

House Bill 1245

By: Representative Martin of the 47th

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 2 of Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia
2 Annotated, relating to imposition, rate, collection, and assessment of sales and use taxes, so
3 as to provide for audits of books of accounts on the basis of tests or samples; to provide for
4 procedures, conditions, and limitations; to provide an effective date; to repeal conflicting
5 laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Part 2 of Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,
9 relating to imposition, rate, collection, and assessment of sales and use taxes, is amended by
10 adding a new Code section to read as follows:

11 "48-8-68.

12 (a) If a dealer does not have the necessary books of accounts of such dealer's sales, the
13 commissioner may, on the basis of a test or a sample of the available registers of such
14 dealer or other information related to the sales or purchases made by such dealer for a
15 representative period, determine the proportion of the sales of taxable items in comparison
16 with the total sales or the proportion between the purchase of taxable items and the total
17 purchases by such dealer. This subsection shall not relieve the dealer from collecting the
18 sales and use tax.

19 (b) If the books of accounts of a dealer are adequate but very sizable, the commissioner
20 shall be authorized to select a sample of transactions and carry out a projection based on
21 the data recompiled during the entire audit period for the purpose of determining the
22 proportion of sales of taxable items in comparison with the total sales or the proportion
23 between the purchase of taxable items and the total purchases made by such dealer.

24 (c) In the case of a request for refund, all dealers shall have the right, when their registers
25 are adequate but sizable, to decide the refund amount by statistical sampling or by any
26 other method of sampling as agreed to by the commissioner. Independent of the selected

27 method of sampling, the same method shall reflect the taxes paid in excess as well as the
28 deficiencies in payment of applicable sales and use tax."

29 **SECTION 2.**

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

32 **SECTION 3.**

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