

House Bill 932

By: Representative Sims of the 169<sup>th</sup>

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 provide for a contingent effective date; to provide for automatic  
4 repeal of certain provisions under certain circumstances; to repeal conflicting laws; and for  
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

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

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

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

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

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

25 **SECTION 2.**

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

27 "48-8-19.

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

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

32 **SECTION 3.**

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

40 **SECTION 4.**

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