

House Bill 462

By: Representatives Powell of the 32<sup>nd</sup>, Williams of the 168<sup>th</sup>, Greene of the 151<sup>st</sup>, and Williamson of the 115<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 1 of Article 2A of Title 11 of the Official Code of Georgia Annotated, relating  
2 to general provisions relative to leases, so as to provide for the classification of sale  
3 leaseback transactions under certain circumstances; 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 Part 1 of Article 2A of Title 11 of the Official Code of Georgia Annotated, relating to general  
8 provisions relative to leases, is amended by adding a new Code section to read as follows:

9 "11-2A-110.

10 A consumer lease, including a sale-leaseback transaction, shall not be considered a loan,  
11 extension of credit, sale, or security interest, so long as:

12 (1) The consumer lessee has the contractual right to terminate the lease at any time  
13 without penalty by returning the leased property in the same condition received,  
14 reasonable wear and tear excepted;

15 (2) Sales tax is paid on each lease payment of the leased property; and

16 (3) The consumer lessee is given the right to cancel the transaction within three calendar  
17 days.

18 style="text-align:center">**SECTION 2.**

19 All laws and parts of laws in conflict with this Act are repealed.