

House Bill 756

By: Representatives Peake of the 141<sup>st</sup>, Ramsey of the 72<sup>nd</sup>, Pezold of the 133<sup>rd</sup>, and Stephens of the 164<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 48-8-3.2 of the Official Code of Georgia Annotated, relating to the  
2 exemption of machinery and energy used in manufacturing from state sales and use taxes,  
3 so as to add mixer trucks to the list of machinery or equipment used in the manufacture of  
4 personal property; to provide for related matters; to provide an effective date; to repeal  
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-8-3.2 of the Official Code of Georgia Annotated, relating to the exemption  
9 of machinery, equipment, and energy used in manufacturing from state sales and use taxes,  
10 is amended by revising subsection (e) as follows:

11 "(e) Examples that qualify as necessary and integral to the manufacture of tangible  
12 personal property include, but are not limited to:

13 (1) Machinery or equipment used to convey or transport industrial materials, work in  
14 process, consumable supplies, or packaging materials at or among manufacturing plants  
15 or to convey and transport finished goods to a distribution or storage point at the  
16 manufacturing plant. Specific examples may include, but are not limited to, forklifts,  
17 conveyors, cranes, hoists, and pallet jacks;

18 (2) Machinery or equipment used to gather, arrange, sort, mix, measure, blend, heat,  
19 cool, clean, or otherwise treat, prepare, or store industrial materials for further  
20 manufacturing;

21 (3) Machinery or equipment used to control, regulate, heat, cool, or produce energy for  
22 other machinery or equipment that is necessary and integral to the manufacture of  
23 tangible personal property. Specific examples may include, but are not limited to,  
24 boilers, chillers, condensers, water towers, dehumidifiers, humidifiers, heat exchangers,  
25 generators, transformers, motor control centers, solar panels, air dryers, and air  
26 compressors;

- 27 (4) Testing and quality control machinery or equipment located at a manufacturing plant  
28 used to test the quality of industrial materials, work in process, or finished goods;
- 29 (5) Starters, switches, circuit breakers, transformers, wiring, piping, and other electrical  
30 components, including associated cable trays, conduit, and insulation, located between  
31 a motor control center and exempt machinery or equipment or between separate units of  
32 exempt machinery or equipment;
- 33 (6) Machinery or equipment used to maintain, clean, or repair exempt machinery or  
34 equipment;
- 35 (7) Machinery or equipment used to provide safety for the employees working at a  
36 manufacturing plant, including, but not limited to, safety machinery and equipment  
37 required by federal or state law, gloves, ear plugs, face masks, protective eyewear, hard  
38 hats or helmets, or breathing apparatuses, regardless of whether the items would  
39 otherwise be considered consumable supplies;
- 40 (8) Machinery or equipment used to condition air or water to produce conditions  
41 necessary for the manufacture of tangible personal property, including pollution control  
42 machinery or equipment and water treatment systems;
- 43 (9) Pollution control, sanitizing, sterilizing, or recycling machinery or equipment;
- 44 (10) Industrial materials bought for further processing in the manufacture of tangible  
45 personal property for sale or further processing or any part of the industrial material or  
46 by-product thereof which becomes a wasteful product contributing to pollution problems  
47 and which is used up in a recycling or burning process;
- 48 (11) Machinery or equipment used in quarrying and mining activities, including blasting,  
49 extraction, and crushing; ~~and~~
- 50 (12) Mixer trucks used to mix, agitate, and transport freshly mixed concrete in a plastic  
51 state, including 40 percent of the total gallons of fuel purchased for mixer trucks which  
52 shall be considered energy used at a manufacturing plant; and
- 53 (13) Energy used at a manufacturing plant."

54 **SECTION 2.**

55 This Act shall become effective on July 1, 2014.

56 **SECTION 3.**

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