

House Resolution 341

By: Representatives Butler of the 18th and Nix of the 69th

A RESOLUTION

1 Proposing an amendment to the Constitution so as to authorize a board of education to levy
 2 a sales and use tax for educational maintenance and operation purposes of public schools
 3 with an equivalent millage rate reduction; to provide for procedures, conditions, and
 4 limitations; to provide for the submission of this amendment for ratification or rejection; and
 5 for other purposes.

6 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article VIII, Section VI of the Constitution is amended by adding a new Paragraph to read
 9 as follows:

10 "Paragraph V. *Sales tax for educational maintenance and operation purposes.* (a)(1)

11 The board of education of any county school district or any independent school district
 12 may by resolution impose and levy within that school district a sales and use tax for
 13 educational maintenance and operation purposes of such school district conditioned upon
 14 approval by a majority of the qualified voters residing within the limits of the school
 15 district voting in a referendum thereon.

16 (2) Such tax shall be at the rate of 1 percent. Except as otherwise provided for in this
 17 Paragraph, or any general law enacted pursuant to this Paragraph, such tax shall
 18 correspond to and be administered and collected by the state revenue commissioner for
 19 the use and benefit of the board of education in the same manner provided for and subject
 20 to the same provisions, procedures, and penalties with respect to the state sales and use
 21 tax.

22 (b) The purpose for which the proceeds of the tax are to be used and may be expended
 23 shall be solely for the purpose of reducing the millage rate against tangible property within
 24 the school district for educational maintenance and operation purposes. The millage rate
 25 for the school district shall be reduced for every taxable year beginning on or after
 26 January 1 of the year following approval of the referendum by a millage rate which, if
 27 levied against property taxable for educational purposes within the school district, would

28 produce an amount of revenue equal to the proceeds of the local sales and use tax received
29 by such school district pursuant to this Paragraph in the immediately preceding taxable
30 year.

31 (c) Such tax shall continue until the board of education of the county school district or
32 the independent school district by resolution calls for the termination of such levy within
33 that school district conditioned upon approval by a majority of the qualified voters residing
34 within the limits of the school district voting in a referendum thereon.

35 (d)(1) Nothing in this Paragraph shall prohibit a county and those municipalities
36 located in such county from imposing as additional taxes local sales and use taxes
37 authorized by general law.

38 (2) Nothing in this Paragraph shall prohibit a board of education from levying a sales
39 tax for educational purposes in accordance with Paragraph IV of this section.

40 (e) The tax imposed pursuant to this Paragraph shall not be subject to and shall not count
41 with respect to any general law limitation regarding the maximum amount of local sales
42 and use taxes which may be levied in any jurisdiction in this state.

43 (f) The tax imposed pursuant to this Paragraph shall not be subject to any sales and use
44 tax exemption with respect to the sale or use of food and beverages which is imposed by
45 law.

46 (g) Excess proceeds of the tax which remain following expenditure of proceeds for
47 authorized purposes under subparagraph (b) of this Paragraph shall be used solely for the
48 purpose of reducing any indebtedness of the school system. For purposes of this
49 subparagraph, excess proceeds shall also be deemed to include any interest earned with
50 respect to the proceeds of the tax.

51 (h) The tax authorized by this Paragraph may be imposed, levied, and collected as
52 provided in this Paragraph without further action by the General Assembly, but the General
53 Assembly shall be authorized by general law to further define and implement its
54 provisions.

55 (i)(1) Notwithstanding any provision of any constitutional amendment continued in
56 force and effect pursuant to Article XI, Section I, Paragraph IV(a) and except as
57 otherwise provided in subparagraph (i)(2) of this Paragraph, any political subdivision
58 whose ad valorem taxing powers are restricted pursuant to such a constitutional
59 amendment may receive the proceeds of the tax authorized under this Paragraph or of any
60 local sales and use tax authorized by general law, or any combination of such taxes,
61 without any corresponding limitation of its ad valorem taxing powers which would
62 otherwise be required under such constitutional amendment.

63 (2) The restriction on and limitation of ad valorem taxing powers described in
64 subparagraph (i)(1) of this Paragraph shall remain applicable with respect to proceeds

65 received from the levy of a local sales and use tax specifically authorized by a
 66 constitutional amendment in force and effect pursuant to Article XI, Section I, Paragraph
 67 IV(a), as opposed to a local sales and use tax authorized by this Paragraph or by general
 68 law.

69 (j) A board of education of a county or independent school system which is directly
 70 authorized by any constitutional amendment continued in force and effect pursuant to
 71 Article XI, Section I, Paragraph IV(a) to:

72 (1) Impose, levy, and collect a sales and use tax for educational purposes; or

73 (2) Allocate to educational purposes the proceeds of any local sales and use tax
 74 shall not be eligible to impose, levy, and collect a sales and use tax pursuant to this
 75 Paragraph unless such constitutional amendment is repealed."

76 **SECTION 2.**

77 The above proposed amendment to the Constitution shall be published and submitted as
 78 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the
 79 above proposed amendment shall have written or printed thereon the following:

80 "() YES Shall the Constitution of Georgia be amended so as to authorize a board of
 81 education to levy a sales and use tax for educational maintenance and
 82 () NO operation purposes of public schools with an equivalent millage rate
 83 reduction and to provide for procedures, conditions, and limitations?"

84 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."
 85 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If
 86 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall
 87 become a part of the Constitution of this state.