; to repeal
7 conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

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

12 "(34.4)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary,
13 sales of tangible personal property to, or used in or for the construction of, an
14 alternative fuel facility primarily dedicated to the production and processing of ethanol,
15 biodiesel, butanol, and their by-products, when such fuels are derived from biomass
16 materials such as agricultural products, or from animal fats, or the wastes of such
17 products or fats.

18 (B) As used in this paragraph, the term:

19 (i) 'Alternative fuel facility' means any facility located in this state which is primarily
20 dedicated to the production and processing of ethanol, biodiesel, butanol, and their
21 by-products for sale.

22 (ii) 'Used in or for the construction' means any tangible personal property
23 incorporated into a new alternative fuel facility that loses its character of tangible
24 personal property. Such term does not mean tangible personal property that is
25 temporary in nature, leased or rented, tools, or other items not incorporated into the
26 facility.

1 (C) Any person making a sale of tangible personal property for the purpose specified
2 in this paragraph shall collect the tax imposed on this sale unless the purchaser
3 furnishes an exemption certificate issued by the commissioner certifying that the
4 purchaser is entitled to purchase the tangible personal property without payment of
5 tax.

6 (D) Any corporation, partnership, limited liability company, or any other entity or
7 person that qualifies for this exemption must conduct at least a majority of its business
8 with entities or persons with which it has no affiliation.

9 (E) The exemption provided for under subparagraph (A) of this paragraph shall not
10 apply to sales of tangible personal property that occur after the production and
11 processing of biodiesel, ethanol, butanol, and their by-products has begun at the
12 alternative fuel facility.

13 (F) The exemption provided for under subparagraph (A) of this paragraph shall apply
14 only to sales occurring during the period July 1, 2007, through June 30, 2012.

15 (G) The commissioner shall promulgate any rules and regulations necessary to
16 implement and administer this paragraph."

17 **SECTION 2.**

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

20 **SECTION 3.**

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