

House Bill 500

By: Representative Martin of the 47th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-2 of the Official Code of Georgia Annotated, relating to
2 definitions applicable to sales and use taxation, so as to remove the limitation of taxability
3 to local exchange telephone service and thereby provide for taxability of all telephone
4 service; to change definitions; to provide for related matters; to repeal conflicting laws; and
5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-8-2 of the Official Code of Georgia Annotated, relating to definitions
9 applicable to sales and use taxation, is amended by revising paragraph (4) as follows:

10 "(4) 'Gross sales' means the:

11 (A) Sum total of all retail sales of tangible personal property or services without any
12 deduction of any kind other than as provided in this article; or

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

18 ~~(ii)(I) If a telephone service is not subject to the tax levied by this chapter, and if~~
19 ~~the amount charged for such telephone service is aggregated with and not separately~~
20 ~~stated from the amount paid or charged for any service that is subject to such tax,~~
21 ~~then the nontaxable telephone service shall be treated as being subject to such tax~~
22 ~~unless the telephone service provider can reasonably identify the amount paid or~~
23 ~~charged for the telephone service not subject to such tax from its books and records~~
24 ~~kept in the regular course of business.~~

25 ~~(II) If a telephone service is not subject to the tax levied by this chapter, a customer~~
26 ~~may not rely upon the nontaxability of such telephone service unless the telephone~~

27 ~~service provider separately states the amount charged for such nontaxable telephone~~
28 ~~service or the telephone service provider elects, after receiving a written request~~
29 ~~from the customer in the form required by the provider, to provide verifiable data~~
30 ~~based upon the provider's books and records that are kept in the regular course of~~
31 ~~business that reasonably identifies the amount charged for such nontaxable~~
32 ~~telephone service."~~

33 **SECTION 2.**

34 Said Code section is further amended by revising division (6)(B)(i) as follows:

35 "(B)(i) Except as otherwise provided in division (ii) of this subparagraph, the sale of
36 natural or artificial gas, oil, electricity, solid fuel, transportation, ~~local~~ telephone
37 services, beverages, and tobacco products, when made to any purchaser for purposes
38 other than resale."

39 **SECTION 3.**

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