

House Bill 137

By: Representatives Bruce of the 64<sup>th</sup>, Fludd of the 66<sup>th</sup>, Beasley-Teague of the 65<sup>th</sup>, Heckstall of the 62<sup>nd</sup>, Long of the 61<sup>st</sup>, and others

A BILL TO BE ENTITLED

AN ACT

1 To amend Code Section 48-8-89.1 of the Official Code of Georgia Annotated, relating to  
2 distribution of local option sales tax proceeds after certification of additional qualified  
3 municipalities, so as to change provisions relating to distribution of tax proceeds; to make  
4 provisions for qualified district areas; to define terms; to provide for distribution certificates  
5 and distribution formulas; to provide for other related matters; to provide an effective date;  
6 to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 48-8-89.1 of the Official Code of Georgia Annotated, relating to distribution  
10 of local option sales tax proceeds after certification of additional qualified municipalities, is  
11 amended by revising subsection (f) as follows:

12 "(f)(1) As used in this subsection, the term:

13 (A) 'New qualified municipality' means a municipal corporation which has been  
14 chartered by local Act since the date of filing with the commissioner of the most  
15 recently filed certificate under Code Section 48-8-89 within a county which has a  
16 special district for the provision of local government services consisting of the  
17 unincorporated area of the county where the population of the unincorporated area of  
18 the county, after removal of the population of the new municipality from the  
19 unincorporated area, constitutes less than 20 percent of the population of the county  
20 according to the most recent decennial census.

21 (B) 'Newly expanded qualified municipality' means a municipal corporation which  
22 since the date of filing with the commissioner of the most recently filed certificate  
23 under Code Section 48-8-89 has increased its population by more than 15 percent  
24 through one or more annexations and is located in the same county as a new qualified  
25 municipality.

26 (C) 'Qualified district area' means a special district for the provision of local  
27 government services consisting of the remaining unincorporated area of the county

28 where the population of the unincorporated area of the county, after removal of the  
 29 population of a new municipality or newly expanded municipality from the  
 30 unincorporated area, constitutes less than 10 percent of the population of the county  
 31 according to the most recent decennial census.

32 (2) Notwithstanding any other provision of this Code section, if there exists within any  
 33 special district in which the tax authorized by this article is imposed a new qualified  
 34 municipality, ~~or a newly expanded qualified municipality or both,~~ or qualified district  
 35 area, or any combination thereof, such qualified municipality or municipalities or  
 36 qualified district area may request the commissioner to give notice of the qualified  
 37 municipality's or municipalities' or qualified district area's existence and status as a new  
 38 qualified municipality, ~~or newly expanded qualified municipality, or qualified district~~  
 39 area as provided in this subsection. Upon receipt of such a request, the commissioner  
 40 shall, unless he or she determines that the requesting entity is not a new qualified  
 41 municipality, ~~or newly expanded qualified municipality, or qualified district area,~~ within  
 42 30 days give written notice of the qualified municipality's or qualified district area's  
 43 existence and status to the county which is conterminous with the special district in which  
 44 the qualified municipality or qualified district area is located and to each other qualified  
 45 municipality within the special district. Such written notice shall include the name of the  
 46 new qualified municipality, ~~or newly expanded qualified municipality, or qualified~~  
 47 district area, the effective date of the notice, and a statement of the provisions of this  
 48 subsection.

49 (3) Within 60 days after the effective date of the notice referred to in paragraph (2) of  
 50 this subsection, a new distribution certificate shall be filed with the commissioner for the  
 51 special district. This distribution certificate shall address only the proceeds of the tax  
 52 available for distribution from the percentage allocated to the county in the current  
 53 distribution certificate and shall specify as a percentage of the total proceeds of the tax  
 54 what portion of the proceeds shall be received by the county in which the special district  
 55 is located and by the new qualified municipality, ~~and newly expanded qualified~~  
 56 municipality, or qualified district area, if any.

57 (4) Except as otherwise provided in this paragraph, a distribution certificate required by  
 58 this subsection must be executed by the governing authorities of the county within which  
 59 the special district is located, of each new qualified municipality located wholly or  
 60 partially within the special district, and of each newly expanded qualified municipality,  
 61 if any. Except as otherwise provided in this paragraph, a distribution certificate required  
 62 by this subsection must also be executed by the governing authority of the county within  
 63 which the special district is located and by the governing authority of the county on  
 64 behalf of the qualified district area, if any. If a new certificate is not filed within 60 days

65 as required by paragraph (3) of this subsection, the commissioner shall distribute the  
 66 proceeds of the tax available for distribution from the percentage allocated to the county  
 67 in the current distribution certificate such that:

68 (A) The new qualified municipality or qualified district area receives an allocation  
 69 equal on a per capita basis to the average per capita allocation to the other qualified  
 70 municipalities in the county (according to population), to be expended as provided in  
 71 paragraph (2) of subsection (a) of Code Section 48-8-89; and

72 (B) Any newly expanded qualified municipality or qualified district area receives a  
 73 total allocation of tax proceeds (including any amount previously allocated) equal on  
 74 a per capita basis to the average per capita allocation to the other qualified  
 75 municipalities in the county (according to population), to be expended as provided in  
 76 paragraph (2) of subsection (a) of Code Section 48-8-89.

77 Every other qualified municipality shall continue to receive the share provided by the  
 78 existing distribution certificate or otherwise provided by law. The county shall receive  
 79 the remaining proceeds of the tax, to be expended as provided in paragraph (2) of  
 80 subsection (a) of Code Section 48-8-89. For the purpose of determining the population  
 81 of qualified municipalities, only that portion of the population of each such municipality  
 82 which is located within the special district shall be computed. For the purpose of  
 83 determining the population of qualified district areas, only that portion of the population  
 84 of each such district area which is located within the special district shall be computed.  
 85 For the purpose of determining population under this Code section, all calculations of  
 86 population shall be according to the most recent decennial census, including the census  
 87 data from such census applicable to any annexed territory.

88 (5) The commissioner shall begin to distribute the proceeds as specified in the newly  
 89 filed certificate or, if such a certificate is not filed, as specified in paragraph (4) of this  
 90 subsection on the first day of the first month which begins more than 60 days after the  
 91 effective date of the notice referred to in paragraph (2) of this subsection. The  
 92 commissioner shall continue to distribute the proceeds of the tax according to the existing  
 93 certificate and the certificate applicable to the county and the new qualified municipality  
 94 or qualified district area or, if such a certificate is not filed, as specified in paragraph (4)  
 95 of this subsection until a subsequent certificate is filed and becomes effective as provided  
 96 in Code Section 48-8-89.

97 **SECTION 2.**

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

100

**SECTION 3.**

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