

\_\_\_\_\_ offers the following  
substitute to HB 457:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 7 of Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia  
2 Annotated, relating to watercraft held in inventory, so as to provide that watercraft held in  
3 inventory shall be exempt from ad valorem taxation; to provide for related matters; to  
4 provide for an effective date and applicability; to repeal conflicting laws; and for other  
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

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8 Part 7 of Article 10 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated,  
9 relating to watercraft held in inventory, is amended by revising Code Section 48-5-504.40,  
10 relating to watercraft held in inventory for resale exempt from taxation for limited period of  
11 time, as follows:

12 "48-5-504.40.

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

14 (1) 'Dealer' means any person who is engaged in the business of selling watercraft at  
15 retail.

16 (2) 'Watercraft' means any vehicle which is self-propelled or which is capable of  
17 self-propelled water transportation, or both.

18 (b) Watercraft ~~which is~~ owned by a dealer and held in inventory for sale or resale shall  
19 constitute a separate classification of tangible property for ad valorem taxation purposes.

20 The procedures prescribed in this chapter for returning watercraft for ad valorem taxation,  
21 determining the application rates for taxation, and collecting the ad valorem taxes imposed  
22 on watercraft do not apply to watercraft ~~which is~~ owned by a dealer and held in inventory  
23 for sale or resale. For the period commencing January 1, ~~2009~~ 2016, and concluding  
24 December 31, ~~2013~~ 2019, such watercraft ~~which is~~ owned by a dealer and held in inventory  
25 for sale or resale shall not be returned for ad valorem taxation; and shall not be taxed, and

26 no taxes shall be collected on such watercraft until it is transferred and then otherwise, if  
27 at all, becomes subject to taxation as provided in this chapter."

28 **SECTION 2.**

29 This Act shall become effective upon its approval by the Governor or upon its becoming law  
30 without such approval and shall apply to all tax years beginning on and after January 1, 2016,  
31 and ending on December 31, 2019.

32 **SECTION 3.**

33 All laws and parts of laws in conflict with this Act are repealed.