

House Bill 931

By: Representative Sims of the 169th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,
2 relating to state sales and use tax, so as to repeal the exemption with respect to lottery tickets
3 for state sales and use tax; to create the education trust fund and provide for the dedication
4 and expenditure of such trust funds; to provide for a contingent effective date; to provide for
5 automatic repeal of certain provisions under certain circumstances; to repeal conflicting laws;
6 and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to state
10 sales and use tax, is amended by revising paragraph (55) of Code Section 48-8-3, relating to
11 exemptions from sales and use tax, as follows:

12 "(55)(A) The sale of lottery tickets authorized by Chapter 27 of Title 50.

13 (B) For the purposes of this paragraph, the term 'local sales and use tax' shall mean any
14 sales tax, use tax, or local sales and use tax which is levied and imposed in an area
15 consisting of less than the entire state, however authorized, including, but not limited
16 to, such taxes authorized by or pursuant to constitutional amendment; by or pursuant
17 to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended,
18 the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; and by or pursuant to
19 Article 2, 2A, 3, or 4 of this chapter.

20 (C) The exemption provided for in subparagraph (A) of this paragraph shall not apply
21 to state sales and use tax and shall apply to any local sales and use tax levied or
22 imposed at any time.

23 (D) The commissioner shall calculate annually an amount equal to the revenue
24 attributable to state sales and use taxation of such lottery tickets, and such amount shall
25 be deposited in the education trust fund under Code Section 48-8-19;"

26 **SECTION 2.**

27 Said article is further amended by adding a new Code section to read as follows:

28 "48-8-19.

29 (a) There is created the education trust fund.

30 (b) The commissioner shall deposit annually into the trust fund the amount provided for
31 under paragraph (55) of Code Section 48-8-3. Such amount shall be expended solely for
32 the purposes specified under Article VII, Section I, Paragraph IV of the Constitution."

33 **SECTION 3.**

34 This Act shall become effective on January 1, 2011; provided, however, that this Act shall
35 only become effective on January 1, 2011, upon the ratification of a resolution at the
36 November, 2010, state-wide general election, which resolution amends the Constitution so
37 as to dedicate the revenue from the levy of state sales and use tax on lottery tickets for
38 educational programs and services for levels kindergarten through grade 12. If such
39 resolution is not so ratified, this Act shall not become effective and shall stand repealed in
40 its entirety on January 1, 2011.

41 **SECTION 4.**

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