

House Bill 648

By: Representatives Harrell of the 106<sup>th</sup>, Roberts of the 155<sup>th</sup>, and Martin of the 49<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and  
2 taxation, so as to change provisions relating to the taxation of motor fuels; to change  
3 provisions relating to the second motor fuel tax; to provide for related matters; to repeal  
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

7 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is  
8 amended by revising Code Section 48-8-3.1, relating to exemption of motor fuels from state  
9 sales and use tax, to read as follows:

10 "48-8-3.1.

11 (a)(1) Except as provided in subsection (b) of this Code section, sales of motor fuels as  
12 defined in paragraph (9) of Code Section 48-9-2 shall be exempt from the first 3 percent  
13 of the sales and use taxes levied or imposed by this article and shall be subject to the  
14 remaining 1 percent of the sales and use taxes levied or imposed by this article until June  
15 30, 2016.

16 (2) From July 1, 2016, to June 30, 2017, sales of motor fuels as defined in paragraph (9)  
17 of Code Section 48-9-2 shall be exempt from the first 3.25 percent of the sales and use  
18 taxes levied or imposed by this article and shall be subject to the remaining .75 percent  
19 of the sales and use taxes levied or imposed by this article.

20 (3) From July 1, 2017, to June 30, 2018, sales of motor fuels as defined in paragraph (9)  
21 of Code Section 48-9-2 shall be exempt from the first 3.5 percent of the sales and use  
22 taxes levied or imposed by this article and shall be subject to the remaining .5 percent of  
23 the sales and use taxes levied or imposed by this article.

24 (4) From July 1, 2018, to June 30, 2019, sales of motor fuels as defined in paragraph (9)  
25 of Code Section 48-9-2 shall be exempt from the first 3.75 percent of the sales and use

26 taxes levied or imposed by this article and shall be subject to the remaining .25 percent  
 27 of the sales and use taxes levied or imposed by this article.

28 (5) From July 1, 2019, and thereafter, sales of motor fuels as defined in paragraph (9) of  
 29 Code Section 48-9-2 shall be exempt from the first 4 percent of the sales and use taxes  
 30 levied or imposed by this article.

31 (b) Sales of motor fuel other than gasoline ~~which motor fuel other than gasoline is~~  
 32 purchased for purposes other than propelling motor vehicles on public highways as defined  
 33 in Article 1 of Chapter 9 of this title shall be fully subject to the 4 percent sales and use  
 34 taxes levied or imposed by this article unless otherwise specifically exempted by this  
 35 article.

36 ~~(c) It is specifically declared to be the intent of the General Assembly that taxation~~  
 37 ~~imposed on sales of motor fuel wholly or partially subject to taxation under this Code~~  
 38 ~~section shall not constitute motor fuel taxes for purposes of any provision of the~~  
 39 ~~Constitution providing for the automatic or mandatory appropriation of any amount of~~  
 40 ~~funds equal to funds derived from motor fuel taxes."~~

41 **SECTION 2.**

42 Said title is further amended by revising paragraph (1) of subsection (b) of Code Section  
 43 48-9-14, relating to the second motor fuel tax, to read as follows:

44 "(b)(1)(A) The motor fuel tax imposed by this Code section is shall be levied at the rate  
 45 of 3 percent of the retail sale price less the tax imposed by Code Section 48-9-3 upon  
 46 the sale, use, or consumption, as defined in Code Section 48-8-2, of motor fuel in this  
 47 state until June 30, 2016.

48 (B) From July 1, 2016, to June 30, 2017, the motor fuel tax imposed by this Code  
 49 section shall be levied at the rate of 3.25 percent of the retail sale price less the tax  
 50 imposed by Code Section 48-9-3 upon the sale, use, or consumption, as defined in Code  
 51 Section 48-8-2, of motor fuel in this state.

52 (C) From July 1, 2017, to June 30, 2018, the motor fuel tax imposed by this Code  
 53 section shall be levied at the rate of 3.5 percent of the retail sale price less the tax  
 54 imposed by Code Section 48-9-3 upon the sale, use, or consumption, as defined in Code  
 55 Section 48-8-2, of motor fuel in this state.

56 (D) From July 1, 2018, to June 30, 2019, the motor fuel tax imposed by this Code  
 57 section shall be levied at the rate of 3.75 percent of the retail sale price less the tax  
 58 imposed by Code Section 48-9-3 upon the sale, use, or consumption, as defined in Code  
 59 Section 48-8-2, of motor fuel in this state.

60 (E) From July 1, 2019, and thereafter, the motor fuel tax imposed by this Code section  
 61 shall be levied at the rate of 4 percent of the retail sale price less the tax imposed by

62 Code Section 48-9-3 upon the sale, use, or consumption, as defined in Code Section  
63 48-8-2, of motor fuel in this state.  
64 ~~(F) This~~ The tax imposed by the Code section shall be subject only to the exemptions  
65 provided in Code Section 48-9-3."

66 **SECTION 3.**

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