

The Senate Finance Committee offered the following substitute to HB 948:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to state sales and use tax, so as to change certain provisions regarding state sales and  
3 use tax; to provide for an exemption with respect to the sale of certain school supplies,  
4 clothing, footwear, computers, and computer related accessories for a limited period of time;  
5 to provide for an exemption from sales and use tax with respect to certain sales of certain  
6 energy efficient products for a limited period of time; to change provisions relating to  
7 deductions of bad debts by persons reporting on an accrual basis; to provide for claims to be  
8 filed by certain affiliated groups; to change certain provisions regarding limitations on the  
9 state revenue commissioner's authority to make certain distributions; to provide for related  
10 matters; to provide for effective dates; to repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

12 Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to state  
13 sales and use tax, is amended in Code Section 48-8-3, relating to exemptions from state sales  
14 and use tax, by revising subparagraph (A) of paragraph (75) as follows:

15 "(75)(A) The sale of any covered item. The exemption provided by this paragraph  
16 shall apply only to sales occurring during a period commencing at 12:01 A.M. on  
17 ~~August 2, 2007~~ July 31, 2008, and concluding at 12:00 Midnight on ~~August 5, 2007~~  
18 August 3, 2008."

**SECTION 2.**

19 Said article is further amended in Code Section 48-8-3, relating to exemptions from state  
20 sales and use tax, by revising subparagraph (A) of paragraph (82) as follows:

21 "(82)(A) Purchase of energy efficient products with a sales price of \$1,500.00 or less  
22 per product purchased for noncommercial home or personal use. The exemption  
23 provided by this paragraph shall apply only to sales occurring during a period  
24  
25

1 commencing at 12:01 A.M. on ~~October 4, 2007~~ October 2, 2008, and concluding at  
 2 12:00 Midnight on ~~October 7, 2007~~ October 5, 2008."

### 3 SECTION 3.

4 Said article is further amended in Code Section 48-8-45, relating to sales and use tax  
 5 reporting of sales and deductibility of bad debts, by revising subsection (c) into two  
 6 subsections as follows:

7 "(c) Any person reporting on the accrual basis of accounting shall be allowed a deduction  
 8 for bad debts under rules and regulations of the commissioner on the same basis that bad  
 9 debts are allowed as a deduction on state income tax returns.

10 ~~(d) In the case of an~~ An assignee of private label credit card debt purchased directly from  
 11 ~~a dealer without recourse, the assignee reporting on the accrual basis of accounting or a~~  
 12 ~~credit card bank which extends such credit to customers under a private label credit card~~  
 13 ~~program shall be allowed a deduction for bad private label credit card bad debts under rules~~  
 14 ~~and regulations of the commissioner on the same basis that bad private label credit card bad~~  
 15 ~~debts are allowed as a deduction on state income tax returns. An issuer or assignee of~~  
 16 private label credit card debt may claim its deduction for private label credit card bad debts  
 17 on a return filed by a member of an affiliated group as defined under 26 U.S.C. Section  
 18 1504."

### 19 SECTION 4.

20 Said article is further amended in Code Section 48-8-67, relating to distributions of  
 21 unidentifiable sales and use tax proceeds, by revising subsection (h) as follows:

22 "(h) The authority of the commissioner to make distributions pursuant to this Code section  
 23 shall cease on December 31, ~~2007~~ 2009, unless such authority is extended by a subsequent  
 24 general Act of the General Assembly."

### 25 SECTION 5.

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

28 (b) Section 3 of this Act shall become effective July 1, 2008.

### 29 SECTION 6.

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