

House Bill 208

By: Representatives Kirby of the 114<sup>th</sup>, Caldwell of the 20<sup>th</sup>, Turner of the 21<sup>st</sup>, Battles of the 15<sup>th</sup>, Cantrell of the 22<sup>nd</sup>, and others

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 eliminate the state income tax; to increase the rate of tax on the retail  
3 purchase, retail sale, rental, storage, use, or consumption of certain tangible property and on  
4 certain services; to provide for a sales tax rebate; to provide for procedures, conditions, and  
5 limitations; to provide for conforming changes with respect to certain tax ceilings, imposition  
6 of taxes, collection from dealers, disposition of certain excess taxes, compensation of dealers  
7 for reporting and paying taxes, and payment of taxes by certain contractors; to provide for  
8 related matters; to provide for an effective date and applicability; to repeal conflicting laws;  
9 and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is  
13 amended by revising division (33.1)(B)(ii) of Code Section 48-8-3, relating to exemptions  
14 from state sales and use tax, as follows:

15 "(ii) For the period of time beginning July 1, 2012, the sale or use of jet fuel to or by  
16 a qualifying airline at a qualifying airport shall be exempt from 1 percent of the ~~4~~  
17 percent state sales and use tax specified in subsection (a) of Code Section 48-8-30."

18 **SECTION 2.**

19 Said title is further amended by revising subsection (c.1) of Code Section 48-8-6, relating to  
20 limitations with respect to certain taxes, as follows:

21 "(c.1) Where the exception specified in paragraph (2) of subsection (a) of this Code section  
22 applies, on and after July 1, 2007, the aggregate amount of all excise taxes imposed under  
23 paragraph (5) of subsection (a) of Code Section 48-13-51 and all sales and use taxes shall  
24 not exceed ~~14~~ 17.5 percent."

25 **SECTION 3.**

26 Said title is further amended by revising Code Section 48-8-30, relating to the rate and  
 27 imposition of the state sales and use tax, as follows:

28 "48-8-30.

29 (a) There is levied and imposed a tax on the retail purchase, retail sale, rental, storage, use,  
 30 or consumption of tangible personal property and on the services described in this article.

31 The rate of the state sales and use taxation provided for in this article shall be 7.5 percent.

32 (b)(1) Every purchaser of tangible personal property at retail in this state shall be liable  
 33 for a tax on the purchase at the ~~rate of 4 percent~~ percentage of the sales price of the  
 34 purchase specified in subsection (a) of this Code section. The tax shall be paid by the  
 35 purchaser to the retailer making the sale, as provided in this article. The retailer shall  
 36 remit the tax to the commissioner as provided in this article and, when received by the  
 37 commissioner, the tax shall be a credit against the tax imposed on the retailer. Every  
 38 person making a sale or sales of tangible personal property at retail in this state shall be  
 39 a retailer and a dealer and shall be liable for a tax on the sale at the ~~rate of 4 percent~~  
 40 percentage of the sales price of the purchase specified in subsection (a) of this Code  
 41 section, or the amount of taxes collected by him or her from his or her purchaser or  
 42 purchasers, whichever is greater.

43 (2) No retail sale shall be taxable to the retailer or dealer which is not taxable to the  
 44 purchaser at retail.

45 (c)(1) Upon the first instance of use, consumption, distribution, or storage within this  
 46 state of tangible personal property purchased at retail outside this state, the owner or user  
 47 of the property shall be a dealer and shall be liable for a tax at the ~~rate of 4 percent~~  
 48 percentage of the sales price of the purchase specified in subsection (a) of this Code  
 49 section, except as provided in paragraph (2) of this subsection.

50 (2) Upon the first instance of use, consumption, distribution, or storage within this state  
 51 of tangible personal property purchased at retail outside this state and used outside this  
 52 state for more than six months prior to its first use within this state, the owner or user of  
 53 the property shall be a dealer and shall be liable for a tax at the ~~rate of 4 percent~~  
 54 percentage of the purchase price or fair market value of the property specified in  
 55 subsection (a) of this Code section, whichever is the lesser.

56 (3) This subsection shall not be construed to require a duplication in the payment of the  
 57 tax. The tax imposed by this subsection shall be subject to the credit otherwise granted  
 58 by this article for like taxes previously paid in another state.

59 (c.1)(1) Every purchaser of tangible personal property at retail outside this state from a  
 60 dealer, as defined in Code Section 48-8-2, when such property is to be used, consumed,  
 61 distributed, or stored within this state, shall be liable for a tax on the purchase at the ~~rate~~

62 ~~of 4 percent percentage~~ of the sales price of the purchase specified in subsection (a) of  
 63 this Code section. It shall be prima-facie evidence that such property is to be used,  
 64 consumed, distributed, or stored within this state if ~~that~~ such property is delivered in this  
 65 state to the purchaser or agent thereof. The tax shall be paid by the purchaser to the  
 66 retailer making the sale, as provided in this article. The retailer shall remit the tax to the  
 67 commissioner as provided in this article and, when received by the commissioner, the tax  
 68 shall be a credit against the tax imposed on the retailer. Every person who is a dealer, as  
 69 defined in Code Section 48-8-2, and who makes any sale of tangible personal property  
 70 at retail outside this state, which property is to be delivered in this state to a purchaser or  
 71 purchaser's agent, shall be a retailer and a dealer for purposes of this article and shall be  
 72 liable for a tax on the sale at the ~~rate of 4 percent percentage~~ of such sales price specified  
 73 in subsection (a) of this Code section or the amount of tax as collected by that person  
 74 from purchasers having their purchases delivered in this state, whichever is greater.

75 (2) No retail sale shall be taxable to the retailer or dealer which is not taxable to the  
 76 purchaser at retail. The tax imposed by this subsection shall be subject to the credit  
 77 otherwise granted by this article for like taxes previously paid in another state. This  
 78 subsection shall not be construed to require a duplication in the payment of the tax.

79 (d)(1) Every person to whom tangible personal property in the state is leased or rented  
 80 shall be liable for a tax on the lease or rental at the ~~rate of 4 percent percentage~~ of the  
 81 sales price specified in subsection (a) of this Code section. The tax shall be paid to the  
 82 person who leases or rents the property by the person to whom the property is leased or  
 83 rented. A person who leases or rents property to others as a dealer under this article shall  
 84 remit the tax to the commissioner as provided in this article. When received by the  
 85 commissioner, the tax shall be a credit against the tax imposed on the person who leases  
 86 or rents the property to others. Every person who leases or rents tangible personal  
 87 property in this state to others shall be a dealer and shall be liable for a tax on the lease  
 88 or rental at the ~~rate of 4 percent percentage~~ of the sales price specified in subsection (a)  
 89 of this Code section, or the amount of taxes collected by him or her from persons to  
 90 whom he or she leases or rents tangible personal property, whichever is greater.

91 (2) No lease or rental shall be taxable to the person who leases or rents tangible property  
 92 to another which is not taxable to the person to whom the property is leased or rented.

93 (3) The lessee of both taxable and exempt property in this state under a single lease  
 94 agreement containing a lease period of ten years or more shall have the option to  
 95 discharge in full all sales and use taxes imposed by this article relating to the tangible  
 96 personal property by paying in a lump sum ~~4 percent the percentage~~ of the fair market  
 97 value of the tangible personal property specified in subsection (a) of this Code section at

98 the date of inception of the lease agreement in the same manner and under the same  
99 conditions applicable to sales of the tangible personal property.

100 (e) Upon the first instance of use within this state of tangible personal property leased or  
101 rented outside this state, the person to whom the property is leased or rented shall be a  
102 dealer and shall be liable for a tax at the ~~rate of 4 percent~~ percentage specified in subsection  
103 (a) of this Code section of the sales price paid to the person who leased or rented the  
104 property, subject to the credit authorized for like taxes previously paid in another state.

105 (e.1)(1) Every person who leases, as lessor, or rents tangible personal property outside  
106 this state for use within this state shall be liable for a tax at the ~~rate of 4 percent~~  
107 percentage specified in subsection (a) of this Code section of the sales price paid for that  
108 lease or rental if that person is a dealer, as defined in Code Section 48-8-2, and title to  
109 that property remains in that person. It shall be prima-facie evidence that such property  
110 is to be used within this state if ~~that~~ such property is delivered in this state to the lessee  
111 or renter of such property, or to the agent of either. The tax shall be paid by the lessee  
112 or renter, and payment of the tax shall be made to the lessor or person receiving rental  
113 payments for that property, which person shall be the dealer for purposes of this article.  
114 The dealer shall remit the tax to the commissioner as provided in this article and, when  
115 received by the commissioner, the tax shall be a credit against the tax imposed on the  
116 dealer. Every person who is a dealer, as defined in Code Section 48-8-2, and who leases  
117 or rents tangible personal property outside this state to be delivered in this state to the  
118 lessee, renter, or agent of either shall be a dealer and shall be liable as such for a tax on  
119 the lease or rental at the ~~rate of 4 percent~~ percentage specified in subsection (a) of this  
120 Code section of the sales price from such leases or rentals or the amount of taxes  
121 collected by that dealer for leases or rentals of tangible personal property delivered in this  
122 state, whichever is greater.

123 (2) No lease or rental shall be taxable to the dealer which is not taxable to the lessee or  
124 renter. The tax imposed by this subsection shall be subject to the credit granted by this  
125 article for like taxes previously paid in another state. This subsection shall not be  
126 construed to require a duplication in the payment of the tax.

127 (f)(1) Every person purchasing or receiving any service within this state, the purchase  
128 of which is a retail sale, shall be liable for tax on the purchase at the ~~rate of 4 percent~~  
129 percentage specified in subsection (a) of this Code section of the sales price made for the  
130 purchase. The tax shall be paid by the person purchasing or receiving the service to the  
131 person furnishing the service. The person furnishing the service, as a dealer under this  
132 article, shall remit the tax to the commissioner as provided in this article; and, when  
133 received by the commissioner, the tax shall be a credit against the tax imposed on the  
134 person furnishing the service. Every person furnishing a service, the purchase of which

135 is a retail sale, shall be a dealer and shall be liable for a tax on the sale at the ~~rate of 4~~  
136 percent percentage specified in subsection (a) of this Code section of the sales price made  
137 for furnishing the service, or the amount of taxes collected by him or her from the person  
138 to whom the service is furnished, whichever is greater.

139 (2) No sale of services shall be taxable to the person furnishing the service which is not  
140 taxable to the purchaser of the service.

141 (g) Whenever a purchaser of tangible personal property under subsection (b) or (c.1) of  
142 this Code section, a lessee or renter of the property under subsection (d) or (e.1) of this  
143 Code section, or a purchaser of taxable services under subsection (f) of this Code section  
144 does not pay the tax imposed upon him or her to the retailer, lessor, or dealer who is  
145 involved in the taxable transaction, the purchaser, lessee, or renter shall be a dealer himself  
146 or herself and the commissioner, whenever he or she has reason to believe that a purchaser  
147 or lessee has not so paid the tax, may assess and collect the tax directly against and from  
148 the purchaser, lessee, or renter, unless the purchaser, lessee, or renter shows that the  
149 retailer, lessor, or dealer who is involved in the transaction has nevertheless remitted to the  
150 commissioner the tax imposed on the transaction. If payment is received directly from the  
151 purchaser, it shall not be collected a second time from the retailer, lessor, or dealer who is  
152 involved.

153 (h) The tax imposed by this Code section shall be collected from the dealer and paid at the  
154 time and in the manner provided in this article. Any person engaging or continuing in  
155 business as a retailer and wholesaler or jobber shall pay the tax imposed on the sales price  
156 of retail sales of the business at the rate specified when proper books are kept showing  
157 separately the gross proceeds of sales for each business. If the records are not kept  
158 separately, the tax shall be paid as a retailer or dealer on the gross sales of the business.  
159 For the purpose of this Code section, all sales through any one vending machine shall be  
160 treated as a single sale. The gross proceeds for reporting vending sales shall be treated as  
161 if the tax is included in the sale and the taxable proceeds shall be net of the tax included in  
162 the sale.

163 (i) The tax levied by this Code section is in addition to all other taxes, whether levied in  
164 the form of excise, license, or privilege taxes, and shall be in addition to all other fees and  
165 taxes levied.

166 (j) In the event any distributor licensed under Chapter 9 of this title purchases any motor  
167 fuel on which the prepaid state tax or prepaid local tax or both have been imposed pursuant  
168 to this Code section and resells the same to a governmental entity that is totally or partially  
169 exempt from such tax under paragraph (1) of Code Section 48-8-3, such distributor shall  
170 be entitled to either a credit or refund. The amount of the credit or refund shall be the  
171 prepaid state tax or prepaid local tax or both rates for which such governmental entity is

172 exempt multiplied by the gallons of motor fuel purchased for its exclusive use. To be  
 173 eligible for the credit or refund, the distributor shall reduce the amount such distributor  
 174 charges for the fuel sold to such governmental entity by an amount equal to the tax from  
 175 which such governmental entity is exempt. Should a distributor have a liability under this  
 176 Code section, the distributor may elect to take a credit for those sales against such liability.  
 177 (k) The prepaid local tax shall be imposed at the time tax is imposed under subparagraph  
 178 (b)(2)(B) of Code Section 48-9-14."

179 **SECTION 4.**

180 Said title is further amended by adding two new Code sections to read as follows:

181 "48-8-30.1.

182 (a) The department shall provide a monthly sales tax rebate to duly registered qualified  
 183 families in an amount determined in accordance with Code Section 48-8-30.2.

184 (b) Payments shall be made to the persons designated by qualifying families in the annual  
 185 or revised registration for each such qualified family in effect with respect to the month for  
 186 which payment is being made. Payments may be made only to persons 18 years of age or  
 187 older. If more than one person is designated in a registration to receive the rebate, then the  
 188 rebate payment shall be divided evenly between or among those persons designated.

189 (c) Rebates shall be mailed on or before the first business day of the month for which the  
 190 rebate is being provided.

191 (d) The department may provide rebates in the form of smartcards that carry cash balances  
 192 in their memory for use in making purchases at retail establishments or by direct electronic  
 193 deposit.

194 48-8-30.2.

195 (a) As used in this Code section, the term:

196 (1) 'Family members' means:

197 (A) An individual;

198 (B) Such individual's spouse;

199 (C) All lineal ancestors and descendants of such individual and such individual's  
 200 spouse;

201 (D) All legally adopted children of such individual and such individual's spouse; and

202 (E) All children under legal guardianship of such individual or such individual's  
 203 spouse.

204 (2) 'Qualified family' means one or more family members sharing a common residence.  
 205 All family members sharing a common residence shall be considered as part of one  
 206 qualified family.

207 (b) In order for a person to be counted as a member of a family for purposes of  
208 determining the size of a qualified family, such person shall:

209 (1) Have a bona fide social security number; and

210 (2) Be a lawful resident of the United States.

211 (c)(1) Any person who was a registered student during not fewer than five months in a  
212 calendar year while living away from the common residence of a qualified family but  
213 who receives more than 50 percent of his or her support during a calendar year from  
214 members of the qualified family shall be included as part of the family unit whose  
215 members provided such support for purposes of this Code section.

216 (2) If a child's parents are divorced or legally separated, a child for purposes of this  
217 chapter shall be treated as part of the qualified family of the custodial parent. In cases of  
218 joint custody, the custodial parent for purposes of this Code section shall be the parent  
219 who has custody of the child for more than one-half of the time during a given calendar  
220 year. A parent entitled to be treated as the custodial parent pursuant to this paragraph  
221 may release this claim to the other parent if such release is in writing.

222 (d) Each qualified family shall be eligible to receive a sales tax rebate each month. The  
223 sales tax rebate shall be in an amount equal to the product of:

224 (1) Fifty percent of the sales tax rate specified in subsection (a) of Code Section 48-8-30;  
225 and

226 (2) The monthly poverty level.

227 (e) In order to receive the sales tax rebate provided by subsection (d) of this Code section,  
228 a qualified family must register with the department on a form prescribed by the  
229 commissioner. The annual registration form shall contain:

230 (1) The name of each family member who shared the qualified family's residence on the  
231 family determination date;

232 (2) The social security number of each family member who shared the qualified family's  
233 residence on the family determination date;

234 (3) The family member or family members to whom the sales tax rebate should be paid;

235 (4) A certification that all listed family members are lawful residents of the United  
236 States;

237 (5) A certification that all family members sharing the common residence are listed;

238 (6) A certification that no family members were incarcerated on the family determination  
239 date; and

240 (7) The address of the qualified family.

241 Such registration shall be signed by all members of the qualified family who have attained  
242 the age of 21 years as of the date of filing.

243 (f) Registration is not mandatory for any qualified family.

244 (g) Any qualified family that fails to register in accordance with this Code section within  
245 30 days of the family determination date shall cease receiving the monthly sales tax rebate  
246 in the month beginning 90 days after the family determination date.

247 (h) Any qualified family that failed to timely make its annual registration in accordance  
248 with this Code section but subsequently cures its failure to register shall be entitled to up  
249 to six months of lapsed sales tax rebate payments. No interest on a lapsed payment amount  
250 shall be paid.

251 (i) Annual registrations shall take effect for the month beginning 90 days after the family  
252 registration date.

253 (j) A revised registration shall take effect for the month beginning 60 days after the revised  
254 registration was filed. The existing registration shall remain in effect until the effective  
255 date of the revised registration.

256 (k) An annual or revised registration shall be deemed filed when it is:

257 (1) Deposited in the United States mail, postage prepaid, to the address of the  
258 department;

259 (2) Delivered and accepted at the offices of the department; or

260 (3) Provided to a commercial private courier service for delivery within two days to the  
261 department at the department's address.

262 (l) Thirty or more days before the family registration date, the department shall mail to the  
263 address shown on the most recent rebate registration or change of address notice a  
264 proposed registration that may be signed by the appropriate family members if family  
265 circumstances have not changed.

266 (m) An individual shall not be eligible under this Code section to be included as a member  
267 of any qualified family if such individual:

268 (1) Is incarcerated in a local, state, or federal jail, prison, mental hospital, or other  
269 institution on the family determination date; and

270 (2) Is scheduled to be incarcerated for six months or more in the 12 month period  
271 following the effective date of the annual registration or the revised registration of such  
272 qualified family.

273 (n) The family determination date is a date assigned to each family by the commissioner  
274 for purposes of determining qualified family size and other information necessary for the  
275 administration of this Code section. The commissioner shall promulgate regulations  
276 regarding the issuance of family determination dates. In the absence of any regulations,  
277 the family determination date for all families shall be October 1. The commissioner may  
278 assign family determination dates for administrative convenience. Permissible means of  
279 assigning family determination dates include a method based on the birth dates of family  
280 members.

281 (o) The monthly poverty level for any particular month shall be one-twelfth of the annual  
 282 poverty level. For purposes of this Code section, the annual poverty level shall be the sum  
 283 of:

284 (1) The annual level determined by the Department of Health and Human Services  
 285 poverty guidelines required by Sections 652 and 673(2) of the Omnibus Reconciliation  
 286 Act of 1981 for a particular family size; and

287 (2)(A) In the case of families that include a married couple, the annual marriage  
 288 penalty elimination amount.

289 (B) The annual marriage penalty elimination amount shall be the amount that is:

290 (i) Two times the annual level determined by the Department of Health and Human  
 291 Services poverty guidelines required by Sections 652 and 673(2) of the Omnibus  
 292 Reconciliation Act of 1981 for a family of one less; and

293 (ii) The annual level determined by the Department of Health and Human Services  
 294 poverty guidelines required by Sections 652 and 673(2) of the Omnibus  
 295 Reconciliation Act of 1981 for a family of two."

296 **SECTION 5.**

297 Said title is further amended by revising Code Section 48-8-32, relating to collection of the  
 298 tax from dealers, as follows:

299 "48-8-32.

300 ~~The tax at the rate of 4 percent of the retail sales price at the time of sale or 4 percent of the~~  
 301 ~~purchase price at the time of purchase, as the case may be,~~ shall be collectable at the rate  
 302 specified in subsection (a) of Code Section 48-8-30 from all persons engaged as dealers in  
 303 the sale at retail; or in the use, consumption, distribution, or storage for use or consumption  
 304 in this state of tangible personal property."

305 **SECTION 6.**

306 Said title is further amended by revising Code Section 48-8-43, relating to the disposition of  
 307 certain excess taxes, as follows:

308 "48-8-43.

309 When the tax collected for any period is in excess of ~~4 percent~~ the rate specified in  
 310 subsection (a) of Code Section 48-8-30, the total tax collected shall be paid over to the  
 311 commissioner less the compensation to be allowed the dealer."

312 **SECTION 7.**

313 Said title is further amended by revising subsection (e) of Code Section 48-8-63, relating to  
 314 the payment of the tax by certain contractors, as follows:

315 "(e)(1) Any subcontractor who enters into a construction contract with a general or prime  
 316 contractor shall be liable under this article as a general or prime contractor. Any general  
 317 or prime contractor who enters into any construction contract or contracts with any  
 318 nonresident subcontractor, where the total amount of such contract or contracts between  
 319 such general or prime contractor and any nonresident subcontractors on any given project  
 320 equals or exceeds \$250,000.00, shall withhold ~~2 percent~~ a percentage of the payments due  
 321 the nonresident subcontractor in satisfaction of any sales or use taxes owed this state.  
 322 The percentage shall be at the rate specified in subsection (a) of Code Section 48-8-30.  
 323 (2) The prime or general contractor shall withhold payments on all contracts that meet  
 324 the criteria specified in paragraph (1) of this subsection until the nonresident  
 325 subcontractor furnishes such prime or general contractor with a certificate issued by the  
 326 commissioner showing that all sales taxes accruing by reason of the contract between the  
 327 nonresident subcontractor and the general or prime contractor have been paid and  
 328 satisfied. If the prime or general contractor for any reason fails to withhold ~~2 percent~~ the  
 329 percentage of the payments due the nonresident subcontractor under their contract, such  
 330 prime or general contractor shall become liable for any sales or use taxes due or owed this  
 331 state by the nonresident subcontractor."

332

### SECTION 8.

333 Said title is further amended by revising paragraphs (3.1), (4.1), and (5.1) of subsection (a)  
 334 of Code Section 48-13-51, relating to the excise tax on rooms, lodgings, and  
 335 accommodations, as follows:

336 "(3.1) Notwithstanding any other provision of this subsection, a county (within the  
 337 territorial limits of the special district located within the county) and the municipalities  
 338 within a county in which a trade and convention center authority has been created by  
 339 intergovernmental contract between a county and one or more municipalities located  
 340 therein, and which trade and convention center authority is in existence on or before  
 341 March 21, 1988, and which trade and convention center authority has not constructed or  
 342 operated any facility before March 21, 1988, may levy a tax under this Code section at  
 343 a rate of 6 percent. A county or municipality levying a tax pursuant to this paragraph  
 344 shall expend (in each fiscal year during which the tax is collected under this paragraph)  
 345 an amount equal to at least 62 1/2 percent of the total taxes collected at the rate of 6  
 346 percent for the purpose of: (A) promoting tourism, conventions, and trade shows; (B)  
 347 funding, supporting, acquiring, constructing, renovating, improving, and equipping  
 348 buildings, structures, and facilities, including, but not limited to, a trade and convention  
 349 center, exhibit hall, conference center, performing arts center, accommodations facilities,  
 350 including food service, or any combination thereof, for convention, trade show, athletic,

351 musical, theatrical, cultural, civic, and performing arts purposes and other events and  
352 activities for similar and related purposes, acquiring the necessary property therefor, both  
353 real and personal, and funding all expenses incident thereto, and supporting, maintaining,  
354 and promoting such facilities owned, operated, or leased by or to the local trade and  
355 convention center authority; or (C) for some combination of such purposes; provided,  
356 however, that at least 50 percent of the total taxes collected at the rate of 6 percent shall  
357 be expended for the purposes specified in subparagraph (B) of this paragraph. Amounts  
358 so expended shall be expended only through a contract or contracts with the state, a  
359 department of state government, a state authority, a convention and visitors bureau  
360 authority created by local Act of the General Assembly for a municipality, a local  
361 building authority created by local constitutional amendment, and a trade and convention  
362 center authority created by intergovernmental contract between a county and one or more  
363 municipalities located therein, or a private sector nonprofit organization or through a  
364 contract or contracts with some combination of such entities. The aggregate amount of  
365 all excise taxes imposed under this paragraph and all sales and use taxes, and other taxes  
366 imposed by a county or municipality, or both, shall not exceed ~~13~~ 16.5 percent. Any tax  
367 levied pursuant to this paragraph shall terminate not later than December 31, 2029,  
368 provided that during any period during which there remains outstanding any obligation  
369 issued to fund a facility as contemplated by this paragraph, secured in whole or in part  
370 by a pledge of a tax authorized under this Code section, the powers of the counties and  
371 municipalities to impose and distribute the tax imposed by this paragraph shall not be  
372 diminished or impaired by the state, and no county or municipality levying the tax  
373 imposed by this paragraph shall cease to levy the tax in any manner that will impair the  
374 interests and rights of the holder of any such obligation. This proviso shall be for the  
375 benefit of the holder of any such obligation and, upon the issuance of any such obligation  
376 by a building authority created by local constitutional amendment, shall constitute a  
377 contract with the holder of such obligation. Notwithstanding any other provision of this  
378 Code section to the contrary, as used in this paragraph, the term: 'fund' or 'funding' shall  
379 include the cost and expense of all things deemed necessary by a building authority  
380 created by local constitutional amendment for the construction and operation of a facility  
381 or facilities, including, but not limited to, the study, operation, marketing, acquisition,  
382 construction, financing, including the payment of principal and interest on any obligation  
383 of the building authority created by local constitutional amendment and any obligation  
384 of the building authority created by local constitutional amendment to refund any prior  
385 obligation of the building authority created by local constitutional amendment,  
386 development, extension, enlargement, or improvement of land, waters, property, streets,  
387 highways, buildings, structures, equipment, or facilities, and the repayment of any

388 obligation incurred by an authority in connection therewith; 'obligation' shall include  
 389 bonds, notes, or any instrument creating an obligation to pay or reserve moneys and  
 390 having an initial term of not more than 37 years; and 'facility' or 'facilities' ~~shall mean~~  
 391 means any of the buildings, structures, and facilities described in subparagraph (B) of this  
 392 paragraph and any associated parking areas or improvements originally owned or  
 393 operated incident to the ownership or operation of such facility used for any purpose or  
 394 purposes specified in subparagraph (B) of this paragraph by a building authority created  
 395 by local constitutional amendment."

396 "(4.1) Notwithstanding any other provision of this subsection, a county (within the  
 397 territorial limits of the special district located within the county) or municipality within  
 398 a county in which a coliseum authority has been created by local Act of the General  
 399 Assembly and which authority is in existence on or before July 1, 1963, for the purpose  
 400 of owning or operating a facility, may levy a tax under this Code section at a rate of 7  
 401 percent. A county or municipality levying a tax pursuant to this paragraph shall expend  
 402 (in each fiscal year during which the tax is collected under this paragraph) an amount  
 403 equal to at least 62 1/2 percent of the total taxes collected at the rate of 7 percent for the  
 404 purpose of: (A) promoting tourism, conventions, and trade shows; (B) funding and  
 405 supporting a facility owned or operated by such coliseum authority; or (C) for some  
 406 combination of such purposes. Amounts so expended shall be expended only through a  
 407 contract or contracts with the state, a department of state government, a state authority,  
 408 a convention and visitors bureau authority created by local Act of the General Assembly  
 409 for a municipality, a local coliseum authority, or a private sector nonprofit organization,  
 410 or through a contract or contracts with some combination of such entities, except that  
 411 amounts expended for purpose (B) may be so expended in any otherwise lawful manner  
 412 without the necessity of a contract. The aggregate amount of all excise taxes imposed  
 413 under this paragraph and all sales and use taxes, and other taxes imposed by a county or  
 414 municipality, or both, shall not exceed ~~12~~ 15.5 percent. Any tax levied pursuant to this  
 415 paragraph shall terminate not later than December 31, 2028, provided that during any  
 416 period during which there remains outstanding any obligation which is incurred prior to  
 417 January 1, 1995, issued to fund a facility as contemplated by this paragraph, and secured  
 418 in whole or in part by a pledge of a tax authorized under this Code section, the powers  
 419 of the counties and municipalities to impose and distribute the tax imposed by this  
 420 paragraph shall not be diminished or impaired by the state, and no county or municipality  
 421 levying the tax imposed by this paragraph shall cease to levy the tax in any manner that  
 422 will impair the interest and rights of the holders of any such obligation. This proviso  
 423 shall be for the benefit of the holder of any such obligation and, upon the issuance of any  
 424 such obligation by a coliseum and exhibit hall authority, shall constitute a contract with

425 the holder of such obligations. Notwithstanding any other provision of this Code section  
 426 to the contrary, as used in this paragraph, the term: 'fund' ~~and~~ or 'funding' shall include  
 427 the cost and expense of all things deemed necessary by a local coliseum authority for the  
 428 construction, renovation, and operation of a facility, including, but not limited to, the  
 429 study, operation, marketing, acquisition, construction, finance, development, extension,  
 430 enlargement, or improvement of land, waters, property, streets, highways, buildings,  
 431 structures, equipment, or facilities, and the repayment of any obligation incurred by a  
 432 local coliseum authority in connection therewith; 'obligation' shall include bonds, notes,  
 433 or any instrument creating an obligation to pay or reserve moneys incurred prior to  
 434 January 1, 1995, and having an initial term of not more than 30 years; and 'facility' shall  
 435 ~~mean~~ means a coliseum or other facility and any associated parking areas or  
 436 improvements originally owned or operated incident to the ownership or operation of a  
 437 facility used for convention and trade show purposes or amusement purposes, educational  
 438 purposes, or a combination thereof and for fairs, expositions, or exhibitions in connection  
 439 therewith by a local coliseum authority."

440 "(5.1) Notwithstanding any other provision of this subsection, a county (within the  
 441 territorial limits of the special district located within the county) and the municipalities  
 442 within a county in which a coliseum and exhibit hall authority has been created by local  
 443 Act of the General Assembly for a county and one or more municipalities therein, and  
 444 which local coliseum and exhibit hall authority is in existence on or before January 1,  
 445 1991, and which local coliseum and exhibit hall authority has not constructed or operated  
 446 any facility before January 1, 1991, may levy a tax under this Code section at a rate of 8  
 447 percent. A county or municipality levying a tax pursuant to this paragraph shall expend  
 448 (in each fiscal year during which the tax is collected under this paragraph) an amount  
 449 equal to at least 62 1/2 percent of the total taxes collected at the rate of 8 percent for the  
 450 purpose of: (A) promoting tourism, conventions, and trade shows; (B) funding,  
 451 supporting, acquiring, constructing, renovating, improving, and equipping buildings,  
 452 structures, and facilities, including, but not limited to, a coliseum, exhibit hall, conference  
 453 center, performing arts center, or any combination thereof, for convention, trade show,  
 454 athletic, musical, theatrical, cultural, civic, and performing arts purposes and other events  
 455 and activities for similar and related purposes, acquiring the necessary property therefor,  
 456 both real and personal, and funding all expenses incident thereto, and supporting,  
 457 maintaining, and promoting such facilities owned, operated, or leased by or to the local  
 458 coliseum and exhibit hall authority or a downtown development authority; or (C) for  
 459 some combination of such purposes; provided, however, that at least 50 percent of the  
 460 total taxes collected at the rate of 8 percent shall be expended for the purposes specified  
 461 in subparagraph (B) of this paragraph. Amounts so expended shall be expended only

462 through a contract or contracts with the state, a department of state government, a state  
 463 authority, a convention and visitors bureau authority created by local Act of the General  
 464 Assembly for a municipality, a local coliseum and exhibit hall authority, a downtown  
 465 development authority, or a private sector nonprofit organization or through a contract  
 466 or contracts with some combination of such entities, notwithstanding any provision of  
 467 paragraph (8) of this subsection to the contrary. The aggregate amount of all excise taxes  
 468 imposed under this paragraph and all sales and use taxes, and other taxes imposed by a  
 469 county or municipality, or both, shall not exceed ~~13~~ 16.5 percent; provided, however, that  
 470 any sales tax for educational purposes which is imposed pursuant to Article VIII, Section  
 471 VI, Paragraph IV of the Constitution shall not be included in calculating such limitation.  
 472 Any tax levied pursuant to this paragraph shall terminate not later than December 31,  
 473 2028, provided that during any period during which there remains outstanding any  
 474 obligation issued to fund a facility as contemplated by this paragraph, secured in whole  
 475 or in part by a pledge of a tax authorized under this Code section, the powers of the  
 476 counties and municipalities to impose and distribute the tax imposed by this paragraph  
 477 shall not be diminished or impaired by the state, and no county or municipality levying  
 478 the tax imposed by this paragraph shall cease to levy the tax in any manner that will  
 479 impair the interests and rights of the holder of any such obligation. This proviso shall be  
 480 for the benefit of the holder of any such obligation and, upon the issuance of any such  
 481 obligation by a local coliseum and exhibit hall authority or a downtown development  
 482 authority, shall constitute a contract with the holder of such obligation. Notwithstanding  
 483 any other provision of this Code section to the contrary, as used in this paragraph, the  
 484 term: 'fund' or 'funding' shall include the cost and expense of all things deemed necessary  
 485 by a local coliseum and exhibit hall authority or a downtown development authority for  
 486 the construction and operation of a facility or facilities, including, but not limited to, the  
 487 study, operation, marketing, acquisition, construction, financing, including the payment  
 488 of principal and interest on any obligation of the local coliseum and exhibit hall authority  
 489 or the downtown development authority and any obligation of the local coliseum and  
 490 exhibit hall authority or the downtown development authority to refund any prior  
 491 obligation of the local coliseum and exhibit hall authority or the downtown development  
 492 authority, development, extension, enlargement, or improvement of land, waters,  
 493 property, streets, highways, buildings, structures, equipment, or facilities, and the  
 494 repayment of any obligation incurred by an authority in connection therewith; 'obligation'  
 495 shall include bonds, notes, or any instrument creating an obligation to pay or reserve  
 496 moneys and having an initial term of not more than 37 years; 'facility' or 'facilities' ~~shall~~  
 497 ~~mean~~ means any of the buildings, structures, and facilities described in subparagraph (B)  
 498 of this paragraph and any associated parking areas or improvements originally owned or

499 operated incident to the ownership or operation of such facility used for any purpose or  
500 purposes specified in subparagraph (B) of this paragraph by a local coliseum and exhibit  
501 hall authority or a downtown development authority; and 'downtown development  
502 authority' ~~shall mean~~ means a downtown development authority created by local Act of  
503 the General Assembly for a municipality pursuant to a local constitutional amendment."

504 **SECTION 9.**

505 (a) This Act shall become effective on January 1, 2016.

506 (b) Tax, penalty, and interest liabilities and refund eligibility for prior taxable years shall not  
507 be affected by the passage of this Act and shall continue to be governed by the provisions of  
508 Title 48 of the Official Code of Georgia Annotated as it existed immediately prior to the  
509 effective date of this Act.

510 **SECTION 10.**

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