

## House Resolution 1737

By: Representatives Crawford of the 16<sup>th</sup>, Reece of the 11<sup>th</sup>, Porter of the 143<sup>rd</sup>, Thomas of the 100<sup>th</sup>, and McKillip of the 115<sup>th</sup>

## A RESOLUTION

1 Creating the Georgia Tax Reform Commission; providing for access by the commission and  
2 its staff to certain otherwise confidential Department of Revenue information; to provide for  
3 an effective date; and for other purposes.

4 WHEREAS, the population and economy of the State of Georgia has undergone dynamic  
5 growth during the last several decades, and current projections show continued growth  
6 throughout the 21st Century; and

7 WHEREAS, changes in Georgia's economy have created the potential for a more diverse  
8 revenue mix for the state and local governments; and

9 WHEREAS, the reliance on traditional tax revenue sources, when coupled with the rapid  
10 increase in the demand for governmental services, has yielded a strained revenue structure  
11 unable to respond to current and future fiscal needs in a balanced, equitable fashion and has  
12 increasingly troubled and financially burdened the individual taxpayers of the state; and

13 WHEREAS, the various inequities and imperfections cannot be ignored, as the tax burden  
14 on the citizens of our state rises; and

15 WHEREAS, the revenue structure of Georgia, like that of other states, has received only  
16 sporadic, piecemeal revision over the years, and these changes too frequently have been  
17 made in an isolated context without due regard for the overall tax system and the principle  
18 of neutrality; and

19 WHEREAS, the last comprehensive review of the revenue structure of Georgia was made  
20 by the Joint Study Commission on Revenue Structure created pursuant to Ga. L. 1993, p.  
21 1965; and

22 WHEREAS, the ideal tax structure necessarily varies from state to state depending on the  
23 employment mix, the economic base, and the developmental patterns in the particular state,  
24 and each of these variables has changed significantly in Georgia in the absence of a current  
25 comprehensive and exhaustive review and study of the consequences and fairness of the  
26 resulting system; and

27 WHEREAS, the goal of designing a balanced tax system with the fewest inequities will  
28 enable decisions of individuals and businesses with respect to location, investment, and  
29 spending to proceed unclouded by or be minimally influenced by tax consequences.

30 NOW, THEREFORE, BE IT RESOLVED BY THE GENERAL ASSEMBLY OF  
31 GEORGIA:

### 32 SECTION 1.

33 There is created the Georgia Tax Reform Commission. The commission shall be composed  
34 of 17 members as follows:

- 35 (1) The chairperson of the House Committee on Ways and Means shall serve as a  
36 member and cochairperson of the commission;
- 37 (2) The chairperson of the Senate Finance Committee shall serve as a member and  
38 cochairperson of the commission;
- 39 (3) Five members to be appointed by the Speaker of the House of Representatives at least  
40 two of whom shall be selected from a list provided by the minority leader of the House  
41 of Representatives and at least four of whom shall not be a member of the House of  
42 Representatives or the Senate;
- 43 (4) Five members to be appointed by the President of the Senate at least two of whom  
44 shall be selected from a list provided by the minority leader of the Senate and at least four  
45 of whom shall not be a member of the House of Representatives or the Senate; and
- 46 (5) Five members to be appointed by the Governor at least two of whom shall be selected  
47 from a list provided by the minority leader of the House of Representatives and the  
48 minority leader of the Senate and at least four of whom shall not be a member of the  
49 House of Representatives or the Senate.

### 50 SECTION 2.

51 The commission shall conduct a comprehensive and exhaustive study of the tax laws and tax  
52 policy of this state with a view toward modernizing and revitalizing the revenue structure so  
53 as to create an equitable and flexible tax system which properly balances the taxes based on  
54 fixed wealth, current expenditures, and current flow of income.

55 **SECTION 3.**

56 The commission shall meet upon the call of the cochairpersons.

57 **SECTION 4.**

58 The commission may request and, upon such request, shall be afforded the assistance and  
59 cooperation of the Department of Revenue, the Department of Law, the Carl Vinson Institute  
60 of Government, and each other agency or institution of the state.

61 **SECTION 5.**

62 The commission is encouraged to seek the active cooperation and assistance in its work of  
63 the Georgia Municipal Association, the Association County Commissioners of Georgia, the  
64 Business Council of Georgia, the Georgia Farm Bureau Federation, the Georgia League of  
65 Women Voters, Common Cause, the Georgia Forestry Commission, the Georgia Society of  
66 Certified Public Accountants, the Georgia School Boards Association, the Tax Section of the  
67 State Bar of Georgia, and other interested organizations and individuals, and the commission  
68 is expressly encouraged to take advantage of the expertise and experience in matters  
69 affecting taxation and tax policy which is available through institutions of higher learning  
70 in this state.

71 **SECTION 6.**

72 The commission may conduct such meetings at such places and at such times as it may deem  
73 necessary or convenient to enable it to exercise fully and effectively its powers, perform its  
74 duties, and accomplish the objectives and purposes of this resolution. The legislative  
75 members of the committee shall receive the allowances provided for in Code Section 28-1-8  
76 of the Official Code of Georgia Annotated. Citizen members shall receive a daily expense  
77 allowance in the amount specified in subsection (b) of Code Section 45-7-21 of the Official  
78 Code of Georgia Annotated as well as the mileage or transportation allowance authorized for  
79 state employees. Members of the committee who are state officials, other than legislative  
80 members, and state employees shall receive no compensation for their services on the  
81 commission, but they shall be reimbursed for expenses incurred by them in the performance  
82 of their duties as members of the commission in the same manner as they are reimbursed for  
83 expenses in their capacities as state officials or employees. The funds necessary for the  
84 reimbursement of the expenses of state officials, other than legislative members, and state  
85 employees shall come from funds appropriated to or otherwise available to their respective  
86 departments. All other funds necessary to carry out the provisions of this resolution shall  
87 come from funds appropriated to the Senate and the House of Representatives. The expenses

88 and allowances authorized by this resolution shall not be received by any member of the  
89 commission for more than ten days unless additional days are authorized.

90

#### **SECTION 7.**

91 (a) Employees or agents of the commission may inspect, duplicate, take information from,  
92 and disseminate confidential materials, confidential documents, and other confidential  
93 information within the custody of the Department of Revenue or the state revenue  
94 commissioner but may do so only when acting in accordance with the following limitations:

95 (1) No employee or agent of the commission may have such access to confidential  
96 materials, confidential documents, or other confidential information unless he or she is  
97 acting within the reasonable limitations guaranteeing against unauthorized disclosure of  
98 such materials, documents, and information as are agreed to in writing by the state  
99 revenue commissioner and the cochairpersons of the commission;

100 (2) No employee or agent of the commission may have such access unless his or her  
101 name is certified in writing to the state revenue commissioner by the cochairpersons of  
102 the commission; and

103 (3) No confidential information or confidential document obtained by, or coming into  
104 the possession of, an employee or agent of the commission as provided in this section  
105 may be disseminated to any other person except an employee or agent of the commission  
106 whose name has been certified to the state revenue commissioner as provided in  
107 paragraph (2) of this subsection or to an authorized employee of the Department of  
108 Revenue, except that the employee and the commission may publish statistical  
109 information taken from such materials, documents, and other information when the  
110 publication does not reveal the name or identity of any particular taxpayers. Any  
111 unauthorized disclosure of such confidential materials, confidential documents, and other  
112 confidential information except as provided in this paragraph shall subject the offending  
113 employee or agent to the same penalties specified by law for unauthorized disclosure of  
114 confidential information by an agent or employee of the Department of Revenue.

115 (b) The provisions of this section, to the extent of any conflict, shall supersede the  
116 provisions of any other law to the contrary. The provisions of this section shall be  
117 construed to authorize the disclosure of income tax information contained in any report or  
118 return under Code Section 48-7-60.

119

#### **SECTION 8.**

120 The commission shall make a comprehensive report of its findings, recommendations, and  
121 suggestions of proposed legislation to the General Assembly not later than December 15,  
122 2010. The commission shall be abolished on January 15, 2011.

123

**SECTION 9.**

124 This resolution shall become effective upon its approval by the Governor or upon its  
125 becoming law without such approval. Appointments to the commission shall be made as  
126 provided in this resolution as soon as practicable after its approval or otherwise becoming  
127 a law.