

House Bill 235

By: Representatives Stephens of the 164th and Harbin of the 118th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 36 of the Official Code of Georgia Annotated, relating to local government,
2 so as to provide for the establishment of job creation and convention services areas within
3 certain parts of the state; to provide criteria for the determination of such areas based on the
4 existence of convention and tourist attraction facilities; to authorize the levy of state sales and
5 use taxation within such areas for the purpose of enhanced infrastructure upon approval by
6 the commissioner of community affairs; to provide an exemption from other sales and use
7 taxation for sales and uses subject to such state taxation; to provide an exemption from state
8 and local sales and use taxation for the construction of new tourist attraction facilities in or
9 adjacent to a convention services area; to provide for other related matters; to provide for
10 effective dates and applicability; to repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 style="text-align:center">**SECTION 1.**

13 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended
14 by adding a new Chapter 77 to read as follows:

15 style="text-align:center">"CHAPTER 77

16 36-77-1.

17 This chapter shall be known and may be cited as the 'Job Creation and Convention Services
18 Area Act of 2011.'

19 36-77-2.

20 As used in this chapter, the term:

21 (1) 'Infrastructure' means parking, roadways, bridges, pedestrian access, public
22 transportation or transit facilities, or utility facilities.

23 (2) 'Job creation and convention services area' or 'convention area' means an area
 24 established as provided in Code Section 36-77-3.

25 (3) 'Tourist attraction' means a cultural or historical site; a recreation or entertainment
 26 facility; a convention hotel; or an entertainment destination center designed to attract
 27 tourists or persons attending conventions which contains at least 30,000 square feet of
 28 floor space and attracts, or in the case of a proposed tourist attraction is reasonably
 29 calculated to attract, at least 400,000 visits per year by members of the public.

30 36-77-3.

31 (a) Under the authority of Article IX, Section II, Paragraph VI(a) of the Constitution there
 32 is created one or more job creation and convention services areas for the provision of local
 33 government services within each part of the state within which there can be drawn a
 34 boundary defining a territory of 4 square miles or less which contains:

35 (1) At least 1.3 million square feet of floor space used for convention hall purposes under
 36 the control of a state authority; and

37 (2) Two or more tourist attractions.

38 (b) Within 90 days after the effective date of this chapter the commissioner of community
 39 affairs shall determine the existence of each such convention area in the state and shall
 40 prepare a plat or plan reflecting the boundaries of each convention area. In following years,
 41 the commissioner shall during the final calendar quarter of each calendar year similarly
 42 determine the existence and boundaries of any new convention area having met the criteria
 43 of this Code section during that calendar year. In each following year, the commissioner
 44 shall likewise during the final calendar quarter of each calendar year determine whether
 45 each existing convention area continues to meet the criteria of this Code section and, if so,
 46 shall make any adjustments to the boundaries of the convention area required by the
 47 creation or removal of convention hall space or attractions.

48 (c) Each convention area shall include:

49 (1) The entire tract or parcel of real property on which is located each convention facility
 50 containing floor space used to meet the criteria of this Code section;

51 (2) The entire tract or parcel of real property on which is located each tourist attraction
 52 used to meet the criteria of this Code section;

53 (3) The entire tract or parcel of real property on which is located any hotel where the
 54 straight line distance between the hotel parcel and any parcel described in paragraph (1)
 55 or (2) of this subsection is less than 1,500 feet;

56 (4) Any public park or public transit facility where the straight line distance between the
 57 park or transit facility and any parcel described in paragraph (1) or (2) of this subsection
 58 is less than 1,500 feet;

59 (5) All tracts or parcels of real property within 1,500 feet of any parcel described in
60 paragraphs (1), (2), (3) and (4) of this subsection; and
61 (6) Any real property which is within an area surrounded on all sides by parcels
62 described in paragraphs (1) through (5) of this subsection.

63 36-77-4.

64 (a) For a convention area created under this chapter, the state may levy within the
65 convention area a convention area sales and use tax. Except for the fact that such tax is a
66 convention area tax rather than a state tax, the tax shall be identical to the state sales and
67 use tax, shall apply to the same subjects of taxation, and shall be administered and collected
68 in the same manner. The rate of any such tax shall be equal to the state sales tax rate which
69 would be in effect within the convention area but for the exemption specified in Code
70 Section 36-77-5.

71 (b) A tax imposed under this chapter shall apply only to sales within the convention area
72 by:

73 (1) New tourist attractions commencing operation in the convention area on or after
74 January 1, 2012; and

75 (2) Expansions of previously existing tourist attractions which expansions commence
76 operations in the convention area on or after January 1, 2012.

77 (c) A tax under this chapter shall be imposed on a calendar year basis and shall be imposed
78 or renewed at least 30 days prior to the commencement of the calendar year.

79 (d) The proceeds of a tax imposed under this chapter shall be used exclusively for the
80 purpose of enhancing infrastructure for the convention area. The commissioner of
81 community affairs shall certify that the proceeds will be so used and shall certify a detailed
82 plan for the use of such proceeds.

83

84 36-77-5.

85 Any sale or use which is subject to the convention area sales and use tax provided for in
86 this chapter shall be exempt from the state sales and use tax provided for in Article 1 of
87 Chapter 8 of Title 48.

88 36-77-6.

89 (a) Any planned tourist attraction which is located in a convention area or on a tract or
90 parcel of real property adjoining a convention area shall, upon certification by the
91 commissioner of community affairs as meeting the requirements of this Code section,
92 receive an exemption from all state and local sales and use taxes during its construction.

93 The exemption shall apply to the sale and use of all tangible personal property used in or
 94 for the new construction of the planned tourist attraction.

95 (b) Any person making a sale of tangible personal property for the purpose specified in
 96 this Code section shall collect the tax imposed on this sale unless the purchaser furnishes
 97 such person with an exemption determination letter issued by the commissioner of
 98 community affairs certifying that the purchaser is entitled to purchase the tangible personal
 99 property without paying the tax.

100 (c) The exemption provided for under this Code section shall not apply to sales of tangible
 101 personal property that occur after the tourist attraction is opened to the public.

102 (d) The exemption provided for under this Code section shall cease to apply on January
 103 1, 2017."

104 **SECTION 2.**

105 (a) This Act shall become effective upon its approval by the Governor or upon its becoming
 106 law without such approval for administrative purposes of determining and establishing
 107 convention areas and taking the administrative actions in preparation for implementation of
 108 tax provisions in calendar year 2012.

109 (b) The first tax year affected by this Act shall be the tax year beginning January 1, 2012.

110 **SECTION 3.**

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