

House Bill 1151

By: Representatives Knight of the 126<sup>th</sup>, Tumlin of the 38<sup>th</sup>, and Mosby of the 90<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Titles 16 and 48 of the Official Code of Georgia Annotated, relating, respectively,  
2 to crimes and offenses and revenue and taxation, so as to change provisions regarding raffle  
3 operations by nonprofit, tax-exempt organizations; to change certain provisions regarding  
4 bingo definitions and licensing procedures; to change certain provisions regarding  
5 organizations exempt from state income tax; to provide for an effective date; to repeal  
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Titles 16 of the Official Code of Georgia Annotated, relating to crimes and offenses, is  
10 amended by revising subparagraph (d)(2)(E) of Code Section 16-12-22.1, relating to raffle  
11 licenses, as follows:

12 "(E) A determination letter from the Georgia Department of Revenue certifying  
13 statement affirming that the applicant is exempt under the income tax laws of this state  
14 under Code Section 48-7-25;"

15 **SECTION 2.**

16 Said title is further amended by revising paragraph (3.1) of Code Section 16-12-51, relating  
17 to definitions pertaining to bingo, as follows:

18 "(3.1) 'Nonprofit, tax-exempt organization' means an organization, association,  
19 corporation, or other legal entity which has been determined by the federal Internal  
20 Revenue Service to be exempt from taxation under federal tax law and ~~has been~~  
21 determined by the Georgia Department of Revenue to be which is exempt from taxation  
22 under the income tax laws of this state under Code Section 48-7-25; which is organized  
23 or incorporated in this state or authorized to do business in this state; and which uses the  
24 proceeds from any bingo games conducted by such organization solely within this state."



1 (ii) The organization ceases to be organized or operated in the manner in which it was  
2 organized or operated at the time the exempt status was granted;

3 (iii) The organization engages in any prohibited transaction as set forth in the Internal  
4 Revenue Code of 1986; or

5 (iv) There is any material change in the character or purpose of the organization or  
6 in the mode of operation of the organization.

7 (B) Revocation of an exempt status shall revoke the exempt status retroactively to the  
8 time of the occurrence of the disqualifying event or events. All exempt organizations  
9 shall immediately notify the commissioner in writing of the occurrence of any of the  
10 disqualifying events described in subparagraph (A) of this paragraph or of receipt by  
11 the organization of a notice of intent to terminate its exempt status by the Internal  
12 Revenue Service. The statute of limitations governing the assessment of any taxes  
13 determined to be due this state due to the revocation of exempt status shall be tolled as  
14 of the date of the occurrence of the disqualifying event or events described in  
15 subparagraph (A) of this paragraph. The commissioner at any time may require an  
16 organization which is exempt from taxation to file an information return stating the  
17 organization's gross income, receipts, disbursements, accumulation of income, and  
18 other data deemed necessary for the proper administration of this Code section."

19 **SECTION 5.**

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

22 **SECTION 6.**

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