

House Bill 193 (COMMITTEE SUBSTITUTE)

By: Representative Stephens of the 164th

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 tax, so as to provide a new exemption from state sales and use
3 tax only for a limited period of time regarding the sale or use of tangible personal property
4 to certain nonprofit health centers; to provide a new exemption for a limited period of time
5 with respect to certain nonprofit volunteer health clinics; to provide a new exemption for a
6 limited period of time with respect to certain sales of eligible food and beverages to a
7 qualified food bank; to provide a new exemption for a limited period of time with respect to
8 the use of food which is donated to a qualified nonprofit agency and which is used for hunger
9 relief purposes; to provide a new exemption for a limited period of time with respect to the
10 use of food donated for disaster relief purposes; to provide for an exemption from state sales
11 and use tax only with respect to certain sales to a qualified job training organization; to
12 provide an effective date; to repeal conflicting laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

14 **SECTION 1.**

15 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from
16 sales and use tax, is amended by revising subparagraph (A) of paragraph (7.05),
17 paragraph (7.3), subparagraph (A) of paragraph (57.1), subparagraph (A) of paragraph (57.2),
18 and subparagraph (A) of paragraph (57.3), by deleting "or" at the end of paragraph (94), by
19 deleting the period and adding "; or" at the end of paragraph (95), and by adding a new
20 paragraph (96) to read as follows:

21 "(7.05)(A) For the period commencing on July 1, ~~2008~~ 2013, and ending on
22 ~~June 30, 2010~~ June 30, 2015, sales of tangible personal property to a nonprofit health
23 center in this state which has been established under the authority of and is receiving
24 funds pursuant to the United States Public Health Service Act, 42 U. S. C. Section 254b
25 if such health clinic obtains an exemption determination letter from the commissioner."

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26 "(7.3) For the period commencing July 1, ~~2008~~ 2013, and ending ~~June 30, 2010~~ June 30,
 27 2015, sales of tangible personal property and services to a nonprofit volunteer health
 28 clinic which primarily treats indigent persons with incomes below 200 percent of the
 29 federal poverty level and which property and services are used exclusively by such
 30 volunteer health clinic in performing a general treatment function in this state when such
 31 volunteer health clinic is a tax exempt organization under the Internal Revenue Code and
 32 obtains an exemption determination letter from the commissioner;"

33 "(57.1)(A) From July 1, ~~2006~~ 2013, until June 30, ~~2010~~ 2015, sales of food and food
 34 ingredients to a qualified food bank."

35 "(57.2)(A) For the period commencing July 1, ~~2007~~ 2013, and ending on June 30, ~~2011~~
 36 2015, the use of prepared food which is donated to a qualified nonprofit agency and
 37 which ~~are~~ is used for hunger relief purposes."

38 "(57.3)(A) For the period commencing July 1, ~~2007~~ 2013, and ending on June 30, ~~2011~~
 39 2015, the use of prepared food which is donated following a natural disaster and which
 40 ~~are~~ is used for disaster relief purposes."

41 "(96)(A) Sales of tangible personal property and services to a qualified job training
 42 organization when such organization obtains an exemption determination letter from
 43 the commissioner.

44 (B) For the purposes of this paragraph, 'qualified job training organization' means an
 45 organization which:

- 46 (i) Is located in this state;
- 47 (ii) Is exempt from income taxation under Section 501(c)(3) of the Internal Revenue
 48 Code;
- 49 (iii) Specializes in the retail sale of donated items;
- 50 (iv) Provides job training and employment services to individuals with workplace
 51 disadvantages and disabilities; and
- 52 (v) Uses a majority of its revenues for job training and placement programs.

53 (C)(i) For the purposes of this paragraph, the term 'local sales and use tax' means any
 54 sales tax, use tax, or local sales and use tax which is levied and imposed in an area
 55 consisting of less than the entire state, however authorized, including, but not limited
 56 to, such taxes authorized by or pursuant to constitutional amendment; by or pursuant
 57 to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended,
 58 the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; and by or pursuant
 59 to Article 2, Article 2A, Part 1 or Part 2 of Article 3, Article 4, or Article 5 of this
 60 chapter.

61 (ii) The exemption provided for in subparagraph (A) of this paragraph shall not apply
 62 to any local sales and use tax levied or imposed at any time.

63 (D) The commissioner shall promulgate any rules and regulations necessary to
64 implement and administer this paragraph."

65 **SECTION 2.**

66 This Act shall become effective on July 1, 2013.

67 **SECTION 3.**

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