

House Bill 903 (AS PASSED HOUSE AND SENATE)

By: Representatives Burkhalter of the 50th and Stephens of the 164th

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Code Section 48-13-51 of the Official Code of Georgia Annotated, relating to
2 county and municipal tax levies on hotels and motels and other public accommodations, so
3 as to revise provisions relating to a levy at the rate of 7 percent by certain counties and
4 municipalities; to provide that, where such tax was levied for the purpose of funding a
5 multipurpose domed stadium facility and is subject to a stated expiration date, the expiration
6 date may be extended under certain circumstances; to provide for extension for purposes of
7 funding a successor facility upon certification of certain conditions by a state authority; to
8 provide for expenditure through a contract with the state authority; to provide for a new
9 extended expiration date; to provide for the protection of bondholders; to authorize certain
10 counties and municipalities to levy such taxes at the rate of 7 percent; to provide for
11 procedures, conditions, and limitations; to provide for other related matters; to provide an
12 effective date; to repeal conflicting laws; and for other purposes.

13 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

14 **SECTION 1.**

15 Code Section 48-13-51 of the Official Code of Georgia Annotated, relating to county and
16 municipal tax levies on hotels and motels and other public accommodations, is amended by
17 revising paragraph (5) of subsection (a) as follows:

18 "(5)(A)(i) Notwithstanding any other provision of this subsection, a county (within
19 the territorial limits of the special district located within the county) or municipality
20 is authorized to levy a tax under this Code section at a rate of 7 percent. A county or
21 municipality levying a tax pursuant to this paragraph shall expend an amount equal
22 to at least 51.4 percent of the total taxes collected prior to July 1, 1990, at the rate of
23 7 percent and an amount equal to at least 32.14 percent of the total taxes collected on
24 or after July 1, 1990, at the rate of 7 percent for the purpose of: (A) (I) promoting
25 tourism, conventions, and trade shows; (B) (II) supporting a facility owned or
26 operated by a state authority for convention and trade show purposes or any other

similar or related purposes; (C) (III) supporting a facility owned or operated by a local authority or local government for convention and trade show purposes or any other similar or related purposes, if a written agreement to provide such support was in effect on January 1, 1987, and if such facility is substantially completed and in operation prior to July 1, 1987; (D) (IV) supporting a facility owned or operated by a local government or local authority for convention and trade show purposes or any other similar or related purposes if construction of such facility is funded or was funded in whole or in part by a grant of state funds; or (E) (V) for some combination of such purposes. Amounts so expended shall be expended only through a contract or contracts with the state, a department of state government, a state authority, or a private sector nonprofit organization or through a contract or contracts with some combination of such entities, except that amounts expended for those purposes specified in ~~subparagraphs subdivisions~~ (C) (III) and (D) (IV) of this paragraph ~~division~~ may be so expended in any otherwise lawful manner.

(ii) In addition to the amounts required to be expended ~~above under division (i) of this subparagraph~~, a county or municipality levying a tax pursuant to this paragraph (5) shall further expend (in each fiscal year during which the tax is collected under this paragraph (5)) an amount equal to 14.3 percent of the total taxes collected prior to July 1, 1990, at the rate of 7 percent and an amount equal to 39.3 percent of the total taxes collected on or after July 1, 1990, at the rate of 7 percent toward funding a multipurpose domed stadium facility. Amounts so expended shall be expended only through a contract originally with the state, a department or agency of the state, or a state authority or through a contract or contracts with some combination of the above. Any tax levied pursuant to this paragraph shall terminate not later than December 31, 2020, unless extended as provided in subparagraph (B) of this paragraph, provided that during any period during which there remains outstanding any obligation which is incurred prior to January 1, 1991, issued to fund a multipurpose domed stadium as contemplated by this paragraph (5), and secured in whole or in part by a pledge of a tax authorized under this Code section, or any such obligation which is incurred to refund such an obligation incurred before January 1, 1991, the powers of the counties and municipalities to impose and distribute the tax imposed by this paragraph (5) shall not be diminished or impaired by the state and no county or municipality levying the tax imposed by this paragraph shall cease to levy the tax in any manner that will impair the interest and rights of the holders of any such obligation. This proviso shall be for the benefit of the holder of any such obligation and, upon the issuance of any such obligation by an authority of the state, shall constitute a contract with the holder of such obligations.

(B) Notwithstanding the termination date stated in division (ii) of subparagraph (A) of this paragraph (5), notwithstanding paragraph (6) of this subsection (a), and notwithstanding subsection (b) of this Code section, a tax levied under this paragraph may be extended by resolution of the levying county or municipality and continue to be collected through December 31, 2050, if a state authority certifies: (i) that the same portion of the proceeds will be used to fund a successor facility to the multipurpose domed facility as is currently required to fund the multipurpose domed facility under division (ii) of subparagraph (A) of this paragraph; (ii) that such successor facility will be located on property owned by the state authority; and (iii) that the state authority has entered into a contract with a national football league team for use of the successor facility by the national football league team through the end of the new extended period of the tax collection. During the extended period of collection provided for in this subparagraph, the county or municipality levying the tax shall continue to comply with the expenditure requirements of division (i) of subparagraph (A) of this paragraph. During the extended period of collection, the county or municipality shall further expend (in each fiscal year during which the tax is collected during the extended period of collection) an amount equal to 39.3 percent of the total taxes collected at the rate of 7 percent toward funding the successor facility certified by the state authority. Amounts so expended shall be expended only through a contract with the certifying state authority. Any tax levied pursuant to this paragraph shall terminate not later than December 31, 2050, provided that during any period during which there remains outstanding any obligation which is incurred to fund the successor facility certified by the state authority, and secured in whole or in part by a pledge of a tax authorized under this Code section, or any such obligation which is incurred to refund such an obligation, the powers of the counties and municipalities to impose and distribute the tax imposed by this paragraph (5) shall not be diminished or impaired by the state and no county or municipality levying the tax imposed by this paragraph shall cease to levy the tax in any manner that will impair the interest and rights of the holders of any such obligation. This proviso shall be for the benefit of the holder of any such obligation and, upon the issuance of any such obligation by an authority of the state, shall constitute a contract with the holder of such obligations."

SECTION 2.

Said Code section is further amended by revising paragraph (7) of subsection (a) as follows:

"(7) As used in this subsection, the term:

(A) 'Fund' and 'funding' means mean the cost and expense of all things deemed necessary by a state authority for the construction and operation of a multipurpose

100 domed stadium and a successor facility to such multipurpose domed stadium including
101 but not limited to the study, operation, marketing, acquisition, construction, finance,
102 development, extension, enlargement, or improvement of land, waters, property, streets,
103 highways, buildings, structures, equipment, or facilities, and the repayment of any
104 obligation incurred by an authority in connection therewith.

105 (B) 'Obligation' means bonds, notes, or any instrument creating an obligation to pay
106 or reserve moneys ~~incurred prior to January 1, 1991~~, and having an initial term of not
107 more than 30 years.

108 (C) 'Multipurpose domed stadium facility' means a multipurpose domed stadium
109 facility and any associated parking areas or improvements originally owned or operated
110 incident to the ownership or operation of a facility used for convention and trade show
111 purposes by the state, a department or agency of the state, a state authority, or a
112 combination thereof."

113 SECTION 3.

114 Said Code section is further amended by adding a new subsection to read as follows:

115 "(b.1) As an alternative to the provisions of subsection (b) of this Code section, any county
116 (within the territorial limits of the special district located within the county) and any
117 municipality which is levying a tax under this Code section at the rate of 6 percent under
118 paragraph (3.4) or (4) of subsection (a) of this Code section shall be authorized to levy a
119 tax under this Code section at the rate of 7 percent in the manner provided in this
120 subsection. Both the county and municipality shall adopt a resolution which shall specify
121 that an amount equal to the total amount of taxes collected under such levy at a rate of 6
122 percent shall continue to be expended as it was expended pursuant to either paragraph (3.4)
123 or (4) of subsection (a) of this Code section, as applicable, and such resolution shall specify
124 the manner of expenditure of funds for an amount equal to the total amount of taxes
125 collected under such levy that exceeds the amount that would be collected at the rate of 6
126 percent for any tourism, convention, or trade show purposes, tourism product development
127 purposes, or any combination thereof. Each resolution shall be required to be ratified by
128 a local Act of the General Assembly. Only when both such local Acts have become law,
129 the governing authority of the county and municipality shall be authorized to levy an excise
130 tax pursuant to this subsection at the rate of 7 percent of the charge for the furnishing for
131 value to the public of any room or rooms, lodgings, or accommodations furnished by any
132 person or legal entity licensed by, or required to pay business or occupation taxes to, the
133 municipality for operating a hotel, motel, inn, lodge, tourist camp, tourist cabin,
134 campground, or any other place in which rooms, lodgings, or accommodations are
135 regularly or periodically furnished for value."

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SECTION 4.

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

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SECTION 5.

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