

The Senate Finance Committee offered the following substitute to HB 480:

A BILL TO BE ENTITLED
AN ACT

1 To amend Titles 40 and 48 of the Official Code of Georgia Annotated, relating, respectively,
2 to motor vehicles and revenue and taxation, so as to provide for the comprehensive revision
3 of taxation of motor vehicles; to change certain provisions regarding tag agents; to provide
4 for state and local title fees; to provide for continuation of tag, revalidation, and registration
5 fees; to provide for distribution of such state and local title fees; to exclude certain vehicles
6 from certain fees; to change certain provisions regarding classification of motor vehicles as
7 a separate class of property for ad valorem tax purposes; to provide for an additional
8 classification exempt from such taxation; to provide for an exemption from sales and use
9 taxes only with respect to certain sales or purchases of certain motor vehicles; to provide for
10 related matters; to provide for certain reports; to provide for the intent of the General
11 Assembly with regard to the allocation of certain funds received from state title fees and for
12 funding the Georgia Trauma Trust Fund; to provide for related matters; to provide for
13 effective dates; to provide for automatic repeal of certain provisions and reenactment of prior
14 provisions; to repeal conflicting laws; and for other purposes.

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

PART I
SECTION 1-1.

18 Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles, is amended
19 by revising Code Section 40-2-23, relating to county tax collectors and county tax
20 commissioners designation as tax agents, as follows:

21 "40-2-23.

22 (a) The tax collectors of the various counties of this state and the tax commissioners of
23 those counties in which the duties of the tax collector are performed by a tax commissioner
24 shall be designated as tag agents of the commissioner for the purpose of accepting
25 applications for the registration of vehicles. The commissioner is authorized to promulgate

26 rules and regulations for the purpose of delegating to such tag agents the custodial
 27 responsibility for properly receiving, processing, issuing, and storing motor vehicle titles
 28 or registrations, or both.

29 ~~(b) The state revenue commissioner is authorized to further designate each such tag agent
 30 as a sales tax agent for the purpose of collecting sales and use tax with respect to the casual
 31 sale or casual use of a motor vehicle. For purposes of this Code section, 'casual sale' or
 32 'casual use' means the sale of a motor vehicle by a person who is not regularly or
 33 systematically engaged in making retail sales of motor vehicles and the first use,
 34 consumption, distribution, or storage for use or consumption of such motor vehicle
 35 purchased through a casual sale. As personal compensation for services rendered to the
 36 Department of Revenue with respect to the collection of such sales and use tax, each such
 37 designated tag agent shall be authorized to retain from such collection a fee of \$200.00 per
 38 month. In any month in which an insufficient amount of such tax is collected to pay such
 39 fee, the amount of any such unpaid fee may be deferred until such month as sufficient
 40 collections are made. Such compensation shall be in addition to any other compensation
 41 to which such tax collector or tax commissioner is entitled.~~

42 ~~(c)(b)~~ The duties and responsibilities of agents of the commissioner designated under this
 43 Code section shall be a part of the official duties and responsibilities of the county tax
 44 collectors and tax commissioners."

45 SECTION 1-2.

46 Said title is further amended by adding a new Code section to read as follows:

47 "40-2-25.1.

48 (a) As used in this Code section, the term 'immediate family member' means spouse,
 49 parent, children, or sibling.

50 (b)(1) Except as otherwise provided in this subsection, any motor vehicle for which a
 51 title is issued in this state on or after January 1, 2010, shall be exempt from sales tax to
 52 the extent provided under paragraph (87) of Code Section 48-8-3 and shall not be subject
 53 to ad valorem tax as otherwise required under Chapter 5 of Title 48. Any such motor
 54 vehicle shall be titled as otherwise required under this title but shall be subject to:

55 (A) A state title fee in the amount equal to the lesser of \$720.00 or 3.36 percent of the
 56 fair market value of such vehicle. For purposes of this subparagraph, the fair market
 57 value of a motor vehicle shall be determined as follows:

58 (i) The average of the current fair market value and the current wholesale value of a
 59 motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment
 60 manual utilized by the state revenue commissioner in determining taxable value of a
 61 motor vehicle under Code Section 48-5-442;

62 (ii) For a used or preowned motor vehicle which is not so listed in such current motor
63 vehicle ad valorem assessment manual, the fair market value determined by the state
64 revenue commissioner shall be the value from the bill of sale or the value from a
65 reputable used car market guide, whichever is greater; or

66 (iii) The fair market value determined from the bill of sale of a new motor vehicle
67 less any rebate and before any reduction for the trade-in value of another motor
68 vehicle; and

69 (B) A local title fee in the amount equal to the lesser of \$780.00 or 3.64 percent of the
70 fair market value of such vehicle. For purposes of this subparagraph, the fair market
71 value of a motor vehicle shall be determined as follows:

72 (i) The average of the current fair market value and the current wholesale value of a
73 motor vehicle for a vehicle listed in the current motor vehicle ad valorem assessment
74 manual utilized by the state revenue commissioner in determining taxable value of a
75 motor vehicle under Code Section 48-5-442;

76 (ii) For a used or preowned motor vehicle which is not so listed in such current motor
77 vehicle ad valorem assessment manual, the fair market value determined by the state
78 revenue commissioner shall be the value from the bill of sale or the value from a
79 reputable used car market guide, whichever is greater; or

80 (iii) The fair market value determined from the bill of sale of a new motor vehicle
81 less any rebate and before any reduction for the trade-in value of another motor
82 vehicle.

83 (C) The tag agent may collect a fee in an amount not to exceed \$10.00 per title for each
84 new title which is applied for by any new or used car dealer who titles a motor vehicle
85 in a county other than the county in which the purchaser registers such motor vehicle.
86 Such fee shall be retained by the tag agent to cover the cost of administrative processing
87 of the title.

88 (D) There shall be a penalty imposed on any person who, in the determination of the
89 state revenue commissioner, falsifies any information in any bill of sale used for
90 purposes of determining fair market value. Such penalty shall be in an amount not to
91 exceed \$2,500.00 as a state penalty and in an amount not to exceed \$2,500.00 as a local
92 penalty as determined by the state revenue commissioner. Such determination shall be
93 made within 60 days of the state revenue commissioner receiving information of a
94 possible violation of this paragraph.

95 (2) A person or entity acquiring a salvage title pursuant to subsection (b) of Code
96 Section 40-3-36 shall not be subject to the fee specified in paragraph (1) of this
97 subsection but shall be subject to a state title fee in the amount of \$10.00 and a local title
98 fee in the amount of \$10.00.

99 (3)(A) Upon the death of an owner of a motor vehicle which has not become subject
100 to paragraph (1) of this subsection, the immediate family member or immediate family
101 members of such owner who receive such motor vehicle pursuant to a will or under the
102 rules of inheritance shall, subsequent to the transfer of title of such motor vehicle,
103 continue to be subject to ad valorem tax and shall not be subject to the state and local
104 title fees provided for in paragraph (1) of this subsection unless the immediate family
105 member or immediate family members make an affirmative written election to become
106 subject to paragraph (1) of this subsection. In the event of such election, such transfer
107 shall be subject to the state and local title fees provided for in paragraph (1) of this
108 subsection.

109 (B) Upon the death of an owner of a motor vehicle which has become subject to
110 paragraph (1) of this subsection, the immediate family member or immediate family
111 members of such owner who receive such motor vehicle pursuant to a will or under the
112 rules of inheritance shall be allowed a one-time exemption from state and local titles
113 fee upon payment in lieu thereof of a \$25.00 state administrative fee and a \$25.00 local
114 administrative fee.

115 (4)(A) Upon the transfer from an immediate family member of a motor vehicle which
116 has not become subject to paragraph (1) of this subsection, the immediate family
117 member or immediate family members who receive such motor vehicle shall,
118 subsequent to the transfer of title of such motor vehicle, continue to be subject to ad
119 valorem tax and shall not be subject to the state and local title fees provided for in
120 paragraph (1) of this subsection unless the immediate family member or immediate
121 family members make an affirmative written election to become subject to paragraph
122 (1) of this subsection. In the event of such election, such transfer shall be subject to the
123 state and local title fees provided for in paragraph (1) of this subsection.

124 (B) Upon the transfer from an immediate family member of a motor vehicle which has
125 become subject to paragraph (1) of this subsection, the immediate family member who
126 receives such motor vehicle shall transfer title of such motor vehicle to such recipient
127 family member and shall be allowed a one-time exemption from state and local titles
128 fee upon payment in lieu thereof of a \$25.00 state administrative fee and a \$25.00 local
129 administrative fee.

130 (C) Any title transfer under this paragraph shall be accompanied by an affidavit of the
131 transferor and transferee that such persons are immediate family members to one
132 another. There shall be a penalty imposed on any person who, in the determination of
133 the state revenue commissioner, falsifies any material information in such affidavit.
134 Such penalty shall be in an amount not to exceed \$2,500.00 as a state penalty and in an
135 amount not to exceed \$2,500.00 as a local penalty as determined by the state revenue

136 commissioner. Such determination shall be made within 60 days of the state revenue
137 commissioner receiving information of a possible violation of this paragraph.

138 (5) Any individual who:

139 (A) Is required by law to register a motor vehicle or motor vehicles in this state which
140 were registered in the state in which such person formerly resided; and

141 (B) Is required to file an application for a certificate of title under Code
142 Section 40-3-21 or 40-3-32

143 shall only be required to pay state and local title fees in the amount of 50 percent of the
144 amount which would otherwise be due and payable under this subsection at the time of
145 filing the application for a certificate of title, and the remaining 50 percent shall be paid
146 within 12 months.

147 (6) The state and local title fees provided for under this Code section shall not apply to
148 corrected titles, replacement titles under Code Section 40-3-31, or titles reissued to the
149 same owner which reflect satisfaction of liens.

150 (7) Any motor vehicle subject to state and local title fees under this subsection shall
151 continue to be subject to the title, tag, revalidation decal, and registration requirements
152 and applicable fees as otherwise provided in this title in the same manner as motor
153 vehicles which are not subject to state and local title fees under this subsection.

154 (8) Motor vehicles owned or leased by or to the state or any county, consolidated
155 government, municipality, county or independent school district, or other government
156 entity in this state shall not be subject to the state and local title fees provided for under
157 this subsection; provided, however, that such other government entity shall not qualify
158 for the exclusion under this paragraph unless it is exempt from ad valorem tax and sales
159 and use tax pursuant to general law.

160 (9)(A) Any motor vehicle which is exempt from sales and use tax pursuant to
161 paragraph (30) of Code Section 48-8-3 shall be exempt from state and local title fees
162 under this subsection.

163 (B) Any motor vehicle which is exempt from ad valorem taxation pursuant to Code
164 Section 48-5-478, 48-5-478.1, or 48-5-478.2 shall be exempt from state and local title
165 fees under this subsection.

166 (10) There shall be a penalty imposed on the transfer of all or any part of the interest in
167 a business entity, which interest includes primarily as an asset of such business entity one
168 or more motor vehicles, when, in the determination of the state revenue commissioner,
169 such transfer is done to evade the payment of state and local title fees under this
170 subsection. Such penalty shall be in an amount not to exceed \$2,500.00 as a state penalty
171 per motor vehicle and in an amount not to exceed \$2,500.00 as a local penalty per motor
172 vehicle, as determined by the state revenue commissioner, plus the amount of the state

173 and local title fees. Such determination shall be made within 60 days of the state revenue
174 commissioner receiving information that a transfer may be in violation of this paragraph.
175 (11) Any owner of any motor vehicle who fails to submit within 30 days of the date such
176 owner is required by law to register such vehicle in this state an application for a first
177 certificate of title under Code Section 40-3-21 or a certificate of title under Code
178 Section 40-3-32 shall be required to pay a penalty in the amount of 10 percent of the state
179 title fees and 10 percent of the local title fees required under this Code section, plus
180 interest at the rate of 1.0 percent per month, unless a temporary permit has been issued
181 by the tax commissioner. In the event the failure to timely apply for a first certificate of
182 title is due to the failure of a lienholder to comply with Code Section 40-3-56, regarding
183 release of a security interest or lien, the tax commissioner shall grant a temporary permit,
184 and no penalty or interest shall be assessed. Such penalty and interest shall be in addition
185 to the penalty and fee required under Code Section 40-3-21 or 40-3-32, as applicable. A
186 new or used motor vehicle dealer shall be responsible for remitting state and local title
187 fees in the same manner as otherwise required of an owner under this paragraph and shall
188 be subject to the same penalties and interest as an owner for noncompliance with the
189 requirements of this paragraph.

190 (12) The owner of any motor vehicle purchased in this state for which a title was issued
191 in this state on or after January 1, 2009, and prior to January 1, 2010, shall be authorized
192 to opt in to the provisions of this subsection at any time prior to January 1, 2011, upon
193 compliance with the following requirements:

194 (A) The total amount of state and local title fees which would be due in 2010 if such
195 vehicle had been titled in 2010 shall be determined;

196 (B) The total amount of state and local sales and use tax and state and local ad valorem
197 tax which were due and paid in 2009 with respect to that motor vehicle and, if
198 applicable, the total amount of such taxes which were due and paid with respect to that
199 motor vehicle in 2010 shall be determined;

200 (C) If the amount derived under subparagraph (A) of this paragraph is greater than the
201 amount derived under subparagraph (B) of this paragraph, the owner shall remit the
202 difference to the tag agent. Such remittance shall be deemed local title fee proceeds;
203 or

204 (D) If the amount derived under subparagraph (A) of this paragraph is less than the
205 amount derived under subparagraph (B) of this paragraph, no additional amount shall
206 be due and payable by the owner.

207 Upon certification of compliance by the tag agent with the requirements of this
208 paragraph, such motor vehicle shall be exempt from sales tax to the extent provided for
209 under paragraph (87) of Code Section 48-8-3 and shall not be subject to ad valorem tax

210 as otherwise required under Chapter 5 of Title 48 in the same manner as otherwise
211 provided in paragraph (1) of this subsection.

212 (13)(A) As used in this paragraph, the term:

213 (i) 'Rental charge' means the total value received by a rental motor vehicle concern
214 for the rental for 31 or fewer consecutive days of a rental motor vehicle, including the
215 total cash and nonmonetary consideration for the rental, including, but not limited to,
216 charges based on time or mileage and charges for insurance coverage or collision
217 damage waiver, but excluding all charges for motor fuel taxes or sales taxes.

218 (ii) 'Rental motor vehicle' means a motor vehicle designed to carry ten or fewer
219 passengers and used primarily for the transportation of persons that is rented without
220 a driver.

221 (B) In the case of a fleet of 50 or fewer rental motor vehicles, the state title fee shall
222 be in the amount of \$100.00 per motor vehicle, and the local title fee shall be in the
223 amount of \$150.00 per motor vehicle, but only if in the immediately prior calendar
224 year, the average amount of sales and use tax attributable to the rental charge of each
225 rental motor vehicle in such fleet was at least \$300.00 as certified by the state revenue
226 commissioner.

227 (C) In the case of a fleet of more than 50 rental motor vehicles, the state title fee shall
228 be in the amount of \$140.00 per motor vehicle, and the local title fee shall be in the
229 amount of \$210.00 per motor vehicle, but only if in the immediately prior calendar
230 year, the average amount of sales and use tax attributable to the rental charge of each
231 rental motor vehicle in such fleet was at least \$400.00 as certified by the state revenue
232 commissioner.

233 (14)(A) As used in this paragraph, the term 'loaner vehicle' means a motor vehicle
234 owned by a dealer which is withdrawn temporarily from dealer inventory for exclusive
235 use as a courtesy vehicle loaned at no charge for a period not to exceed 30 days within
236 a calendar year to any one customer whose motor vehicle is being serviced by such
237 dealer.

238 (B) A loaner vehicle shall be exempt from state and local title fees under this
239 subsection for a period of time not to exceed six months in a calendar year commencing
240 on the date such loaner vehicle is withdrawn temporarily from inventory. Immediately
241 upon the expiration of such six-month period, if the dealer does not return the loaner
242 vehicle to inventory for resale, the dealer shall be responsible for remitting state and
243 local title fees in the same manner as otherwise required of an owner under paragraph
244 (11) of this subsection and shall be subject to the same penalties and interest as an
245 owner for noncompliance with the requirements of paragraph (11) of this subsection.

246 (c)(1) The amount of proceeds collected by tag agents each month as state and local title
247 fees, state and local salvage title fees, administrative fees, penalties, and interest pursuant
248 to subsection (b) of this Code section shall be allocated and disbursed as provided in this
249 subsection.

250 (2)(A) For the 2010 tax year and in each subsequent tax year, the amount of such funds
251 shall be disbursed within 30 days following the end of each calendar month as follows:

252 (i) State title fees, state salvage title fees, administrative fees, penalties, and interest
253 shall be remitted to the state revenue commissioner who shall deposit such proceeds
254 in the general fund of the state; and

255 (ii) Local title fees, local salvage title fees, administrative fees, penalties, and interest
256 shall be designated as local government funds and shall be disbursed based upon the
257 address of the owner indicated upon the title by the tag agent of the county. The tag
258 agent shall then distribute the proceeds as specified in paragraph (3) of this
259 subsection.

260 (B) For the 2011 tax year and in each subsequent tax year:

261 (i) The dollar amount specified in subparagraph (b)(1)(A) of this Code section shall
262 decrease annually by \$30.00, and the percentage figure specified in subparagraph
263 (b)(1)(A) of this Code section shall decrease annually by .14 of 1 percent until the
264 state title fee shall be in an amount equal to the lesser of \$600.00 or 2.8 percent of the
265 fair market value of such vehicle. For purposes of this division, the fair market value
266 of a motor vehicle shall be determined as follows:

267 (I) The average of the current fair market value and the current wholesale value of
268 a motor vehicle for a vehicle listed in the current motor vehicle ad valorem
269 assessment manual utilized by the state revenue commissioner in determining
270 taxable value of a motor vehicle under Code Section 48-5-442;

271 (II) The fair market value determined by the state revenue commissioner from the
272 bill of sale or from a reputable used car market guide in the same manner as for a
273 used or preowned motor vehicle which is not so listed in such current motor vehicle
274 ad valorem assessment manual; or

275 (III) The fair market value determined by the state revenue commissioner from the
276 bill of sale of a new motor vehicle less any rebate and before any reduction for the
277 trade-in value of another motor vehicle; and

278 (ii) The dollar amount specified in subparagraph (b)(1)(B) of this Code section shall
279 increase annually by \$30.00, and the percentage figure specified in
280 subparagraph (b)(1)(B) of this Code section shall increase annually by .14 of 1
281 percent until the local title fee shall be in an amount equal to the lesser of \$900.00 or

282 4.2 percent of the fair market value of such vehicle. For purposes of this division, the
 283 fair market value of a motor vehicle shall be determined as follows:

284 (I) The average of the current fair market value and the current wholesale value of
 285 a motor vehicle for a vehicle listed in the current motor vehicle ad valorem
 286 assessment manual utilized by the state revenue commissioner in determining
 287 taxable value of a motor vehicle under Code Section 48-5-442;

288 (II) The fair market value determined by the state revenue commissioner from the
 289 bill of sale or from a reputable used car market guide in the same manner as for a
 290 used or preowned motor vehicle which is not so listed in such current motor vehicle
 291 ad valorem assessment manual; or

292 (III) The fair market value determined by the state revenue commissioner from the
 293 bill of sale of a new motor vehicle less any rebate and before any reduction for the
 294 trade-in value of another motor vehicle.

295 (3) The distribution of local title fee proceeds required under this subsection shall be in
 296 accordance with the following:

297 (A) The tag agent of the county shall within 30 days following the end of each calendar
 298 month allocate and distribute to the county governing authority and to municipal
 299 governing authorities, the board of education of the county school district, and the
 300 board of education of any independent school district located in such county a
 301 proportionate amount of those proceeds which represents the amount of ad valorem
 302 taxes on motor vehicles which would have been due to each such entity; and

303 (B) Of the proceeds remaining following the allocation and distribution under
 304 subparagraph (A) of this paragraph, the tag agent shall allocate and distribute to the
 305 county governing authority and to municipal governing authorities, the board of
 306 education of the county school district, and the board of education of any independent
 307 school district located in such county the remaining amount of those proceeds in the
 308 manner provided in this subparagraph. Of such remaining proceeds:

309 (i) An amount equal to one-third of such proceeds shall be distributed to the board
 310 of education of the county school district and the board of education of each
 311 independent school district located in such county in the same manner as required for
 312 any local sales tax for educational purposes levied pursuant to Part 2 of Article 3 of
 313 Chapter 8 of Title 48 currently in effect. If such tax is not currently in effect, such
 314 proceeds shall be distributed to such board or boards of education in the same manner
 315 as if such tax were in effect;

316 (ii)(I) Except as otherwise provided in this division, an amount equal to one-third
 317 of such proceeds shall be distributed to the governing authority of the county and
 318 the governing authority of each qualified municipality located in such county in the

319 same manner as specified under the distribution certificate for the joint county and
320 municipal sales and use tax under Article 2 of Chapter 8 of Title 48 currently in
321 effect.

322 (II) If such tax were never in effect, such proceeds shall be distributed to the
323 governing authority of the county and the governing authority of each qualified
324 municipality located in such county on a pro rata basis according to the ratio of the
325 population that each such municipality bears to the population of the entire county.

326 (III) If such tax is currently in effect as well as a local option sales and use tax for
327 educational purposes levied pursuant to a local constitutional amendment, an
328 amount equal to one-third of such proceeds shall be distributed in the same manner
329 as required under subdivision (I) of division (ii) of this subparagraph and an amount
330 equal to one-third of such proceeds shall be distributed to the board of education of
331 the county school district.

332 (IV) If such tax is not currently in effect and a local option sales and use tax for
333 educational purposes levied pursuant to a local constitutional amendment is
334 currently in effect, such proceeds shall be distributed to the board of education of
335 the county school district and the board of education of any independent school
336 district in the same manner as required under that local constitutional amendment.

337 (V) If such tax is not currently in effect and a homestead option sales and use tax
338 under Article 2A of Chapter 8 of Title 48 is in effect, such proceeds shall be
339 distributed to the governing authority of the county, each qualified municipality, and
340 each existing municipality in the same proportion as otherwise required under Code
341 Section 48-8-104; and

342 (iii)(I) An amount equal to one-third of such proceeds shall be distributed to the
343 governing authority of the county and the governing authority of each qualified
344 municipality located in such county in the same manner as specified under an
345 intergovernmental agreement or as otherwise required under the county special
346 purpose local option sales and use tax under Part 1 of Article 3 of Chapter 8 of
347 Title 48 currently in effect; provided, however, that this subdivision shall not apply
348 if subdivision (III) of division (ii) of this subparagraph is applicable.

349 (II) If such tax were in effect but expired and is not currently in effect, such
350 proceeds shall be distributed to the governing authority of the county and the
351 governing authority of each qualified municipality located in such county in the
352 same manner as if such tax were still in effect according to the intergovernmental
353 agreement or as otherwise required under the county special purpose local sales and
354 use tax under Part 1 of Article 3 of Chapter 8 of Title 48 for the 12 month period
355 commencing at the expiration of such tax. If such tax is not renewed prior to the

356 expiration of such 12 month period, such amount shall be distributed in accordance
 357 with subdivision (I) of division (ii) of this subparagraph; provided, however, that if
 358 a tax under Article 2 of Chapter 8 of Title 48 is not in effect, such amount shall be
 359 distributed in accordance with subdivision (II) of division (ii) of this subparagraph.
 360 (III) If such tax is not currently in effect in a county in which a tax is levied for
 361 purposes of a metropolitan area system of public transportation, as authorized by the
 362 amendment to the Constitution set out at Georgia Laws 1964, page 1008; the
 363 continuation of such amendment under Article XI, Section I, Paragraph IV(d) of the
 364 Constitution; and the laws enacted pursuant to such constitutional amendment, such
 365 proceeds shall be distributed to the governing body of the authority created by local
 366 Act to operate such metropolitan area system of public transportation.

367 (IV) If such tax were never in effect, such proceeds shall be distributed in the same
 368 manner as specified under the distribution certificate for the joint county and
 369 municipal sales and use tax under Article 2 of Chapter 8 of Title 48 currently in
 370 effect; provided, however, that if such tax under said Article 2 is not in effect such
 371 proceeds shall be distributed to the governing authority of the county and the
 372 governing authority of each qualified municipality located in such county on a pro
 373 rata basis according to the ratio of the population that each such municipality bears
 374 to the population of the entire county.

375 (d) The fair market value of any motor vehicle subject to this Code section shall be
 376 appealable in the same manner as otherwise authorized for a motor vehicle subject to ad
 377 valorem taxation under Chapter 5 of Title 48.

378 (e)(1) As soon as practicable after the end of each fiscal year, the Office of Treasury and
 379 Fiscal Services shall report to the General Assembly, the Office of Planning and Budget,
 380 and the Georgia Trauma Care Network Commission the amount of funds remitted to the
 381 state for deposit in the general fund pursuant to this Code section from state title fees.

382 (2) It is the intent of the General Assembly that such funds be allocated as follows:

383 (A) For each fiscal year, an amount equal to 105 percent of the amount of state sales
 384 and use taxes received by the state on the sale of motor vehicles in 2009 shall be used
 385 for general appropriations;

386 (B) Subject to appropriation, an amount of those funds in excess of the amount
 387 provided in subparagraph (A) of this paragraph, if any, not to exceed the greater of
 388 \$150 million or an amount equal to the aggregate of \$50.00 for each title for which a
 389 state title fee was collected under subsection (b) of this Code section in the immediately
 390 preceding fiscal year, shall be made available during the following fiscal year to the
 391 Georgia Trauma Trust Fund for use of the Georgia Trauma Care Network Commission
 392 for the purposes set forth in Code Section 31-11-102; and

393 (C) For each fiscal year, all funds in excess of the amounts provided in subparagraphs
 394 (A) and (B) of this paragraph, if any, shall be used for general appropriations."

395 **SECTION 1-3.**

396 Title 48 of Official Code of Georgia Annotated, relating to revenue and taxation, is amended
 397 by revising Code Section 48-5-441, relating to classification of motor vehicles and mobile
 398 homes as separate classes of tangible property for ad valorem tax purposes, as follows:

399 "48-5-441.

400 (a)(1) For the purposes of ad valorem taxation, motor vehicles ~~are~~ shall be classified as
 401 a separate and distinct class of tangible property. Such class of tangible property shall
 402 be divided into two distinct and separate subclasses of tangible property with one
 403 subclass including heavy-duty equipment motor vehicles as defined in Code
 404 Section 48-5-505 and the other subclass including all other motor vehicles. The
 405 procedures prescribed by this article for returning motor vehicles, excluding heavy-duty
 406 equipment motor vehicles as defined in Code Section 48-5-505, for taxation, determining
 407 the applicable rates for taxation, and collecting the ad valorem tax imposed on motor
 408 vehicles shall be exclusive.

409 (2) This subsection shall not apply to motor vehicles subject to Code Section 48-5-441.1.

410 (b) For the purposes of ad valorem taxation, mobile homes ~~are~~ shall be classified as a
 411 separate and distinct class of tangible property. The procedures prescribed by this article
 412 for returning mobile homes for taxation, determining the applicable rates for taxation, and
 413 collecting the ad valorem tax imposed on mobile homes shall be exclusive.

414 (c)(1) For the purposes of ad valorem taxation, commercial vehicles ~~are~~ shall be
 415 classified as a separate and distinct class of tangible property. The procedures prescribed
 416 by this article for returning commercial vehicles for taxation and for determining the
 417 valuation of commercial vehicles shall be exclusive and as provided for in Code
 418 Section 48-5-442.1. All other procedures prescribed by this article for the taxation of
 419 motor vehicles shall be applicable to the taxation of commercial vehicles.

420 (2) This subsection shall not apply to motor vehicles subject to Code
 421 Section 48-5-441.1."

422 **SECTION 1-4.**

423 Said title is further amended by adding a new Code section to read as follows:

424 "48-5-441.1.

425 Motor vehicles subject to the provisions of Code Section 40-2-25.1 shall be classified as
 426 a separate and distinct class of tangible property and shall be exempt from all ad valorem
 427 taxation."

428

SECTION 1-5.

429

Said title is further amended in Code Section 48-8-3, relating to exemptions from sales and use tax, by replacing "; or" with a semicolon at the end of paragraph (85), replacing the period at the end of paragraph (86) with "; or", and by adding a new paragraph to read as follows:

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"(87) The sale or purchase of any motor vehicle titled in this state on or after January 1, 2010, pursuant to Code Section 40-2-25.1."

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435

PART II

436

SECTION 2-1.

437

Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles, is amended by repealing in its entirety Code Section 40-2-25.1, relating to motor vehicle title fees and trauma funding.

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439

440

SECTION 2-2.

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Title 48 of Official Code of Georgia Annotated, relating to revenue and taxation, is amended by revising Code Section 48-5-441, relating to classification of motor vehicles and mobile homes as separate classes of tangible property for ad valorem tax purposes, as follows:

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"48-5-441.

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(a)(~~1~~) For the purposes of ad valorem taxation, motor vehicles ~~shall be~~ are classified as a separate and distinct class of tangible property. Such class of tangible property shall be divided into two distinct and separate subclasses of tangible property with one subclass including heavy-duty equipment motor vehicles as defined in Code Section 48-5-505 and the other subclass including all other motor vehicles. The procedures prescribed by this article for returning motor vehicles, excluding heavy-duty equipment motor vehicles as defined in Code Section 48-5-505, for taxation, determining the applicable rates for taxation, and collecting the ad valorem tax imposed on motor vehicles shall be exclusive.

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~~(2) This subsection shall not apply to motor vehicles subject to Code Section 48-5-441.1.~~

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(b) For the purposes of ad valorem taxation, mobile homes ~~shall be~~ are classified as a separate and distinct class of tangible property. The procedures prescribed by this article for returning mobile homes for taxation, determining the applicable rates for taxation, and collecting the ad valorem tax imposed on mobile homes shall be exclusive.

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(c)(~~1~~) For the purposes of ad valorem taxation, commercial vehicles ~~shall be~~ are classified as a separate and distinct class of tangible property. The procedures prescribed by this article for returning commercial vehicles for taxation and for determining the

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462 valuation of commercial vehicles shall be exclusive and as provided for in Code Section
463 48-5-442.1. All other procedures prescribed by this article for the taxation of motor
464 vehicles shall be applicable to the taxation of commercial vehicles.

465 ~~(2) This subsection shall not apply to motor vehicles subject to Code Section 48-5-441.1.~~

466 (d) In the event a motor vehicle subject to the provisions of Code Section 40-2-25.1 as it
467 existed immediately prior to January 1, 2015, was exempt from ad valorem taxation prior
468 to January 1, 2015, such motor vehicle shall continue to be exempt from all ad valorem
469 taxation until such motor vehicle is transferred to another owner."

470 **SECTION 2-3.**

471 Said title is further amended by repealing in its entirety Code Section 48-5-441.1, relating
472 to classification of motor vehicles subject to Code Section 40-2-25.1 as a separate class of
473 property.

474 **SECTION 2-4.**

475 Said title is further amended in Code Section 48-8-3, relating to exemptions from sales and
476 use tax, by repealing and reserving paragraph (87).

477 **PART III**

478 **SECTION 3-1.**

479 (a) Part 1 of this Act and this part shall become effective on January 1, 2010.

480 (b) Part 2 of this Act shall become effective at the last moment of December 31, 2014.

481 **SECTION 3-2.**

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