

House Bill 366

By: Representatives Parsons of the 42nd, Peake of the 137th, Hembree of the 67th, and Martin of the 47th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to
2 exemptions from sales and use taxes, so as to provide for a partial exemption with respect
3 to the sale or use of natural or artificial gas used directly or indirectly in the manufacture or
4 processing, in a manufacturing plant located in this state, of tangible personal property
5 primarily for resale; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from
9 sales and use taxes, is amended by revising subparagraphs (A) and (B) of paragraph (70.1)
10 as follows:

11 ~~“(A) For the period commencing July 1, 2008, and concluding on December 31, 2010,~~
12 ~~the sale of natural or artificial gas, No. 2 fuel oil, No. 6 fuel oil, propane, petroleum~~
13 ~~coke, and coal used directly or indirectly in the manufacture or processing, in a~~
14 ~~manufacturing plant located in this state, of tangible personal property primarily for~~
15 ~~resale, and the fuel cost recovery component of retail electric rates July 1, 2011, and~~
16 ~~concluding on December 31, 2013, the sale of natural or artificial gas used directly or~~
17 ~~indirectly in the manufacture or processing, in a manufacturing plant located in this~~
18 ~~state, of tangible personal property primarily for resale.~~

19 (B) The exemption provided for in subparagraph (A) of this paragraph shall not apply
20 to the first \$7.60 \$4.50 per decatherm of the sales price or cost price of natural or
21 artificial gas, ~~the first \$2.48 per gallon of the sales price or cost price of No. 2 fuel oil,~~
22 ~~the first \$1.72 per gallon of the sales price or cost price of No. 6 fuel oil, the first \$1.44~~
23 ~~per gallon of the sales price or cost price of propane, the first \$57.90 per ton of~~
24 ~~petroleum coke, the first \$57.90 per ton of coal, or the first 3.44¢ per kilowatt hour of~~
25 ~~the fuel cost recovery component of retail electricity rates whether such fuel recovery~~
26 ~~charges are charged separately or are embedded in such electric rates. Dealers with~~

27 ~~such embedded rates may exempt from the electricity sales upon which the sales tax is~~
28 ~~calculated no more than the amount, if any, by which the fuel cost recovery charge~~
29 ~~approved by the Georgia Public Service Commission for transmission customers of~~
30 ~~electric utilities regulated by the Georgia Public Service Commission exceeds 3.44¢ per~~
31 ~~kilowatt hour."~~

32 **SECTION 2.**

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