

House Bill 1278

By: Representative McKillip of the 115th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and
2 taxation, so as to provide for comprehensive provisions regarding revenue enhancement and
3 tax relief; to change certain provisions with respect to the taxable net income brackets
4 applicable to certain taxpayers; to provide for additional income tax rates and tax tables; to
5 provide for an income tax credit in an amount equal to 5 percent of the amount of the federal
6 Earned Income Credit which the taxpayer has claimed and been allowed pursuant to Section
7 32 of the Internal Revenue Code of 1986, as amended; to provide for conditions and
8 limitations; to provide for powers, duties, and authority of the state revenue commissioner
9 with respect to the foregoing; to change certain provisions regarding definitions applicable
10 to sales and use taxes; to change certain provisions regarding exemptions from sales and use
11 taxes; to change certain provisions regarding the excise tax on cigarettes; to provide for
12 effective dates; to provide for applicability; to repeal conflicting laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

14 SECTION 1.

15 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
16 amended in Code Section 48-7-20, relating to individual income tax rates and tax tables, by
17 revising paragraph (1) of subsection (b) as follows:

18 "(b)(1) The tax imposed pursuant to subsection (a) of this Code section shall be
19 computed in accordance with the following tables:

20 SINGLE PERSON

21	If Georgia Taxable	The Tax Is:
22	Net Income Is:	
23	Not over \$750.00	1%

24	Over \$750.00 but not over \$2,250.00	\$7.50 plus 2% of amount over \$750.00
25	Over \$2,250.00 but not over \$3,750.00	\$37.50 plus 3% of amount over \$2,250.00
26	Over \$3,750.00 but not over \$5,250.00	\$82.50 plus 4% of amount over \$3,750.00
27	Over \$5,250.00 but not over \$7,000.00	\$142.50 plus 5% of amount over \$5,250.00
28	Over \$7,000.00 <u>but not over \$400,000.00</u>	\$230.00 plus 6% of amount over \$7,000.00
29	<u>Over \$400,000.00</u>	<u>\$23,580.00 plus 7% of amount over \$400,000.00</u>

30 MARRIED PERSON FILING A SEPARATE RETURN

31	If Georgia Taxable	The Tax Is:
32	Net Income Is:	
33	Not over \$500.00	1%
34	Over \$500.00 but not over \$1,500.00	\$5.00 plus 2% of amount over \$500.00
35	Over \$1,500.00 but not over \$2,500.00	\$25.00 plus 3% of amount over \$1,500.00
36	Over \$2,500.00 but not over \$3,500.00	\$55.00 plus 4% of amount over \$2,500.00
37	Over \$3,500.00 but not over \$5,000.00	\$95.00 plus 5% of amount over \$3,500.00
38	Over \$5,000.00 <u>but not over \$400,000.00</u>	\$170.00 plus 6% of amount over \$5,000.00
39	<u>Over \$400,000.00</u>	<u>\$23,700.00 plus 7% of amount over \$400,000.00</u>

40 HEAD OF HOUSEHOLD AND MARRIED PERSONS
 41 FILING A JOINT RETURN

42	If Georgia Taxable	The Tax Is:
43	Net Income Is:	
44	Not over \$1,000.00	1%
45	Over \$1,000.00 but not over \$3,000.00	\$10.00 plus 2% of amount over \$1,000.00

46	Over \$3,000.00 but not over \$5,000.00	\$50.00 plus 3% of amount over \$3,000.00
47	Over \$5,000.00 but not over \$7,000.00	\$110.00 plus 4% of amount over \$5,000.00
48	Over \$7,000.00 but not over \$10,000.00	\$190.00 plus 5% of amount over \$7,000.00
49	Over \$10,000.00 <u>but not over \$400,000.00</u>	\$340.00 plus 6% of amount over \$10,000.00
50	<u>Over \$400,000.00</u>	<u>\$23,400.00 plus 7% of amount over \$400,000.00</u>

SECTION 2.

52 Said title is further amended by adding a new Code section to read as follows:

53 "48-7-29.18.

54 (a) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20.
55 Such credit shall be in an amount equal to 5 percent of the amount the taxpayer has claimed
56 and been allowed pursuant to Section 32 of the Internal Revenue Code.

57 (b) In no event shall the total amount of the tax credit under this Code section for a taxable
58 year exceed the taxpayer's income tax liability. Any unused tax credit shall not be allowed
59 to be carried forward to apply to the taxpayer's succeeding years' tax liability. No such tax
60 credit shall be allowed the taxpayer against prior years' tax liability.

61 (c) The commissioner shall be authorized to promulgate any rules and regulations
62 necessary to implement and administer this Code section."

SECTION 3.

64 Said title is further amended by revising Code Section 48-8-2, relating to legislative intent,
65 as follows:

66 "48-8-2.

67 As used in this article, the term:

68 (1) 'Business' means any activity engaged in by any person or caused to be engaged in
69 by any person with the object of direct or indirect gain, benefit, or advantage.

70 (2) 'Cost price' means the actual cost of articles of tangible personal property without any
71 deductions for the cost of materials used, labor costs, service costs, transportation
72 charges, or any other expenses of any kind.

73 (3) 'Dealer' means every person who:

- 74 (A) Has sold at retail, used, consumed, distributed, or stored for use or consumption
 75 in this state tangible personal property and who cannot prove that the tax levied by this
 76 article has been paid on the sale at retail or on the use, consumption, distribution, or
 77 storage of the tangible personal property;
- 78 (B) Imports or causes to be imported tangible personal property from any state or
 79 foreign country for sale at retail, or for use, consumption, distribution, or storage for use
 80 or consumption in this state;
- 81 (C) Is the lessee or renter of tangible personal property and who pays to the owner of
 82 the property a consideration for the use or possession of the property without acquiring
 83 title to the property;
- 84 (D) Leases or rents tangible personal property for a consideration, permitting the use
 85 or possession of the property without transferring title to the property;
- 86 (E) Maintains or has within this state, indirectly or by a subsidiary, an office,
 87 distribution center, salesroom or sales office, warehouse, service enterprise, or any
 88 other place of business;
- 89 (F) Manufactures or produces tangible personal property for sale at retail or for use,
 90 consumption, distribution, or storage for use or consumption in this state;
- 91 (G) Sells at retail, offers for sale at retail, or has in his possession for sale at retail, or
 92 for use, consumption, distribution, or storage for use or consumption in this state
 93 tangible personal property;
- 94 (H) Solicits business by an agent, employee, representative, or any other person;
- 95 (I) Engages in the regular or systematic solicitation of a consumer market in this state;
 96 ~~unless the dealer's only activity in this state is:~~
- 97 ~~(i) Advertising or solicitation by:~~
- 98 ~~(I) Direct mail, catalogs, periodicals, or advertising fliers;~~
- 99 ~~(II) Means of print, radio, or television media; or~~
- 100 ~~(III) Telephone, computer, the Internet, cable, microwave, or other communication~~
 101 ~~system; or~~
- 102 ~~(ii) The delivery of tangible personal property within this state solely by common~~
 103 ~~carrier or United States mail.~~
- 104 ~~The exceptions provided in divisions (i) and (ii) of this subparagraph shall not apply to~~
 105 ~~any requirements under Code Section 48-8-14;~~
- 106 (J) Is an affiliate that sells at retail, offers for sale at retail in this state, or engages in
 107 the regular or systematic solicitation of a consumer market in this state through a
 108 related dealer located in this state ~~unless:~~
- 109 ~~(i) The in-state dealer to which the affiliate is related does not engage in any of the~~
 110 ~~following activities on behalf of the affiliate:~~

111 ~~(I) Advertising;~~

112 ~~(II) Marketing;~~

113 ~~(III) Sales; or~~

114 ~~(IV) Other services; and~~

115 ~~(ii) The in-state dealer to which the affiliate is related accepts the return of tangible~~
 116 ~~personal property sold by the affiliate and also accepts the return of tangible personal~~
 117 ~~property sold by any person or dealer that is not an affiliate on the same terms and~~
 118 ~~conditions as an affiliate's return;.~~ As used in this subparagraph, the term 'affiliate'
 119 means any person that is related directly or indirectly through one or more
 120 intermediaries, controls, is controlled by, is under common control with, or is subject
 121 to the control of a dealer described in subparagraphs (A) through (I) of this paragraph
 122 or in this subparagraph;

123 ~~(K) Notwithstanding any of the provisions contained in this paragraph, with respect to~~
 124 ~~a person that is not a resident or domiciliary of Georgia, that does not engage in any~~
 125 ~~other business or activity in Georgia, and that has contracted with a commercial printer~~
 126 ~~for printing to be conducted in Georgia, such person shall not be deemed a 'dealer' in~~
 127 ~~Georgia merely because such person:~~

128 ~~(i) Owns tangible or intangible property which is located at the Georgia premises of~~
 129 ~~a commercial printer for use by such printer in performing services for the owner;~~

130 ~~(ii) Makes sales and distributions of printed material produced at and shipped or~~
 131 ~~distributed from the Georgia premises of the commercial printer;~~

132 ~~(iii) Performs activities of any kind at the Georgia premises of the commercial printer~~
 133 ~~which are directly related to the services provided by the commercial printer; or~~

134 ~~(iv) Has printing, including any printing related activities, and distribution related~~
 135 ~~activities performed by the commercial printer in Georgia for or on its behalf;~~

136 ~~nor shall such person, absent any contact with Georgia other than with or through the~~
 137 ~~use of the commercial printer or the use of the United States Postal Service or a~~
 138 ~~common carrier, have an obligation to collect sales or use tax from any of its customers~~
 139 ~~located in Georgia based upon the activities described in divisions (i) through (iv) of~~
 140 ~~this subparagraph. In no event described in this subparagraph shall such person be~~
 141 ~~considered to have a fixed place of business in Georgia at either the commercial~~
 142 ~~printer's premises or at any place where the commercial printer performs services on~~
 143 ~~behalf of that person;~~

144 ~~(L)(K)~~ Each dealer shall collect the tax imposed by this article from the purchaser,
 145 lessee, or renter, as applicable, and no action seeking either legal or equitable relief on
 146 a sale, lease, rental, or other transaction may be had in this state by the dealer unless the
 147 dealer has fully complied with this article; or

148 ~~(M)(L)~~ The commissioner shall promulgate such rules and regulations necessary to
 149 administer this paragraph, including other such information, applications, forms, or
 150 statements as the commissioner may reasonably require.

151 (4) 'Gross sales' means the:

152 ~~(A) Sum sum~~ total of all retail sales of tangible personal property or services without
 153 any deduction of any kind other than as provided in this article; ~~or,~~

154 ~~(B)(i) Charges, when applied to sales of telephone service, made for local exchange~~
 155 ~~telephone service, except local messages which are paid for by inserting coins in coin~~
 156 ~~operated telephones, but including the total amount of the guaranteed charge for~~
 157 ~~semipublic coin box telephone services, except as otherwise provided in division (ii)~~
 158 ~~of this subparagraph.~~

159 ~~(ii)(f) If a telephone service is not subject to the tax levied by this chapter, and if~~
 160 ~~the amount charged for such telephone service is aggregated with and not separately~~
 161 ~~stated from the amount paid or charged for any service that is subject to such tax,~~
 162 ~~then the nontaxable telephone service shall be treated as being subject to such tax~~
 163 ~~unless the telephone service provider can reasonably identify the amount paid or~~
 164 ~~charged for the telephone service not subject to such tax from its books and records~~
 165 ~~kept in the regular course of business.~~

166 ~~(H) If a telephone service is not subject to the tax levied by this chapter, a customer~~
 167 ~~may not rely upon the nontaxability of such telephone service unless the telephone~~
 168 ~~service provider separately states the amount charged for such nontaxable telephone~~
 169 ~~service or the telephone service provider elects, after receiving a written request~~
 170 ~~from the customer in the form required by the provider, to provide verifiable data~~
 171 ~~based upon the provider's books and records that are kept in the regular course of~~
 172 ~~business that reasonably identifies the amount charged for such nontaxable~~
 173 ~~telephone service.~~

174 (5) 'Lease or rental' means the leasing or renting of tangible personal property and the
 175 possession or use of the property by the lessee or renter for a consideration without
 176 transfer of the title to the property.

177 (5.1) 'Prepaid local tax' means any local sales and use tax which is levied on the sale or
 178 use of motor fuel and imposed in an area consisting of less than the entire state, however
 179 authorized, including, but not limited to, such taxes authorized by or pursuant to
 180 constitutional amendment; by or pursuant to Section 25 of an Act approved March 10,
 181 1965 (Ga. L. 1965, p. 2243), as amended, known as the 'Metropolitan Atlanta Rapid
 182 Transit Authority Act of 1965'; or by or pursuant to Article 2, 2A, 3, or 4 of this chapter.
 183 Such tax is based on the same average retail sales price as set forth in subparagraph
 184 (b)(2)(B) of Code Section 48-9-14. Such price shall be used to compute the prepaid sales

185 tax rate for local jurisdictions by multiplying such retail price by the applicable rate
 186 imposed by the jurisdiction. The person collecting and reporting the prepaid local tax for
 187 the local jurisdiction shall provide a schedule as to which jurisdiction these collections
 188 relate. This determination shall be based upon the shipping papers of the conveyance that
 189 delivered the motor fuel to the dealer or consumer in the local jurisdiction. A seller may
 190 rely upon the representation made by the purchaser as to which jurisdiction the shipment
 191 is bound and prepare shipping papers in accordance with those instructions.

192 (5.2) 'Prepaid state tax' means the tax levied under Code Section 48-8-30 in conjunction
 193 with Code Section 48-8-3.1 and Code Section 48-9-14 on the retail sale of motor fuels
 194 for highway use and collected prior to that retail sale. This tax is based upon the average
 195 retail sales price as set forth in Code Section 48-9-14.

196 (6) 'Retail sale' or a 'sale at retail' means:

197 (A) A sale to a consumer or to any person for any purpose other than for resale of
 198 tangible personal property or services taxable under this article including, but not
 199 limited to, any such transactions which the commissioner upon investigation finds to
 200 be in lieu of sales. Sales for resale must be made in strict compliance with the
 201 commissioner's rules and regulations. Any dealer making a sale for resale which is not
 202 in strict compliance with the commissioner's rules and regulations shall himself be
 203 liable for and shall pay the tax;

204 (B)(i) ~~Except as otherwise provided in division (ii) of this subparagraph, the~~ The sale
 205 of natural or artificial gas, oil, electricity, solid fuel, transportation, local telephone
 206 services, beverages, and tobacco products, when made to any purchaser for purposes
 207 other than resale;

208 ~~(ii) The sale of electricity used directly in the manufacture of a product shall not~~
 209 ~~constitute a retail sale for purposes of this article if the direct cost of such electricity~~
 210 ~~exceeds 50 percent of the cost of all materials, including electricity, used directly in~~
 211 ~~the product and shall be exempt from taxation under this article. Such exemption~~
 212 ~~shall be applied to manufacturers located in this state as follows:~~

213 ~~(I) For calendar years beginning on or after January 1, 1995, and prior to January~~
 214 ~~1, 1996, 20 percent of the direct cost of such electricity shall be exempt;~~

215 ~~(II) For calendar years beginning on or after January 1, 1996, and prior to January~~
 216 ~~1, 1997, 40 percent of the direct cost of such electricity shall be exempt;~~

217 ~~(III) For calendar years beginning on or after January 1, 1997, and prior to January~~
 218 ~~1, 1998, 60 percent of the direct cost of such electricity shall be exempt;~~

219 ~~(IV) For calendar years beginning on or after January 1, 1998, and prior to January~~
 220 ~~1, 1999, 80 percent of the direct cost of such electricity shall be exempt; and~~

221 ~~(V) For calendar years beginning on or after January 1, 1999, 100 percent of the~~
 222 ~~direct cost of such electricity shall be exempt;~~

223 (C) The sale or charges for any room, lodging, or accommodation furnished to
 224 transients by any hotel, inn, tourist camp, tourist cabin, or any other place in which
 225 rooms, lodgings, or accommodations are regularly furnished to transients for a
 226 consideration. This tax shall not apply to rooms, lodgings, or accommodations supplied
 227 for a period of 90 continuous days or more;

228 (D) Sales of tickets, fees, or charges made for admission to, or voluntary contributions
 229 made to places of, amusement, sports, or entertainment including, but not limited to:

230 (i) Billiard and pool rooms;

231 (ii) Bowling alleys;

232 (iii) Amusement devices;

233 (iv) Musical devices;

234 (v) Theaters;

235 (vi) Opera houses;

236 (vii) Moving picture shows;

237 (viii) Vaudeville;

238 (ix) Amusement parks;

239 (x) Athletic contests including, but not limited to, wrestling matches, prize fights,
 240 boxing and wrestling exhibitions, football games, and baseball games;

241 (xi) Skating rinks;

242 (xii) Race tracks;

243 (xiii) Public bathing places;

244 (xiv) Public dance halls; and

245 (xv) Any other place at which any exhibition, display, amusement, or entertainment
 246 is offered to the public or any other place where an admission fee is charged;

247 ~~(E) Reserved;~~

248 ~~(F)~~(E) Charges made for participation in games and amusement activities; or

249 ~~(G)~~(F) Sales of tangible personal property to persons for resale when there is a
 250 likelihood that the state will lose tax funds due to the difficulty of policing the business
 251 operations because:

252 (i) Of the operation of the business;

253 (ii) Of the very nature of the business;

254 (iii) Of the turnover of so-called independent contractors;

255 (iv) Of the lack of a place of business in which to display a certificate of registration;

256 (v) Of the lack of a place of business in which to keep records;

257 (vi) Of the lack of adequate records;

- 258 (vii) The persons are minors or transients;
 259 (viii) The persons are engaged in essentially service businesses; or
 260 (ix) Of any other reasonable reason.

261 The commissioner may promulgate rules and regulations requiring vendors of persons
 262 described in this subparagraph to collect the tax imposed by this article on the retail
 263 price of the tangible personal property. The commissioner shall refuse to issue
 264 certificates of registration and may revoke certificates of registration issued in violation
 265 of his or her rules and regulations.

266 (7) 'Retailer' means every person making sales at retail or for distribution, use,
 267 consumption, or storage for use or consumption in this state.

268 (8)(A) 'Sale' means any transfer of title or possession, transfer of title and possession,
 269 exchange, barter, lease, or rental, conditional or otherwise, in any manner or by any
 270 means of any kind of tangible personal property for a consideration except as otherwise
 271 provided in subparagraph (B) of this paragraph and includes, but is not limited to:

- 272 (i) The fabrication of tangible personal property for consumers who directly or
 273 indirectly furnish the materials used in such fabrication;
 274 (ii) The furnishing, repairing, or serving for a consideration of any tangible personal
 275 property consumed on the premises of the person furnishing, repairing, or serving the
 276 tangible personal property; or
 277 (iii) A transaction by which the possession of property is transferred but the seller
 278 retains title as security for the payment of the price.

279 (B) Notwithstanding a dealer's physical presence, in the case of a motor vehicle retail
 280 sale or a motor vehicle lease or rental when the lease or rental period exceeds 30 days
 281 and when the purchaser or lessee is a resident of this state, the taxable situs of the
 282 transaction for the purposes of collecting local sales and use taxes shall be the county
 283 of motor vehicle registration of the purchaser or lessee.

284 (9)(A) 'Sales price' means the total amount valued in money, whether paid in money
 285 or otherwise, for which tangible personal property or services are sold including, but
 286 not limited to, any services that are a part of the sale and any amount for which credit
 287 is given to the purchaser by the seller without any deduction from the total amount for
 288 the cost of the property sold, the cost of materials used, labor or service costs, losses,
 289 or any other expenses of any kind.

290 (B) 'Sales price' does not include:

- 291 (i) Cash discounts allowed and taken on sales;
 292 (ii) The amount charged for labor or services rendered in installing, applying,
 293 remodeling, or repairing property sold; or

294 (iii) Finance charges, carrying charges, service charges, or interest from credit
 295 extended on sales of tangible personal property under conditional sale contracts or
 296 other conditional contracts providing for deferred payments of the purchase price.

297 (10) 'Storage' means any keeping or retention in this state of tangible personal property
 298 for use or consumption in this state or for any purpose other than sale at retail in the
 299 regular course of business.

300 (11) 'Tangible personal property' means personal property which may be seen, weighed,
 301 measured, felt, or touched or is in any other manner perceptible to the senses. 'Tangible
 302 personal property' does not mean stocks, bonds, notes, insurance, or other obligations or
 303 securities.

304 (12) 'Use' means the exercise of any right or power over tangible personal property
 305 incident to the ownership of the property including, but not limited to, the sale at retail
 306 of the property in the regular course of business.

307 (13) 'Use tax' includes the use, consumption, distribution, and storage of tangible
 308 personal property as defined in this article."

309 SECTION 4.

310 Said title is further amended by revising Code Section 48-8-3, relating to exemptions from
 311 sales and use tax, as follows:

312 "48-8-3.

313 The sales and use taxes levied or imposed by this article shall not apply to:

314 (1) Sales to the United States government, this state, any county or municipality of this
 315 state, or any bona fide department of such governments when paid for directly to the
 316 seller by warrant on appropriated government funds;

317 (2) Transactions in which tangible personal property is furnished by the United States
 318 government ~~or by a county or municipality of this state~~ to any person who contracts to
 319 perform services for the ~~governmental entity~~ United States government for the
 320 installation, repair, or extension of any public water, gas, or sewage system of the
 321 ~~governmental entity~~ United States government when the tangible personal property is
 322 installed for general distribution purposes, notwithstanding Code Section 48-8-63 or any
 323 other provision of this article. No exemption is granted with respect to tangible personal
 324 property installed to serve a particular property site;

325 ~~(3) The federal retailers' excise tax if the tax is billed to the consumer separately from~~
 326 ~~the selling price of the product or from the tax imposed by Article 1 of Chapter 9 of this~~
 327 ~~title relating to motor fuel taxes;~~

328 ~~(4) Sales by counties and municipalities arising out of their operation of any public~~
 329 ~~transit facility and sales by public transit authorities or charges by counties;~~

330 municipalities, or public transit authorities for the transportation of passengers upon their
 331 conveyances;

332 ~~(5)(A) Fares and charges, except charges for charter and sightseeing service, collected~~
 333 ~~by an urban transit system for the transportation of passengers.~~

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

335 ~~(i) 'Public transit system primarily urban in character' shall include a transit system~~
 336 ~~operated by any entity which provides passenger transportation services by means of~~
 337 ~~motor vehicles having passenger-carrying capacity within or between standard~~
 338 ~~metropolitan areas and urban areas, as those terms are defined in Code Section~~
 339 ~~32-2-3, of this state.~~

340 ~~(ii) 'Urban transit system' means a public transit system primarily urban in character~~
 341 ~~which is operated by a street railroad company or a motor common carrier, is subject~~
 342 ~~to the jurisdiction of the Public Service Commission, and whose fares and charges are~~
 343 ~~regulated by the Public Service Commission, or is operated pursuant to a franchise~~
 344 ~~contract with a municipality of this state so that its fares and charges are regulated by~~
 345 ~~or are subject to the approval of the municipality. An urban transit system certificate~~
 346 ~~shall be issued by the Public Service Commission, or by the municipality which has~~
 347 ~~regulatory authority, upon an affirmative showing that the applicant operates an urban~~
 348 ~~transit system. The certificate shall be obtained and filed with the commissioner and~~
 349 ~~shall continue in effect so long as the holder of such certificate qualifies as an urban~~
 350 ~~transit system. Any urban transit system certificate granted prior to January 1, 2002,~~
 351 ~~shall be deemed valid as of the date it was issued;~~

352 ~~(6)(3) Sales to any hospital authority created by Article 4 of Chapter 7 of Title 31;~~

353 ~~(6.1)(4) Sales to any housing authority created by Article 1 of Chapter 3 of Title 8, the~~
 354 ~~'Housing Authorities Law';~~

355 ~~(6.2) Sales to any local government authority created on or after January 1, 1980, by~~
 356 ~~local law, which authority has as its principal purpose or one of its principal purposes the~~
 357 ~~construction, ownership, or operation of a coliseum and related facilities to be used for~~
 358 ~~athletic contests, games, meetings, trade fairs, expositions, political conventions,~~
 359 ~~agricultural events, theatrical and musical performances, conventions, or other public~~
 360 ~~entertainments or any combination of such purposes;~~

361 ~~(6.3) Sales to any agricultural commodities commission created by and regulated~~
 362 ~~pursuant to Chapter 8 of Title 2;~~

363 ~~(7)(5) Sales of tangible personal property and services to a nonprofit licensed nursing~~
 364 ~~home, nonprofit licensed in-patient hospice, or a nonprofit general or mental hospital~~
 365 ~~used exclusively by such nursing home, in-patient hospice, or hospital in performing a~~
 366 ~~general nursing home, in-patient hospice, hospital, or mental hospital treatment function~~

367 in this state when such nursing home, in-patient hospice, or hospital is a tax exempt
 368 organization under the Internal Revenue Code and obtains an exemption determination
 369 letter from the commissioner;

370 ~~(7.05)(A) For the period commencing on July 1, 2008, and ending on June 30, 2010,~~
 371 ~~sales of tangible personal property to a nonprofit health center in this state which has~~
 372 ~~been established under the authority of and is receiving funds pursuant to the United~~
 373 ~~States Public Health Service Act, 42 U. S. C. Section 254b if such health clinic obtains~~
 374 ~~an exemption determination letter from the commissioner.~~

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

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

384 ~~(7.1)(6) Sales of tangible personal property and services to a nonprofit organization, the~~
 385 ~~primary function of which is the provision of services to mentally retarded persons, when~~
 386 ~~such organization is a tax exempt organization under the Internal Revenue Code and~~
 387 ~~obtains an exemption determination letter from the commissioner;~~

388 ~~(7.2) Sales of tangible personal property or services to any chapter of the Georgia State~~
 389 ~~Society of the Daughters of the American Revolution which is tax exempt under Section~~
 390 ~~501(c)(3) of the Internal Revenue Code and obtains an exemption determination letter~~
 391 ~~from the commissioner;~~

392 ~~(7.3) For the period commencing July 1, 2008, and ending June 30, 2010, sales of~~
 393 ~~tangible personal property and services to a nonprofit volunteer health clinic which~~
 394 ~~primarily treats indigent persons with incomes below 200 percent of the federal poverty~~
 395 ~~level and which property and services are used exclusively by such volunteer health clinic~~
 396 ~~in performing a general treatment function in this state when such volunteer health clinic~~
 397 ~~is a tax exempt organization under the Internal Revenue Code and obtains an exemption~~
 398 ~~determination letter from the commissioner;~~

399 ~~(8)(7) Sales of tangible personal property and services to the University System of~~
 400 ~~Georgia and its educational units;~~

401 ~~(9)(8) Sales of tangible personal property and services to be used exclusively for~~
 402 ~~educational purposes by those private colleges and universities in this state whose~~

403 academic credits are accepted as equivalents by the University System of Georgia and its
 404 educational units;

405 ~~(10)~~(9) Sales of tangible personal property and services to be used exclusively for
 406 educational purposes by those bona fide private elementary and secondary schools which
 407 have been approved by the commissioner as organizations eligible to receive tax
 408 deductible contributions if application for exemption is made to the department and proof
 409 of the exemption is established;

410 ~~(11)~~(10) Sales of tangible personal property or services to, and the purchase of tangible
 411 personal property or services by, any educational or cultural institute which:

412 (A) Is tax exempt under Section 501(c)(3) of the Internal Revenue Code;

413 (B) Furnishes at least 50 percent of its programs through universities and other
 414 institutions of higher education in support of their educational programs;

415 (C) Is paid for by government funds of a foreign country; and

416 (D) Is an instrumentality, agency, department, or branch of a foreign government
 417 operating through a permanent location in this state;

418 ~~(12)~~(11) School lunches sold and served to pupils and employees of public schools;

419 ~~(13)~~(12) Sales of food to be consumed on the premises by pupils and employees of bona
 420 fide private elementary and secondary schools which have been approved by the
 421 commissioner as organizations eligible to receive tax deductible contributions when
 422 application for exemption is made to the department and proof of the exemption is
 423 established;

424 ~~(14) Sales of objects of art and of anthropological, archeological, geological,~~
 425 ~~horticultural, or zoological objects or artifacts and other similar tangible personal~~
 426 ~~property to or for the use by any museum or organization which is tax exempt under~~
 427 ~~Section 501(c)(3) of the Internal Revenue Code of such tangible personal property for~~
 428 ~~display or exhibition in a museum within this state when the museum is open to the~~
 429 ~~public and has been approved by the commissioner as an organization eligible to receive~~
 430 ~~tax deductible contributions;~~

431 ~~(15) Sales:~~

432 ~~(A) Of any religious paper in this state when the paper is owned and operated by~~
 433 ~~religious institutions or denominations and no part of the net profit from the operation~~
 434 ~~of the institution or denomination inures to the benefit of any private person;~~

435 ~~(B) By religious institutions or denominations when:~~

436 ~~(i) The sale results from a specific charitable fundraising activity;~~

437 ~~(ii) The number of days upon which the fundraising activity occurs does not exceed~~
 438 ~~30 in any calendar year;~~

- 439 ~~(iii) No part of the gross sales or net profits from the sales inures to the benefit of any~~
 440 ~~private person; and~~
- 441 ~~(iv) The gross sales or net profits from the sales are used for the purely charitable~~
 442 ~~purposes of:~~
- 443 ~~(I) Relief to the aged;~~
 444 ~~(II) Church related youth activities;~~
 445 ~~(III) Religious instruction or worship; or~~
 446 ~~(IV) Construction or repair of church buildings or facilities;~~
- 447 ~~(15.1) Sales of pipe organs or steeple bells to any church which is qualified as an exempt~~
 448 ~~religious organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as~~
 449 ~~amended;~~
- 450 ~~(16) The sale or use of Holy Bibles, testaments, and similar books commonly recognized~~
 451 ~~as being Holy Scripture regardless of by or to whom sold;~~
- 452 ~~(17) The sale of fuel and supplies for use or consumption aboard ships plying the high~~
 453 ~~seas either in intercoastal trade between ports in this state and ports in other states of the~~
 454 ~~United States or its possessions or in foreign commerce between ports in this state and~~
 455 ~~ports of foreign countries;~~
- 456 ~~(18) Charges made for the transportation of tangible personal property including, but not~~
 457 ~~limited to, charges for accessorial services such as refrigeration, switching, storage, and~~
 458 ~~demurrage made in connection with interstate and intrastate transportation of the~~
 459 ~~property;~~
- 460 ~~(19) All tangible personal property purchased outside of this state by persons who at the~~
 461 ~~time of purchase are not domiciled in this state but who subsequently become domiciled~~
 462 ~~in this state and bring the property into this state for the first time as a result of the change~~
 463 ~~of domicile, if the property is not brought into this state for use in a trade, business, or~~
 464 ~~profession;~~
- 465 ~~(20) The sale of water delivered to consumers through water mains, lines, or pipes;~~
- 466 ~~(21) Sales, transfers, or exchanges of tangible personal property made as a result of a~~
 467 ~~business reorganization when the owners, partners, or stockholders of the business being~~
 468 ~~reorganized maintain the same proportionate interest or share in the newly formed~~
 469 ~~business reorganization;~~
- 470 ~~(22) Professional, insurance, or personal service transactions which involve sales as~~
 471 ~~inconsequential elements for which no separate charges are made;~~
- 472 ~~(23) Fees or charges for services rendered by repairmen for which a separate charge is~~
 473 ~~made;~~
- 474 ~~(24) The rental of videotape or motion picture film to any person who charges an~~
 475 ~~admission fee to view such film or videotape;~~

- 476 ~~(25) The sale of seed; fertilizers; insecticides; fungicides; rodenticides; herbicides;~~
477 ~~defoliants; soil fumigants; plant growth regulating chemicals; desiccants including, but~~
478 ~~not limited to, shavings and sawdust from wood, peanut hulls, fuller's earth, straw, and~~
479 ~~hay; and feed for livestock, fish, or poultry when used either directly in tilling the soil or~~
480 ~~in animal, fish, or poultry husbandry;~~
- 481 ~~(26) The sale to persons engaged primarily in producing farm crops for sale of~~
482 ~~machinery and equipment which is used exclusively for irrigation of farm crops~~
483 ~~including, but not limited to, fruit, vegetable, and nut crops;~~
- 484 ~~(27) The sale of sugar used as food for honeybees kept for the commercial production~~
485 ~~of honey, beeswax, and honeybees when the commissioner's prior approval is obtained;~~
- 486 ~~(28) The sale of cattle, hogs, sheep, horses, poultry, or bees when sold for breeding~~
487 ~~purposes;~~
- 488 ~~(29) The sale of the following types of agricultural machinery:~~
- 489 ~~(A) Machinery and equipment for use on a farm in the production of poultry and eggs~~
490 ~~for sale;~~
- 491 ~~(B) Machinery and equipment used in the hatching and breeding of poultry and the~~
492 ~~breeding of livestock;~~
- 493 ~~(C) Machinery and equipment for use on a farm in the production, processing, and~~
494 ~~storage of fluid milk for sale;~~
- 495 ~~(D) Machinery and equipment for use on a farm in the production of livestock for sale;~~
- 496 ~~(E) Machinery and equipment which is used by a producer of poultry, eggs, fluid milk,~~
497 ~~or livestock for sale for the purpose of harvesting farm crops to be used on the farm by~~
498 ~~that producer as feed for poultry or livestock;~~
- 499 ~~(F) Machinery which is used directly in tilling the soil or in animal husbandry when~~
500 ~~the machinery is incorporated for the first time into a new farm unit engaged in tilling~~
501 ~~the soil or in animal husbandry in this state;~~
- 502 ~~(G) Machinery which is used directly in tilling the soil or in animal husbandry when~~
503 ~~the machinery is incorporated as additional machinery for the first time into an existing~~
504 ~~farm unit already engaged in tilling the soil or in animal husbandry in this state;~~
- 505 ~~(H) Machinery which is used directly in tilling the soil or in animal husbandry when~~
506 ~~the machinery is bought to replace machinery in an existing farm unit already engaged~~
507 ~~in tilling the soil or in animal husbandry in this state;~~
- 508 ~~(I) Rubber-tired farm tractors and attachments to the tractors which are sold to persons~~
509 ~~engaged primarily in producing farm crops for sale and which are used exclusively in~~
510 ~~tilling, planting, cultivating, and harvesting farm crops, and equipment used exclusively~~
511 ~~in harvesting farm crops or in processing onion crops which are sold to persons~~
512 ~~engaged primarily in producing farm crops for sale. For the purposes of this~~

513 ~~subparagraph, the term 'farm crops' includes only those crops which are planted and~~
514 ~~harvested within a 12 month period; and~~

515 ~~(J) Pecan sprayers, pecan shakers, and other equipment used in harvesting pecans~~
516 ~~which is sold to persons engaged in the growing, harvesting, and production of pecans;~~

517 ~~(29.1) The sale or use of any off-road equipment and related attachments which are sold~~
518 ~~to or used by persons engaged primarily in the growing or harvesting of timber and which~~
519 ~~are used exclusively in site preparation, planting, cultivating, or harvesting timber.~~
520 ~~Equipment used in harvesting shall include all off-road equipment and related~~
521 ~~attachments used in every forestry procedure starting with the severing of a tree from the~~
522 ~~ground until and including the point at which the tree or its parts in any form has been~~
523 ~~loaded in the field in or on a truck or other vehicle for transport to the place of use. Such~~
524 ~~off-road equipment shall include, but not be limited to, skidders, feller bunchers,~~
525 ~~debarkers, delimiters, chip harvestors, tub-grinders, woods cutters, chippers of all types,~~
526 ~~loaders of all types, dozers, and motor graders and the related attachments;~~

527 ~~(30) The sale of a vehicle to a service-connected disabled veteran when the veteran~~
528 ~~received a grant from the United States Department of Veterans Affairs to purchase and~~
529 ~~specially adapt the vehicle to his disability;~~

530 ~~(31) The sale of tangible personal property manufactured or assembled in this state for~~
531 ~~export when delivery is taken outside this state;~~

532 ~~(32) Aircraft, watercraft, motor vehicles, and other transportation equipment~~
533 ~~manufactured or assembled in this state when sold by the manufacturer or assembler for~~
534 ~~use exclusively outside this state and when possession is taken from the manufacturer or~~
535 ~~assembler by the purchaser within this state for the sole purpose of removing the property~~
536 ~~from this state under its own power when the equipment does not lend itself more~~
537 ~~reasonably to removal by other means;~~

538 ~~(33)(A) The sale of aircraft, watercraft, railroad locomotives and rolling stock, motor~~
539 ~~vehicles, and major components of each, which will be used principally to cross the~~
540 ~~borders of this state in the service of transporting passengers or cargo by common~~
541 ~~carriers and by carriers who hold common carrier and contract carrier authority in~~
542 ~~interstate or foreign commerce under authority granted by the United States~~
543 ~~government. Replacement parts installed by carriers in such aircraft, watercraft,~~
544 ~~railroad locomotives and rolling stock, and motor vehicles which become an integral~~
545 ~~part of the craft, equipment, or vehicle shall also be exempt from all taxes under this~~
546 ~~article;~~

547 ~~(B) In lieu of any tax under this article which would apply to the purchase, sale, use,~~
548 ~~storage, or consumption of the tangible personal property described in this paragraph~~
549 ~~but for this exemption, the tax under this article shall apply with respect to all fuel~~

550 ~~purchased and delivered within this state by or to any common carrier and with respect~~
 551 ~~to all fuel purchased outside this state and stored in this state irrespective, in either case,~~
 552 ~~of the place of its subsequent use;~~

553 ~~(33.1)(A) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport,~~
 554 ~~to the extent provided in subparagraphs (B), (C), and (D) of this paragraph.~~

555 ~~(B) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall~~
 556 ~~be exempt from the first 1.80 percent of the 4 percent state sales and use tax imposed~~
 557 ~~by this chapter and shall be subject to the remaining 2.20 percent of the 4 percent state~~
 558 ~~sales and use tax imposed by this chapter.~~

559 ~~(C) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall~~
 560 ~~also be exempt from the sales or use tax levied and imposed as authorized pursuant to~~
 561 ~~Part 1 of Article 3 of this chapter.~~

562 ~~(D) Except as provided for in subparagraph (C) of this paragraph, this exemption shall~~
 563 ~~not apply to any other local sales and use tax levied or imposed at anytime in any area~~
 564 ~~consisting of less than the entire state, however authorized, including, but not limited~~
 565 ~~to, such taxes authorized by or pursuant to Section 25 of an Act approved March 10,~~
 566 ~~1965 (Ga. L. 1965, p. 2243), as amended, the 'Metropolitan Atlanta Rapid Transit~~
 567 ~~Authority Act of 1965,' or such taxes as authorized by or pursuant to Part 2 of Article~~
 568 ~~3 or Article 2, 2A, or 4 of this chapter.~~

569 ~~(E) For purposes of this paragraph, a 'qualifying airline' shall mean any person which~~
 570 ~~is authorized by the Federal Aviation Administration or appropriate agency of the~~
 571 ~~United States to operate as an air carrier under an air carrier operating certificate and~~
 572 ~~which provides regularly scheduled flights for the transportation of passengers or cargo~~
 573 ~~for hire.~~

574 ~~(F) For purposes of this paragraph, a 'qualifying airport' shall mean any airport in the~~
 575 ~~state that has had more than 750,000 takeoffs and landings during a calendar year.~~

576 ~~(G) The commissioner shall adopt rules and regulations to carry out the provisions of~~
 577 ~~this paragraph.~~

578 ~~(H) The exemption provided for in this paragraph shall apply only as to transactions~~
 579 ~~occurring on or after July 1, 2009, and prior to July 1, 2011;~~

580 ~~(34) The sale of the following types of manufacturing machinery:~~

581 ~~(A) Machinery or equipment which is necessary and integral to the manufacture of~~
 582 ~~tangible personal property when the machinery or equipment is bought to replace or~~
 583 ~~upgrade machinery or equipment in a manufacturing plant presently existing in this~~
 584 ~~state and machinery or equipment components which are purchased to upgrade~~
 585 ~~machinery or equipment which is necessary and integral to the manufacture of tangible~~
 586 ~~personal property in a manufacturing plant;~~

587 ~~(B) Machinery or equipment which is necessary and integral to the manufacture of~~
588 ~~tangible personal property when the machinery or equipment is used for the first time~~
589 ~~in a new manufacturing plant located in this state;~~

590 ~~(C) Machinery or equipment which is necessary and integral to the manufacture of~~
591 ~~tangible personal property when the machinery or equipment is used as additional~~
592 ~~machinery or equipment for the first time in a manufacturing plant presently existing~~
593 ~~in this state; and~~

594 ~~(D) Any person making a sale of machinery or equipment for the purpose specified in~~
595 ~~subparagraph (B) of this paragraph shall collect the tax imposed on the sale by this~~
596 ~~article unless the purchaser furnishes him with a certificate issued by the commissioner~~
597 ~~certifying that the purchaser is entitled to purchase the machinery or equipment without~~
598 ~~paying the tax. As a condition precedent to the issuance of the certificate, the~~
599 ~~commissioner, at the commissioner's discretion, may require a good and valid bond~~
600 ~~with a surety company authorized to do business in this state as surety or may require~~
601 ~~legal securities, in an amount fixed by the commissioner, conditioned upon payment by~~
602 ~~the purchaser of all taxes due under this article in the event it should be determined that~~
603 ~~the sale fails to meet the requirements of this subparagraph;~~

604 ~~(34.1)(A) The sale of primary material handling equipment which is used for the~~
605 ~~handling and movement of tangible personal property and racking systems used for the~~
606 ~~conveyance and storage of tangible personal property in a warehouse or distribution~~
607 ~~facility located in this state when such equipment is either part of an expansion worth~~
608 ~~\$5 million or more of an existing warehouse or distribution facility or part of the~~
609 ~~construction of a new warehouse or distribution facility where the total value of all real~~
610 ~~and personal property purchased or acquired by the taxpayer for use in the warehouse~~
611 ~~or distribution facility is worth \$5 million or more.~~

612 ~~(B) In order to qualify for the exemption provided for in subparagraph (A) of this~~
613 ~~paragraph, a warehouse or distribution facility may not make retail sales from such~~
614 ~~facility to the general public if the total of the retail sales equals or exceeds 15 percent~~
615 ~~of the total revenues of the warehouse or distribution facility. If retail sales are made~~
616 ~~to the general public by a warehouse or distribution facility and at any time the total of~~
617 ~~the retail sales equals or exceeds 15 percent of the total revenues of the facility, the~~
618 ~~taxpayer will be disqualified from receiving such exemption as of the date such 15~~
619 ~~percent limitation is met or exceeded. The taxpayer may be required to repay any tax~~
620 ~~benefits received under subparagraph (A) of this paragraph on or after that date plus~~
621 ~~penalty and interest as may be allowed by law;~~

622 ~~(34.2)(A) The sale or use of machinery or equipment, or both, which is used in the~~
623 ~~remanufacture of aircraft engines or aircraft engine parts or components in a~~

624 ~~remanufacturing facility located in this state. For purposes of this paragraph,~~
625 ~~'remanufacture of aircraft engines or aircraft engine parts or components' means the~~
626 ~~substantial overhauling or rebuilding of aircraft engines or aircraft engine parts or~~
627 ~~components.~~

628 ~~(B) Any person making a sale of machinery or equipment, or both, for the~~
629 ~~remanufacture of aircraft engines or aircraft engine parts or components shall collect~~
630 ~~the tax imposed on the sale by this article unless the purchaser furnishes a certificate~~
631 ~~issued by the commissioner certifying that the purchaser is entitled to purchase the~~
632 ~~machinery or equipment without paying the tax;~~

633 ~~(34.3)(A) The sale or use of repair or replacement parts, machinery clothing or~~
634 ~~replacement machinery clothing, molds or replacement molds, dies or replacement dies,~~
635 ~~waxes, and tooling or replacement tooling for machinery which is necessary and~~
636 ~~integral to the manufacture of tangible personal property in a manufacturing plant~~
637 ~~presently existing in this state.~~

638 ~~(B) The commissioner shall promulgate rules and regulations to implement and~~
639 ~~administer this paragraph;~~

640 ~~(34.4)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary,~~
641 ~~sales of tangible personal property to, or used in or for the construction of, an~~
642 ~~alternative fuel facility primarily dedicated to the production and processing of ethanol,~~
643 ~~biodiesel, butanol, and their by-products, when such fuels are derived from biomass~~
644 ~~materials such as agricultural products, or from animal fats, or the wastes of such~~
645 ~~products or fats.~~

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

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

650 ~~(ii) 'Used in or for the construction' means any tangible personal property~~
651 ~~incorporated into a new alternative fuel facility that loses its character of tangible~~
652 ~~personal property. Such term does not mean tangible personal property that is~~
653 ~~temporary in nature, leased or rented, tools, or other items not incorporated into the~~
654 ~~facility.~~

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

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

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

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

668 ~~(G) The commissioner shall promulgate any rules and regulations necessary to~~
 669 ~~implement and administer this paragraph;~~

670 ~~(35)(A) The sale, use, storage, or consumption of:~~

671 ~~(i) Industrial materials for future processing, manufacture, or conversion into articles~~
 672 ~~of tangible personal property for resale when the industrial materials become a~~
 673 ~~component part of the finished product;~~

674 ~~(ii) Industrial materials other than machinery and machinery repair parts that are~~
 675 ~~coated upon or impregnated into the product at any stage of its processing,~~
 676 ~~manufacture, or conversion; or~~

677 ~~(iii) Materials, containers, labels, sacks, or bags used for packaging tangible personal~~
 678 ~~property for shipment or sale. To qualify for the packaging exemption, the items shall~~
 679 ~~be used solely for packaging and shall not be purchased for reuse;~~

680 ~~(B) As used in this paragraph, the term 'industrial materials' does not include natural~~
 681 ~~or artificial gas, oil, gasoline, electricity, solid fuel, ice, or other materials used for heat,~~
 682 ~~light, power, or refrigeration in any phase of the manufacturing, processing, or~~
 683 ~~converting process;~~

684 ~~(36)(A) The sale of machinery and equipment and any repair, replacement, or~~
 685 ~~component parts for such machinery and equipment which is used for the primary~~
 686 ~~purpose of reducing or eliminating air or water pollution;~~

687 ~~(B) Any person making a sale of machinery and equipment or repair, replacement, or~~
 688 ~~component parts for such machinery and equipment for the purposes specified in this~~
 689 ~~paragraph shall collect the tax imposed on the sale by this article unless the purchaser~~
 690 ~~furnishes him with a certificate issued by the commissioner certifying that the purchaser~~
 691 ~~is entitled to purchase the machinery and equipment or repair, replacement, or~~
 692 ~~component parts for such machinery and equipment without paying the tax;~~

693 ~~(36.1)(A) The sale of machinery and equipment which is incorporated into any~~
 694 ~~qualified water conservation facility and used for water conservation.~~

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

696 ~~(i) 'Qualified water conservation facility' means any facility, including buildings, and~~
 697 ~~any machinery and equipment used in the water conservation process resulting in a~~
 698 ~~minimum 10 percent reduction in permit by relinquishment or transfer of annual~~
 699 ~~permitted water usage from existing permitted ground-water sources. In addition,~~
 700 ~~such facility shall have been certified pursuant to rules and regulations promulgated~~
 701 ~~by the Department of Natural Resources as necessary to promote its ground-water~~
 702 ~~management efforts for areas with a multiyear record of consumption at, near, or~~
 703 ~~above sustainable use signaled by declines in ground-water pressure, threats of~~
 704 ~~salt-water intrusion, need to develop alternate sources to accommodate economic~~
 705 ~~growth and development, or any other indication of growing inadequacy of the~~
 706 ~~existing resource.~~

707 ~~(ii) 'Water conservation' means a minimum 10 percent reduction resulting in the~~
 708 ~~relinquishment or transfer of annual permitted water usage from existing~~
 709 ~~ground-water sources due to increased manufacturing process efficiencies or~~
 710 ~~recycling of manufacturing process water which results in reduced ground-water~~
 711 ~~usage, or a change from a ground-water source to a surface-water source or an~~
 712 ~~alternate source.~~

713 ~~(C) Any person making a sale of machinery and equipment for the purposes specified~~
 714 ~~in this paragraph shall collect the tax imposed on this sale unless the purchaser~~
 715 ~~furnishes such person with a certificate issued by the commissioner certifying that the~~
 716 ~~purchaser is entitled to purchase the machinery and equipment without paying the tax;~~

717 ~~(37) The sale of machinery and equipment for use in combating air and water pollution~~
 718 ~~and any industrial material bought for further processing in the manufacture of tangible~~
 719 ~~personal property for sale or any part of the industrial material or by-product thereof~~
 720 ~~which becomes a wasteful product contributing to pollution problems and which is used~~
 721 ~~up in a recycling or burning process. Any person making a sale of machinery and~~
 722 ~~equipment for the purposes specified in this paragraph shall collect a tax imposed on the~~
 723 ~~sale by this article unless the purchaser furnishes the person making the sale with a~~
 724 ~~certificate issued by the commissioner certifying that the purchaser is entitled to purchase~~
 725 ~~the machinery, equipment, or industrial material without paying the tax;~~

726 ~~(38) Sales of tangible personal property and fees and charges for services by the Rock~~
 727 ~~Eagle 4-H Center;~~

728 ~~(39)(13)~~ Sales by any public or private school containing any combination of grades
 729 kindergarten through 12 of tangible personal property, concessions, or tickets for
 730 admission to a school event or function, provided that the net proceeds from such sales
 731 are used solely for the benefit of such public or private school or its students;

732 ~~(39.1) The use of cargo containers and their related chassis which are owned by or leased~~
733 ~~to persons engaged in the international shipment of cargo by ocean-going vessels which~~
734 ~~containers and chassis are directly used for the storage and shipment of tangible personal~~
735 ~~property in or through this state in intrastate or interstate commerce;~~
736 ~~(40) The sale of major components and repair parts installed in military craft, vehicles,~~
737 ~~and missiles;~~
738 ~~(41)(A) Sales of tangible personal property and services to a child-caring institution~~
739 ~~as defined in paragraph (1) of Code Section 49-5-3, as amended; a child-placing agency~~
740 ~~as defined in paragraph (2) of Code Section 49-5-3, as amended; or a maternity home~~
741 ~~as defined in paragraph (14) of Code Section 49-5-3, as amended, when such~~
742 ~~institution, agency, or home is engaged primarily in providing child services and is a~~
743 ~~nonprofit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue~~
744 ~~Code and obtains an exemption determination letter from the commissioner; and~~
745 ~~(B) Sales by an institution, agency, or home as described in subparagraph (A) of this~~
746 ~~paragraph when:~~
747 ~~(i) The sale results from a specific charitable fundraising activity;~~
748 ~~(ii) The number of days upon which the fundraising activity occurs does not exceed~~
749 ~~30 in any calendar year;~~
750 ~~(iii) No part of the gross sales or net profits from the sales inures to the benefit of any~~
751 ~~private person; and~~
752 ~~(iv) The gross sales or net profits from the sales are used purely for charitable~~
753 ~~purposes in providing child services;~~
754 ~~(42) The use by, or lease or rental of tangible personal property to, a person who acquires~~
755 ~~the property from another person where both persons are under 100 percent common~~
756 ~~ownership and where the person who furnishes, leases, or rents the property has:~~
757 ~~(A) Previously paid sales or use tax on the property; or~~
758 ~~(B) Been credited under Code Section 48-8-42 with paying a sales or use tax on the~~
759 ~~property so furnished, leased, or rented, and the tax credited is based upon the fair~~
760 ~~rental or lease value of the property;~~
761 ~~(43) Gross revenues generated from all bona fide coin-operated amusement machines~~
762 ~~which vend or dispense music or are operated for skill, amusement, entertainment, or~~
763 ~~pleasure which are in commercial use and are provided to the public for play which will~~
764 ~~require a permit fee under Chapter 17 of this title;~~
765 ~~(44) Sales of motor vehicles, as defined in Code Section 48-5-440, to nonresident~~
766 ~~purchasers for immediate transportation to and use in another state in which the vehicles~~
767 ~~are required to be registered, provided the seller obtains from the purchaser and retains~~
768 ~~an affidavit stating the name and address of the purchaser, the state in which the vehicle~~

769 will be registered and operated, the make, model, and serial number of the vehicle, and
 770 such other information as the commissioner may require;

771 ~~(45) The sale, use, storage, or consumption of paper stock which is manufactured in this~~
 772 ~~state into catalogs intended to be delivered outside this state for use outside this state;~~

773 ~~(46) Sales to blood banks having a nonprofit status pursuant to Section 501(c)(3) of the~~
 774 ~~Internal Revenue Code;~~

775 ~~(47)(A)(i) The sale or use of controlled substances and dangerous drugs which are~~
 776 ~~lawfully dispensed by prescription for the treatment of natural persons, and sales of~~
 777 ~~prescription eyeglasses and contact lenses including, without limitation, prescription~~
 778 ~~contact lenses distributed by the manufacturer to licensed dispensers as free samples~~
 779 ~~not intended for resale and labeled as such.~~

780 ~~(ii) The sale or use of those controlled substances and dangerous drugs lawfully~~
 781 ~~dispensable by prescription for the treatment of natural persons which are dispensed~~
 782 ~~or distributed without charge to physicians, dentists, clinics, hospitals, or any other~~
 783 ~~person or entity located in Georgia by a pharmaceutical manufacturer or distributor;~~
 784 ~~and the use of controlled substances, dangerous drugs, new animal drugs, and medical~~
 785 ~~devices lawfully dispensed or distributed without charge solely for the purposes of a~~
 786 ~~clinical trial approved by either the United States Food and Drug Administration or~~
 787 ~~by an institutional review board.~~

788 ~~(B) For purposes of this paragraph, the term:~~

789 ~~(i) 'Controlled substance' means the same as provided in Code Section 16-13-1.~~

790 ~~(ii) 'Dangerous drug' means the same as provided in Code Section 16-13-1.~~

791 ~~(iii) 'Institutional review board' means an institutional review board as provided in~~
 792 ~~21 C.F.R. Section 56.~~

793 ~~(iv) 'Medical device' means a device as defined in subsection (h) of 21 U.S.C.~~
 794 ~~Section 321.~~

795 ~~(v) 'New animal drug' means a new animal drug as defined in subsection (v) of 21~~
 796 ~~U.S.C. Section 321.~~

797 ~~(C) The commissioner is authorized to prescribe forms and promulgate rules and~~
 798 ~~regulations deemed necessary in order to administer and effectuate this paragraph;~~

799 ~~(48) Sales to licensed commercial fishermen of bait for taking crabs and the use by~~
 800 ~~licensed commercial fishermen of bait for taking crabs;~~

801 ~~(49) Sales of liquefied petroleum gas or other fuel used in a structure in which broilers,~~
 802 ~~pullets, or other poultry are raised;~~

803 ~~(49.1)(A) From July 1, 2008, until June 30, 2010, the sale or use of liquefied petroleum~~
 804 ~~gas or other fuel used in a structure in which swine are raised.~~

805 ~~(B)(i) For the purposes of this paragraph, the term 'local sales and use tax' shall mean~~
806 ~~any sales tax, use tax, or local sales and use tax which is levied and imposed in an~~
807 ~~area consisting of less than the entire state, however authorized, including, but not~~
808 ~~limited to, such taxes authorized by or pursuant to constitutional amendment; by or~~
809 ~~pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as~~
810 ~~amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965', by or~~
811 ~~pursuant to Article 2 of this chapter; by or pursuant to Article 2A of this chapter; by~~
812 ~~or pursuant to Part 1 of Article 3 of this chapter; by or pursuant to Part 2 of Article 3~~
813 ~~of this chapter; and by or pursuant to Article 4 of this chapter.~~

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

816 ~~(50) Sales of blood measuring devices, other monitoring equipment, or insulin delivery~~
817 ~~systems used exclusively by diabetics and sales of insulin, insulin syringes, and blood~~
818 ~~glucose level measuring strips dispensed without a prescription;~~

819 ~~(51) Sales of oxygen prescribed by a licensed physician;~~

820 ~~(52) The sale or use of hearing aids;~~

821 ~~(53) Sales transactions for which food stamps or WIC coupons are used as the medium~~
822 ~~of exchange;~~

823 ~~(54)(14) The sale or use of any durable medical equipment or prosthetic device~~
824 ~~prescribed by a physician;~~

825 ~~(55) The sale of lottery tickets authorized by Chapter 27 of Title 50;~~

826 ~~(56)(15) Sales by any parent-teacher organization qualified as a tax exempt organization~~
827 ~~under Section 501(c)(3) of the Internal Revenue Code;~~

828 ~~(57)(A) The sale for off-premises human consumption or use of eligible foods and~~
829 ~~beverages, to the extent provided in subparagraph (B) of this paragraph.~~

830 ~~(B) A transaction described in subparagraph (A) of this paragraph shall be exempt~~
831 ~~from sales and use tax only if occurring on or after October 1, 1996, and only to the~~
832 ~~extent set forth in divisions (i) through (iii) of this subparagraph as follows:~~

833 ~~(i) For a transaction occurring during the period from October 1, 1996, through~~
834 ~~September 30, 1997, to the extent of 50 percent of that amount on which, but for this~~
835 ~~paragraph, sales and use tax would be levied or imposed;~~

836 ~~(ii) For a transaction occurring during the period from October 1, 1997, through~~
837 ~~September 30, 1998, to the extent of 75 percent of that amount on which, but for this~~
838 ~~paragraph, sales and use tax would be levied or imposed; and~~

839 ~~(iii) For a transaction occurring on or after October 1, 1998, to the extent of 100~~
840 ~~percent of that amount on which, but for this paragraph, sales and use tax would be~~
841 ~~levied or imposed.~~

842 ~~(C) For the purposes of this paragraph, 'eligible food and beverages' means any food~~
 843 ~~as defined in Section 3 of the federal Food Stamp Act of 1977 (P.L. 95-113), as~~
 844 ~~amended, 7 U.S.C.A. 2012(g), as such Act existed on January 1, 1996, except that~~
 845 ~~eligible food and beverages shall not include seeds or plants to grow food and shall not~~
 846 ~~include food or drink dispensed by or through vending machines or related operations.~~

847 ~~(D)(i) The exemption provided for in this paragraph shall not apply to any local sales~~
 848 ~~and use tax levied or imposed at any time by or pursuant to Article 3 of this chapter.~~

849 ~~(ii) Except as otherwise provided in division (i) of this subparagraph, the exemption~~
 850 ~~provided for in this paragraph shall not apply to any local sales and use tax which is~~
 851 ~~effective before October 1, 1996, notwithstanding any provisions to the contrary in~~
 852 ~~the law authorizing or imposing such tax.~~

853 ~~(iii) Except as otherwise provided in divisions (i) and (iv) of this subparagraph, the~~
 854 ~~exemption provided for in this paragraph shall apply with respect to any local sales~~
 855 ~~and use tax which becomes effective on or after October 1, 1996, but such exemption~~
 856 ~~shall apply only as to transactions occurring on or after October 1, 1998,~~
 857 ~~notwithstanding any provision to the contrary in the law authorizing or imposing such~~
 858 ~~tax.~~

859 ~~(iv) The exemption provided for in this paragraph shall apply to any local sales and~~
 860 ~~use tax levied or imposed at any time by or pursuant to Article 2A of this chapter.~~

861 ~~(v) For the purposes of this subparagraph, the term 'local sales and use tax' shall mean~~
 862 ~~any sales tax, use tax, or local sales and use tax which is levied and imposed in an~~
 863 ~~area consisting of less than the entire state, however authorized, including, but not~~
 864 ~~limited to, such taxes authorized by or pursuant to constitutional amendment; by or~~
 865 ~~pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as~~
 866 ~~amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; by or~~
 867 ~~pursuant to Article 2 of this chapter; by or pursuant to Article 2A of this chapter; or~~
 868 ~~by or pursuant to Article 3 of this chapter.~~

869 ~~(E) The commissioner shall adopt rules and regulations to carry out the provisions of~~
 870 ~~this paragraph;~~

871 ~~(57.1)(A) From July 1, 2006, until June 30, 2010, sales of eligible food and beverages~~
 872 ~~to a qualified food bank.~~

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

874 ~~(i) 'Eligible food and beverages' means any food as defined in Section 3 of the federal~~
 875 ~~Food Stamp Act of 1977 (P.L. 95-113), as amended, 7 U.S.C.A. 2012(g), as such Act~~
 876 ~~existed on January 1, 1996, whether or not for off premises consumption.~~

877 ~~(ii) 'Qualified food bank' means any food bank which is exempt from taxation under~~
878 ~~Section 501(c)(3) of the Internal Revenue Code and which is operated primarily for~~
879 ~~the purpose of providing hunger relief to low income persons residing in this state.~~
880 ~~(C) Any person making a sale of eligible food and beverages for the purpose specified~~
881 ~~in this paragraph shall collect the tax imposed on this sale unless the purchaser~~
882 ~~furnishes such person with an exemption determination letter issued by the~~
883 ~~commissioner certifying that the purchaser is entitled to purchase the eligible food and~~
884 ~~beverages without paying the tax.~~
885 ~~(D) The commissioner is authorized to promulgate rules and regulations deemed~~
886 ~~necessary in order to administer and effectuate this paragraph;~~
887 ~~(57.2)(A) For the period commencing July 1, 2007, and ending on June 30, 2011, the~~
888 ~~use of prepared food and beverages which are donated to a qualified nonprofit agency~~
889 ~~and which are used for hunger relief purposes.~~
890 ~~(B) As used in this paragraph, the term 'qualified nonprofit agency' means any entity~~
891 ~~which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code~~
892 ~~and which provides hunger relief.~~
893 ~~(C) Any person making a donation of prepared food and beverages for the purpose~~
894 ~~specified in this paragraph shall remit the tax imposed thereon unless the person making~~
895 ~~use of such prepared food and beverages furnishes the person making the donation with~~
896 ~~an exemption determination letter issued by the commissioner certifying that the person~~
897 ~~making use of such food and beverages is entitled to use the prepared food and~~
898 ~~beverages without paying the tax.~~
899 ~~(D) The commissioner is authorized to promulgate rules and regulations deemed~~
900 ~~necessary in order to administer and effectuate this paragraph;~~
901 ~~(57.3)(A) For the period commencing July 1, 2007, and ending on June 30, 2011, the~~
902 ~~use of prepared food and beverages which are donated following a natural disaster and~~
903 ~~which are used for disaster relief purposes.~~
904 ~~(B) The commissioner is authorized to promulgate rules and regulations deemed~~
905 ~~necessary in order to administer and effectuate this paragraph;~~
906 ~~(58)(A) Notwithstanding any provisions of this chapter to the contrary, sales to or use~~
907 ~~by a government contractor of overhead materials in performance of a contract with the~~
908 ~~United States government to which title passes immediately to the government under~~
909 ~~the terms of the contract.~~
910 ~~(B) As used in this paragraph, the term:~~
911 ~~(i) 'Government contractor' means a person who enters into a contract with the United~~
912 ~~States Department of Defense or the National Aeronautics and Space Administration~~

913 ~~to sell services or tangible personal property, or both, for the purpose of the national~~
 914 ~~defense.~~

915 ~~(ii) 'Overhead materials' means any tangible personal property used or consumed in~~
 916 ~~the performance of a contract between the United States Department of Defense or~~
 917 ~~the National Aeronautics and Space Administration and a government contractor, the~~
 918 ~~cost of which is charged to an expense account and allocated to various United States~~
 919 ~~government contracts based upon generally accepted accounting principles, and~~
 920 ~~consistent with government contract accounting standards. The term does not include~~
 921 ~~tangible personal property which is incorporated into real property construction.~~

922 ~~(C) This paragraph shall stand repealed on January 1, 2011;~~

923 ~~(59)(16)(A) For purposes of this paragraph, 'eligible food and beverages' means any~~
 924 ~~food as defined in Section 3 of the federal Food Stamp Act of 1977 (P.L. 95-113), as~~
 925 ~~amended, 7 U.S.C.A. 2012(g), as such Act existed on January 1, 1996, whether or not~~
 926 ~~for off premises consumption.~~

927 ~~(B) Sales of eligible food and beverages to and by member councils of the Girl Scouts~~
 928 ~~of the U.S.A. in connection with fundraising activities of any such council.~~

929 ~~(C) Sales of eligible food and beverages to and by member councils of the Boy Scouts~~
 930 ~~of America in connection with fundraising activities of any such council;~~

931 ~~(60) The sale of machinery and equipment which is incorporated into any~~
 932 ~~telecommunications manufacturing facility and used for the primary purpose of~~
 933 ~~improving air quality in advanced technology clean rooms of Class 100,000 or less,~~
 934 ~~provided such clean rooms are used directly in the manufacture of tangible personal~~
 935 ~~property;~~

936 ~~(61) Printed advertising inserts or advertising supplements distributed in this state in or~~
 937 ~~as part of any newspaper for resale;~~

938 ~~(62) The sale of grass sod of all kinds and character when such sod is in the original state~~
 939 ~~of production or condition of preparation for sale. The exemption provided for by this~~
 940 ~~paragraph shall only apply to a sale made by the sod producer, a member of such~~
 941 ~~producer's family, or an employee of such producer. The exemption provided for by this~~
 942 ~~paragraph shall not apply to sales of grass sod by a person engaged in the business of~~
 943 ~~selling plants, seedlings, nursery stock, or floral products;~~

944 ~~(63) The sale or use of funeral merchandise, outer burial containers, and cemetery~~
 945 ~~markers as defined in Code Section 43-18-1, which are purchased with funds received~~
 946 ~~from the Georgia Crime Victims Emergency Fund under Chapter 15 of Title 17;~~

947 ~~(64) The sale of electricity or other fuel for the operation of an irrigation system which~~
 948 ~~is used on a farm exclusively for the irrigation of crops;~~

949 ~~(65)(A) Sales of dyed diesel fuel exclusively used to operate vessels or boats in the~~
 950 ~~commercial fishing trade by licensed commercial fishermen.~~

951 ~~(B) Any person making a sale of dyed diesel fuel for the purposes specified in this~~
 952 ~~paragraph shall collect the tax imposed on the sale by this article unless the purchaser~~
 953 ~~furnishes such person with a certificate issued by the commissioner certifying that the~~
 954 ~~purchaser is entitled to purchase the dyed diesel fuel without paying the tax;~~

955 ~~(66) Sales of gold, silver, or platinum bullion or any combination of such bullion,~~
 956 ~~provided that the dealer maintains proper documentation, as specified by rule or~~
 957 ~~regulation to be promulgated by the department, to identify each sale or portion of a sale~~
 958 ~~which is exempt under this paragraph;~~

959 ~~(67) Sales of coins or currency or a combination of coins and currency, provided that the~~
 960 ~~dealer maintains proper documentation, as specified by rule or regulation to be~~
 961 ~~promulgated by the department, to identify each sale or portion of a sale which is exempt~~
 962 ~~under this paragraph;~~

963 ~~(68)(A) The sale or lease of computer equipment to be incorporated into a facility or~~
 964 ~~facilities in this state to any high-technology company classified under North American~~
 965 ~~Industrial Classification System code 51121, 51331, 51333, 51334, 51421, 52232,~~
 966 ~~54133, 54171, 54172, 334413, 334611, 513321, 513322, 514191, 541511, 541512,~~
 967 ~~541513, or 541519 where such sale of computer equipment for any calendar year~~
 968 ~~exceeds \$15 million or, in the event of a lease of such computer equipment, the fair~~
 969 ~~market value of such leased computer equipment for any calendar year exceeds \$15~~
 970 ~~million.~~

971 ~~(B) Any person making a sale or lease of computer equipment to a high-technology~~
 972 ~~company as specified in subparagraph (A) of this paragraph shall collect the tax~~
 973 ~~imposed on the sale by this article unless the purchaser furnishes such seller with a~~
 974 ~~certificate issued by the commissioner certifying that the purchaser is entitled to~~
 975 ~~purchase the computer equipment without paying the tax. As a condition precedent to~~
 976 ~~the issuance of the certificate, the commissioner, at such commissioner's discretion,~~
 977 ~~may require a good and valid bond with a surety company authorized to do business in~~
 978 ~~this state as surety or may require legal securities, in an amount fixed by the~~
 979 ~~commissioner, conditioned upon payment by the purchaser of all taxes due under this~~
 980 ~~article in the event it should be determined that the sale fails to meet the requirements~~
 981 ~~of this subparagraph.~~

982 ~~(C)(i) As used in this paragraph, the term 'computer equipment' means any individual~~
 983 ~~computer or organized assembly of hardware or software, such as a server farm,~~
 984 ~~mainframe or midrange computer, mainframe driven high-speed print and mailing~~
 985 ~~devices, and workstations connected to those devices via high bandwidth connectivity~~

986 ~~such as a local area network, wide area network, or any other data transport~~
 987 ~~technology which performs one of the following functions: storage or management~~
 988 ~~of production data, hosting of production applications, hosting of application systems~~
 989 ~~development activities, or hosting of applications systems testing.~~

990 (ii) ~~The term shall not include:~~

991 ~~(I) Telephone central office equipment or other voice data transport technology; or~~

992 ~~(H) Equipment with imbedded computer hardware or software which is primarily~~
 993 ~~used for training, product testing, or in a manufacturing process.~~

994 ~~(D) Any corporation, partnership, limited liability company, or any other similar entity~~
 995 ~~which qualifies for the exemption and is affiliated in any manner with a nonqualified~~
 996 ~~corporation, partnership, limited liability company, or any other similar entity must~~
 997 ~~conduct at least a majority of its business with entities with which it has no affiliation;~~

998 ~~(69) The sale of machinery, equipment, and materials incorporated into and used in the~~
 999 ~~construction or operation of a clean room of Class 100 or less in this state, not to include~~
 1000 ~~the building or any permanent, nonremovable component of the building that houses such~~
 1001 ~~clean room, provided that such clean room is used directly in the manufacture of tangible~~
 1002 ~~personal property in this state;~~

1003 ~~(70)(A) For the purposes of this paragraph, the term 'local sales and use tax' shall mean~~
 1004 ~~any sales tax, use tax, or local sales and use tax which is levied and imposed in an area~~
 1005 ~~consisting of less than the entire state, however authorized, including, but not limited~~
 1006 ~~to, such taxes authorized by or pursuant to constitutional amendment; by or pursuant~~
 1007 ~~to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended,~~
 1008 ~~the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; by or pursuant to~~
 1009 ~~Article 2 of this chapter; by or pursuant to Article 2A of this chapter; by or pursuant to~~
 1010 ~~Part 1 of Article 3 of this chapter; or by or pursuant to Part 2 of Article 3 of this chapter.~~

1011 ~~(B) The sale of natural or artificial gas used directly in the production of electricity~~
 1012 ~~which is subsequently sold.~~

1013 ~~(C) The exemption provided for in subparagraph (B) of this paragraph shall not apply~~
 1014 ~~to any local sales and use tax levied or imposed at any time.~~

1015 ~~(D) The commissioner shall adopt rules and regulations to carry out the provisions of~~
 1016 ~~this paragraph;~~

1017 ~~(70.1)(A) For the period commencing July 1, 2008, and concluding on December 31,~~
 1018 ~~2010, the sale of natural or artificial gas, No. 2 fuel oil, No. 6 fuel oil, propane,~~
 1019 ~~petroleum coke, and coal used directly or indirectly in the manufacture or processing,~~
 1020 ~~in a manufacturing plant located in this state, of tangible personal property primarily~~
 1021 ~~for resale, and the fuel cost recovery component of retail electric rates used directly or~~

1022 indirectly in the manufacture or processing, in a manufacturing plant located in this
 1023 state, of tangible personal property primarily for resale:

1024 ~~(B) The exemption provided for in subparagraph (A) of this paragraph shall not apply~~
 1025 ~~to the first \$7.60 per decatherm of the sales price or cost price of natural or artificial~~
 1026 ~~gas, the first \$2.48 per gallon of the sales price or cost price of No. 2 fuel oil, the first~~
 1027 ~~\$1.72 per gallon of the sales price or cost price of No. 6 fuel oil, the first \$1.44 per~~
 1028 ~~gallon of the sales price or cost price of propane, the first \$57.90 per ton of petroleum~~
 1029 ~~coke, the first \$57.90 per ton of coal, or the first 3.44¢ per kilowatt hour of the fuel cost~~
 1030 ~~recovery component of retail electricity rates whether such fuel recovery charges are~~
 1031 ~~charged separately or are embedded in such electric rates. Dealers with such embedded~~
 1032 ~~rates may exempt from the electricity sales upon which the sales tax is calculated no~~
 1033 ~~more than the amount, if any, by which the fuel cost recovery charge approved by the~~
 1034 ~~Georgia Public Service Commission for transmission customers of electric utilities~~
 1035 ~~regulated by the Georgia Public Service Commission exceeds 3.44¢ per kilowatt hour.~~

1036 ~~(C)(i) For the purposes of this paragraph, the term 'local sales and use tax' shall mean~~
 1037 ~~any sales tax, use tax, or local sales and use tax which is levied and imposed in an~~
 1038 ~~area consisting of less than the entire state, however authorized, including, but not~~
 1039 ~~limited to, such taxes authorized by or pursuant to constitutional amendment, by or~~
 1040 ~~pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as~~
 1041 ~~amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; or by or~~
 1042 ~~pursuant to Article 2, 2A, 3, or 4 of this chapter.~~

1043 ~~(ii) The exemption provided for in subparagraph (A) of this paragraph shall not apply~~
 1044 ~~to any local sales and use tax levied or imposed at any time.~~

1045 ~~(D) Any person making a sale of items qualifying for exemption under~~
 1046 ~~subparagraph (A) of this paragraph shall be relieved of the burden of proving such~~
 1047 ~~qualification if the person receives in good faith a certificate from the purchaser~~
 1048 ~~certifying that the purchase is exempt under this paragraph.~~

1049 ~~(E) Any person who qualifies for this exemption shall notify and certify to the person~~
 1050 ~~making the qualified sale that this exemption is applicable to the sale;~~

1051 ~~(71)(17) Sales to or by any nonprofit organization which has as its primary purpose the~~
 1052 ~~raising of funds for books, materials, and programs for public libraries if such~~
 1053 ~~organization qualifies as a tax-exempt organization under Section 501(c)(3) of the~~
 1054 ~~Internal Revenue Code; or~~

1055 ~~(72)(18) The sale or use, to or by permanently disabled persons, of wheelchairs and any~~
 1056 ~~accompanying equipment, including seating equipment, all of which is manually or~~
 1057 ~~mechanically attached or adapted to such wheelchairs;.~~

1058 ~~(73)(A) The sale or lease of production equipment or production services for use in this~~
 1059 ~~state by a certified film producer or certified film production company for qualified~~
 1060 ~~production activities.~~

1061 ~~(B) As used in this paragraph, the term:~~

1062 ~~(i) 'Film producer' means any person engaged in the business of organizing and~~
 1063 ~~supervising qualified production activities.~~

1064 ~~(ii) 'Film production company' means any company that employs one or more film~~
 1065 ~~producers and whose goal is to engage in film production activity.~~

1066 ~~(iii) 'Production equipment' means items purchased or leased for use exclusively in~~
 1067 ~~qualified production activities in Georgia, including, but not limited to, cameras,~~
 1068 ~~camera supplies, camera accessories, lighting equipment, cables, wires, generators,~~
 1069 ~~motion picture film and videotape stock, cranes, booms, dollies, and teleprompters.~~

1070 ~~(iv) 'Production services' means services purchased for use exclusively in qualified~~
 1071 ~~production activities in Georgia, including, but not limited to, digital or tape editing,~~
 1072 ~~film processing, transfers of film to tape or digital format, sound mixing, computer~~
 1073 ~~graphics services, special effects services, animation services, and script production.~~

1074 ~~(v) 'Qualified production activities' means the production or post production of film~~
 1075 ~~or video projects such as feature films, series, pilots, movies for television,~~
 1076 ~~commercials, music videos, or sound recordings used in feature films, series, pilots,~~
 1077 ~~or movies for television, for which the film producer or film production company will~~
 1078 ~~be compensated and which are intended for nation-wide commercial distribution.~~

1079 ~~(C) Any person making a sale of production equipment or production services to a film~~
 1080 ~~producer or film production company as specified in this paragraph shall collect the tax~~
 1081 ~~imposed on the sale by this article unless the purchaser furnishes such seller with a~~
 1082 ~~certificate issued by the commissioner certifying that the purchaser is entitled to~~
 1083 ~~purchase the production equipment or production services without paying the tax. As~~
 1084 ~~a condition precedent to the issuance of the certificate, film producers and film~~
 1085 ~~production companies shall submit an application to the commissioner for designation~~
 1086 ~~as a certified film producer or certified film production company. Such application~~
 1087 ~~shall not be valid without prior written approval by the Georgia Film and Videotape~~
 1088 ~~Office of the Department of Economic Development;~~

1089 ~~(74)(A)(i) Except as otherwise provided in divisions (ii) and (iii) of this~~
 1090 ~~subparagraph, the sale or use of digital broadcast equipment sold to, leased to, or used~~
 1091 ~~by a federally licensed commercial or public radio or television broadcast station, a~~
 1092 ~~cable network, or a cable distributor that enables a radio or television station, cable~~
 1093 ~~network, or cable distributor to originate and broadcast or transmit or to receive and~~

1094 ~~broadcast or transmit digital signals, including, but not limited to, digital broadcast~~
 1095 ~~equipment required by the Federal Communications Commission.~~

1096 ~~(ii) For commercial or public television broadcasters and cable distributors, such~~
 1097 ~~equipment shall be limited to antennas, transmission lines, towers, digital transmitters,~~
 1098 ~~studio to transmitter links, digital routing switchers, character generators, Advanced~~
 1099 ~~Television Systems Committee video encoders and multiplexers, monitoring facilities,~~
 1100 ~~cameras, terminal equipment, tape recorders, and file servers.~~

1101 ~~(iii) For radio broadcasters, such equipment shall be limited to transmitters, digital~~
 1102 ~~audio processors, and diskettes.~~

1103 ~~(B) As used in this paragraph, the term:~~

1104 ~~(i) 'Digital broadcast equipment' means equipment purchased, leased, or used for the~~
 1105 ~~origination or integration of program materials for broadcast over the airwaves or~~
 1106 ~~transmission by cable, satellite, or fiber optic line which uses or produces an~~
 1107 ~~electronic signal where the signal carries data generated, stored, and processed as~~
 1108 ~~strings of binary data. Data transmitted or stored as digital data consists of strings of~~
 1109 ~~positive or nonpositive elements of a transmission expressed in strings of 0's and 1's~~
 1110 ~~which a computer or processor can reconstruct as an electronic signal.~~

1111 ~~(ii) 'Federally licensed commercial or public radio or television broadcast station'~~
 1112 ~~means any entity or enterprise, either commercial or noncommercial, which operates~~
 1113 ~~under a license granted by the Federal Communications Commission for the purpose~~
 1114 ~~of free distribution of audio and video services when the distribution occurs by means~~
 1115 ~~of transmission over the public airwaves.~~

1116 ~~(C) The exemption provided under this paragraph shall not apply to any of the~~
 1117 ~~following:~~

1118 ~~(i) Repair or replacement parts purchased for the equipment described in this~~
 1119 ~~paragraph;~~

1120 ~~(ii) Equipment purchased to replace equipment for which an exemption was~~
 1121 ~~previously claimed and taken under this paragraph;~~

1122 ~~(iii) Any equipment purchased after a television station, cable network, or cable~~
 1123 ~~distributor has ceased analog broadcasting, or purchased after November 1, 2004,~~
 1124 ~~whichever occurs first; or~~

1125 ~~(iv) Any equipment purchased after a radio station has ceased analog broadcasting,~~
 1126 ~~or purchased after November 1, 2008, whichever occurs first.~~

1127 ~~(D) Any person making a sale of digital broadcasting equipment to a federally licensed~~
 1128 ~~commercial or public radio or television broadcast station, cable network, or cable~~
 1129 ~~distributor shall collect the tax imposed on the sale by this article unless the purchaser~~

1130 furnishes a certificate issued by the commissioner certifying that the purchaser is
 1131 entitled to purchase the equipment without paying the tax;

1132 ~~(75)(A) The sale of any covered item. The exemption provided by this paragraph shall~~
 1133 ~~apply only to sales occurring during a period commencing at 12:01 A.M. on July 30,~~
 1134 ~~2009, and concluding at 12:00 Midnight on August 2, 2009.~~

1135 ~~(B) As used in this paragraph, the term 'covered item' shall mean:~~

1136 ~~(i) Articles of clothing and footwear with a sales price of \$100.00 or less per article~~
 1137 ~~of clothing or pair of footwear, excluding accessories such as jewelry, handbags,~~
 1138 ~~umbrellas, eyewear, watches, and watchbands;~~

1139 ~~(ii) A single purchase, with a sales price \$1,500.00 or less, of personal computers and~~
 1140 ~~personal computer related accessories purchased for noncommercial home or personal~~
 1141 ~~use, including personal computer base units and keyboards, personal digital assistants,~~
 1142 ~~handheld computers, monitors, other peripheral devices, modems for Internet and~~
 1143 ~~network access, and nonrecreational software, whether or not they are to be utilized~~
 1144 ~~in association with the personal computer base unit. Computer and computer related~~
 1145 ~~accessories shall not include furniture and any systems, devices, software, or~~
 1146 ~~peripherals designed or intended primarily for recreational use; and~~

1147 ~~(iii) Noncommercial purchases of general school supplies to be utilized in the~~
 1148 ~~classroom or in classroom related activities, such as homework, up to a sales price of~~
 1149 ~~\$20.00 per item including pens, pencils, notebooks, paper, book bags, calculators,~~
 1150 ~~dictionaries, thesauruses, and children's books and books listed on approved school~~
 1151 ~~reading lists for pre-kindergarten through twelfth grade.~~

1152 ~~(C) The exemption provided by this paragraph shall not apply to rentals, sales in a~~
 1153 ~~theme park, entertainment complex, public lodging establishment, restaurant, or airport~~
 1154 ~~or to purchases for trade, business, or resale.~~

1155 ~~(D) The commissioner shall promulgate any rules and regulations necessary to~~
 1156 ~~implement and administer this paragraph including but not be limited to a list of those~~
 1157 ~~articles and items qualifying for the exemption pursuant to this paragraph;~~

1158 ~~(76) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from June~~
 1159 ~~4, 2003, until January 1, 2007, sales of tangible personal property to, or used in the~~
 1160 ~~construction of, an aquarium owned or operated by an organization which is exempt from~~
 1161 ~~taxation under Section 501(c)(3) of the Internal Revenue Code;~~

1162 ~~(77) Sales of liquefied petroleum gas or other fuel used in a structure in which plants,~~
 1163 ~~seedlings, nursery stock, or floral products are raised primarily for the purposes of~~
 1164 ~~making sales of such plants, seedlings, nursery stock, or floral products for resale;~~

1165 ~~(78)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from~~
 1166 ~~the effective date of this paragraph until September 1, 2011, sales of tangible personal~~

1167 ~~property used in direct connection with the construction of a new symphony hall facility~~
 1168 ~~owned or operated by an organization which is exempt from taxation under Section~~
 1169 ~~501(c)(3) of the Internal Revenue Code if the aggregate construction cost of such~~
 1170 ~~facility is \$200 million or more.~~

1171 ~~(B) Any person making a sale of tangible personal property for the purpose specified~~
 1172 ~~in this paragraph shall collect the tax imposed on this sale unless the purchaser~~
 1173 ~~furnishes such person with an exemption determination letter issued by the~~
 1174 ~~commissioner certifying that the purchaser is entitled to purchase the tangible personal~~
 1175 ~~property without paying the tax;~~

1176 ~~(79) The sale or use of ice for chilling poultry or vegetables in processing for market and~~
 1177 ~~for chilling poultry or vegetables in storage rooms, compartments, or delivery trucks;~~

1178 ~~(80)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from~~
 1179 ~~the effective date of this paragraph until December 31, 2007, sales of tangible personal~~
 1180 ~~property to, or used in or for the new construction of an eligible corporate attraction.~~

1181 ~~(B) As used in this paragraph, the term: 'corporate attraction' means any tourist~~
 1182 ~~attraction facility constructed on or after the effective date of this paragraph dedicated~~
 1183 ~~to the history and products of a corporation which costs exceeds \$50 million, is greater~~
 1184 ~~than 60,000 square feet of space, and has associated facilities, including but not limited~~
 1185 ~~to parking decks and landscaping owned by the same owner as the eligible corporate~~
 1186 ~~attraction.~~

1187 ~~(C) Any person making a sale of tangible personal property for the purpose specified~~
 1188 ~~in this paragraph shall collect the tax imposed on this sale unless the purchaser~~
 1189 ~~furnishes such person with an exemption determination letter issued by the~~
 1190 ~~commissioner certifying that the purchaser is entitled to purchase the tangible personal~~
 1191 ~~property without paying the tax;~~

1192 ~~(81) The sale of food and beverages, except for alcoholic beverages, to a qualifying~~
 1193 ~~airline for service to passengers and crew in the aircraft, whether in flight or on the~~
 1194 ~~ground, and the furnishing without charge of food and beverages to qualifying airline~~
 1195 ~~passengers and crew in the aircraft, whether in flight or on the ground, and for purposes~~
 1196 ~~of this paragraph a 'qualifying airline' shall mean any person which is authorized by the~~
 1197 ~~Federal Aviation Administration or appropriate agency of the United States to operate as~~
 1198 ~~an air carrier under an air carrier operating certificate and which provides regularly~~
 1199 ~~scheduled flights for the transportation of passengers or cargo for hire;~~

1200 ~~(82)(A) Purchase of energy efficient products or water efficient products with a sales~~
 1201 ~~price of \$1,500.00 or less per product purchased for noncommercial home or personal~~
 1202 ~~use. The exemption provided by this paragraph shall apply only to sales occurring~~

1203 ~~during a period commencing at 12:01 A.M. on October 1, 2009, and concluding at~~
1204 ~~12:00 Midnight on October 4, 2009.~~

1205 ~~(B) As used in this paragraph, the term:~~

1206 ~~(i) 'Energy efficient product' means any energy efficient product for noncommercial~~
1207 ~~home or personal use consisting of any dishwasher, clothes washer, air conditioner,~~
1208 ~~ceiling fan, fluorescent light bulb, dehumidifier, programmable thermostat,~~
1209 ~~refrigerator, door, or window which has been designated by the United States~~
1210 ~~Environmental Protection Agency and the United States Department of Energy as~~
1211 ~~meeting or exceeding each such agency's energy saving efficiency requirements or~~
1212 ~~which have been designated as meeting or exceeding such requirements under each~~
1213 ~~such agency's Energy Star program.~~

1214 ~~(ii) 'Water efficient product' means any product used for the conservation or efficient~~
1215 ~~use of water which has been designated by the United States Environmental~~
1216 ~~Protection Agency as meeting or exceeding such agency's water saving efficiency~~
1217 ~~requirements or which has been designated as meeting or exceeding such~~
1218 ~~requirements under such agency's Water Sense program.~~

1219 ~~(C) The exemption provided for in subparagraph (A) of this paragraph shall not apply~~
1220 ~~to purchases of energy efficient products or water efficient products purchased for~~
1221 ~~trade, business, or resale.~~

1222 ~~(D) The commissioner shall promulgate any rules and regulations necessary to~~
1223 ~~implement and administer this paragraph;~~

1224 ~~(83)(A) The sale or use of biomass material, including pellets or other fuels derived~~
1225 ~~from compressed, chipped, or shredded biomass material, utilized in the production of~~
1226 ~~energy, including without limitation the production of electricity, steam, or the~~
1227 ~~production of electricity and steam, which is subsequently sold.~~

1228 ~~(B) As used in this paragraph, the term 'biomass material' means organic matter,~~
1229 ~~excluding fossil fuels, including agricultural crops, plants, trees, wood, wood wastes~~
1230 ~~and residues, sawmill waste, sawdust, wood chips, bark chips, and forest thinning,~~
1231 ~~harvesting, or clearing residues; wood waste from pallets or other wood demolition~~
1232 ~~debris; peanut shells; pecan shells; cotton plants; corn stalks; and plant matter,~~
1233 ~~including aquatic plants, grasses, stalks, vegetation, and residues, including hulls,~~
1234 ~~shells, or cellulose containing fibers;~~

1235 ~~(84)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from~~
1236 ~~July 1, 2006, until June 30, 2008, sales of tangible personal property used in direct~~
1237 ~~connection with the construction of a national infantry museum and heritage park~~
1238 ~~facility.~~

1239 ~~(B) As used in this paragraph, the term 'national infantry museum and heritage park~~
 1240 ~~facility' means a museum and park facility which is constructed after July 1, 2006; is~~
 1241 ~~dedicated to the history of the American foot soldier; has more than 130,000 square feet~~
 1242 ~~of space; and has associated facilities, including, but not limited to, parking, parade~~
 1243 ~~grounds, and memorial areas.~~

1244 ~~(C) Any person making a sale of tangible personal property for the purpose specified~~
 1245 ~~in this paragraph shall collect the tax imposed on this sale unless the purchaser~~
 1246 ~~furnishes such person with an exemption determination letter issued by the~~
 1247 ~~commissioner certifying that the purchaser is entitled to purchase the tangible personal~~
 1248 ~~property without paying the tax;~~

1249 ~~(85)(A) Sales of tangible personal property and services to a qualified job training~~
 1250 ~~organization when such organization obtains an exemption determination letter from~~
 1251 ~~the commissioner.~~

1252 ~~(B) For purposes of this paragraph, 'qualified job training organization' means an~~
 1253 ~~organization which:~~

- 1254 ~~(i) Is located in this state;~~
- 1255 ~~(ii) Is exempt from income taxation under Section 501 (c)(3) of the Internal Revenue~~
 1256 ~~Code;~~
- 1257 ~~(iii) Specializes in the retail sale of donated items;~~
- 1258 ~~(iv) Provides job training and employment services to individuals with workplace~~
 1259 ~~disadvantages and disabilities; and~~
- 1260 ~~(v) Uses a majority of its revenues for job training and placement programs.~~

1261 ~~(C)(i) For the purposes of this paragraph, the term 'local sales and use tax' shall mean~~
 1262 ~~any sales tax, use tax, or local sales and use tax which is levied and imposed in an~~
 1263 ~~area consisting of less than the entire state, however authorized, including, but not~~
 1264 ~~limited to, such taxes authorized by or pursuant to constitutional amendment; by or~~
 1265 ~~pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as~~
 1266 ~~amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; by or~~
 1267 ~~pursuant to Article 2 of this chapter; by or pursuant to Article 2A of this chapter; by~~
 1268 ~~or pursuant to Part 1 of Article 3 of this chapter; by or pursuant to Part 2 of Article 3~~
 1269 ~~of this chapter; or by or pursuant to Article 4 of this chapter.~~

1270 ~~(ii) The exemption provided for in subparagraph (A) of this paragraph shall not apply~~
 1271 ~~to any local sales and use tax levied or imposed at any time.~~

1272 ~~(D) The commissioner shall promulgate any rules and regulations necessary to~~
 1273 ~~implement and administer this paragraph.~~

1274 ~~(E) This paragraph shall stand repealed in its entirety on July 1, 2010;~~

1275 ~~(86) For the period commencing on July 1, 2007, and ending on June 30, 2011, the sale~~
1276 ~~or use of engines, parts, equipment, and other tangible personal property used in the~~
1277 ~~maintenance or repair of aircraft when such engines, parts, equipment, and other tangible~~
1278 ~~personal property are installed on such aircraft that is being repaired or maintained in this~~
1279 ~~state so long as such aircraft is not registered in this state;~~

1280 ~~(87)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from~~
1281 ~~July 1, 2009, until June 30, 2011, sales of tangible personal property used for and in the~~
1282 ~~renovation or expansion of a zoological institution.~~

1283 ~~(B) As used in this Code section, the term 'zoological institution' means a nonprofit~~
1284 ~~wildlife park, terrestrial institution, or facility which is:~~

1285 ~~(i) Open to the public, that exhibits and cares for a collection consisting primarily of~~
1286 ~~animals other than fish, and has received accreditation from the Association of Zoos~~
1287 ~~and Aquariums; and~~

1288 ~~(ii) Located in this state and owned or operated by an organization which is exempt~~
1289 ~~from taxation under Section 501(c)(3) of the Internal Revenue Code.~~

1290 ~~(C) Any person making a sale of tangible personal property for the purpose specified~~
1291 ~~in this paragraph shall collect the tax imposed on this sale unless the purchaser~~
1292 ~~furnishes such person with an exemption determination letter issued by the~~
1293 ~~commissioner certifying that the purchaser is entitled to purchase the tangible personal~~
1294 ~~property without paying the tax;~~

1295 ~~(88)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from~~
1296 ~~July 1, 2009, until July 30, 2015, sales of tangible personal property to, or used in or for~~
1297 ~~the new construction of, a civil rights museum.~~

1298 ~~(B) As used in this paragraph, the term 'civil rights museum' means a museum which~~
1299 ~~is constructed after July 1, 2009; is owned or operated by an organization which is~~
1300 ~~exempt from taxation under Section 501(c)(3) of the Internal Revenue Code; has more~~
1301 ~~than 70,000 square feet of space; and has associated facilities, including, but not limited~~
1302 ~~to, special event space and retail space.~~

1303 ~~(C) Any person making a sale of tangible personal property for the purpose specified~~
1304 ~~in this paragraph shall collect the tax imposed on this sale unless the purchaser~~
1305 ~~furnishes such person with an exemption determination letter issued by the~~
1306 ~~commissioner certifying that the purchaser is entitled to purchase the tangible personal~~
1307 ~~property without paying the tax.~~

1308 ~~(D) The exemption provided for under subparagraph (A) of this paragraph shall not~~
1309 ~~apply to sales of tangible personal property that occur after the museum is opened to~~
1310 ~~the public; or~~

1311 ~~(89) For the period commencing on July 1, 2009, and ending on June 30, 2011, the sale~~
1312 ~~or use of an airplane flight simulation training device approved by the Federal Aviation~~
1313 ~~Administration under Appendices A and B, 14 C.F.R. Part 60."~~

1314 **SECTION 5.**

1315 Said title is further amended by revising paragraph (3) of subsection (a) of Code Section
1316 48-11-2, relating to excise taxes on tobacco products, as follows:

1317 "(3) Cigarettes: ~~37¢~~ \$1.00 per pack of 20 cigarettes and a like rate, pro rata, for other size
1318 packages; and"

1319 **SECTION 6.**

1320 (a) This section and Section 7 of this Act shall become effective upon their approval by the
1321 Governor or upon their becoming law without such approval.

1322 (b) Sections 3, 4, and 5 of this Act shall become effective July 1, 2010.

1323 (c) Sections 1 and 2 of this Act shall become effective upon their approval by the Governor
1324 or upon their becoming law without such approval and shall be applicable to all taxable years
1325 beginning on or after January 1, 2010.

1326 **SECTION 7.**

1327 All laws and parts of laws in conflict with this Act are repealed.