

House Bill 170 (AS PASSED HOUSE AND SENATE)

By: Representatives Roberts of the 155<sup>th</sup>, Burns of the 159<sup>th</sup>, Hamilton of the 24<sup>th</sup>, England of the 116<sup>th</sup>, Hatchett of the 150<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend various provisions of the Official Code of Georgia Annotated so as to provide for  
2 additional revenue necessary for funding transportation purposes in this state; to amend Title  
3 28 of the Official Code of Georgia Annotated, relating to the General Assembly, so as to  
4 create the Special Joint Committee on Georgia Revenue Structure; to amend Title 32 of the  
5 Official Code of Georgia Annotated, relating to highways, bridges, and ferries, so as to  
6 require an annual report from the Department of Transportation; to amend Title 40 of the  
7 Official Code of Georgia Annotated, relating to motor vehicles and traffic, so as to levy a  
8 registration fee on alternative fueled vehicles; to amend Chapter 12 of Title 45 of the Official  
9 Code of Georgia Annotated, relating to the Governor, so as to limit the Governor's power to  
10 suspend the collection of certain motor fuel taxes and require ratification by the General  
11 Assembly; to amend Title 48 of the Official Code of Georgia Annotated, relating to revenue  
12 and taxation, so as to reduce the state income tax credits for low-emission vehicles to zero;  
13 to provide for the elimination of state sales and use taxes with respect to certain sales of  
14 motor fuels; to revise the exemption from sales and use taxes for jet fuel; to provide for  
15 revised definitions of certain terms relating to prepaid motor fuel taxes; to provide a limit on  
16 local sales taxes on motor fuels; to change the rate and method of computation of the excise  
17 tax on motor fuels; to repeal the second motor fuel tax; to provide for editorial revision; to  
18 provide for a state fee on hotel or motel room rentals; to amend Part 3 of Article 2 of Chapter  
19 10 of Title 32 of the Official Code of Georgia Annotated, the "Georgia Transportation  
20 Infrastructure Bank Act," so as to provide revised criteria for determination of eligible  
21 projects by the Transportation Infrastructure Bank; to amend Chapter 8 of Title 48 of the  
22 Official Code of Georgia Annotated, relating to sales and use taxation, so as to change  
23 certain provisions relating to the special district transportation sales and use tax pursuant to  
24 the Transportation Investment Act of 2010; to provide for future levies to be at a fractional  
25 rate; to change procedures and requirements regarding the future imposition of such tax; to  
26 change certain provisions regarding the ceiling on the amount of local sales and use taxes;  
27 to provide for an additional transportation special purpose local option sales and use tax by  
28 counties and municipalities; to provide for definitions, procedures, conditions, and

29 limitations for the imposition, collection, disbursement, and termination of the tax; to provide  
 30 for powers, duties, and authority of the state revenue commissioner; to provide for a short  
 31 title; to provide for appropriations of increases in revenue; to provide for related matters; to  
 32 provide for an effective date and applicability; to repeal conflicting laws; and for other  
 33 purposes.

34 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

35 **PART I**  
 36 **SECTION 1-1.**

37 Title 28 of the Official Code of Georgia Annotated, relating to the General Assembly, is  
 38 amended by adding a new chapter to read as follows:

39 "CHAPTER 12

40 28-12-1.

41 (a) There is created the Special Joint Committee on Georgia Revenue Structure which  
 42 shall consist of 14 members as follows:

43 (1) The President Pro Tempore of the Senate and the Speaker Pro Tempore of the House  
 44 of Representatives;

45 (2) The majority leader of the Senate and the majority leader of the House of  
 46 Representatives;

47 (3) The minority leader of the Senate and the minority leader of the House of  
 48 Representatives;

49 (4) The chairpersons of the Senate Finance Committee and the House Committee on  
 50 Ways and Means;

51 (5) Three members of the Senate to be appointed by the President of the Senate, two  
 52 from the majority party and one from the minority party; and

53 (6) Three members of the House of Representatives to be appointed by the Speaker of  
 54 the House of Representatives, two from the majority party and one from the minority  
 55 party.

56 (b) The Special Joint Committee on Georgia Revenue Structure shall elect two persons,  
 57 one Senator and one Representative, to serve as co-chairpersons of the special joint  
 58 committee.

59 28-12-2.

60 (a) The Special Joint Committee on Georgia Revenue Structure created in Code Section  
 61 28-12-1 shall during the 2016 legislative session cause to be introduced in the House of  
 62 Representatives one or more bills or resolutions relating to tax reform, and such legislation  
 63 shall, after its introduction, be referred directly and only to the special joint committee.

64 (b) If the special joint committee recommends that one or more bills or resolutions referred  
 65 to it do pass or do pass by committee substitute, the measure or measures recommended  
 66 by the special joint committee shall then be in order for consideration only by the House  
 67 of Representatives at any time fixed by the Speaker of the House of Representatives. Any  
 68 such bill or resolution shall be reported directly to the floor of the House of Representatives  
 69 and shall receive an up or down vote as reported from the special joint committee without  
 70 amendment.

71 (c) If one or more bills or resolutions referred by the special joint committee are passed  
 72 by the House of Representatives, the measure or measures shall then be in order for  
 73 consideration only by the Senate at any time fixed by the President of the Senate. Any  
 74 such bill or resolution shall be reported directly to the floor of the Senate and shall receive  
 75 an up or down vote as reported from the House of Representatives without amendment.

76 (d) Any bills or resolutions considered as provided for in this Code section shall be read  
 77 three times on three separate days in each house and shall be considered in compliance with  
 78 all other requirements of the Constitution.

79 (e) The rules of the Senate and the House of Representatives for the 2016 legislative  
 80 session may, as adopted or as amended, contain such provisions as may be necessary or  
 81 appropriate to comply with the legislative process specified by this Code section.

82 28-12-3.

83 This chapter shall stand repealed by operation of law on July 1, 2016."

84 **PART II**

85 **SECTION 2-1.**

86 Title 32 of the Official Code of Georgia Annotated, relating to highways, bridges, and ferries,  
 87 is amended by adding a new Code section to read as follows:

88 "32-5-27.1.

89 (a) In addition to the requirements contained in Code Section 32-5-27, the department shall  
 90 annually prepare and submit to the General Assembly, for approval by the Senate  
 91 Transportation Committee and the House Committee on Transportation, a ten-year strategic  
 92 plan that outlines the use of department resources for the upcoming fiscal years.

93 (b) The Senate Transportation Committee and the House Committee on Transportation  
 94 shall approve the plan and may make recommendations to the Senate Appropriations  
 95 Committee and the House Committee on Appropriations for their consideration in  
 96 developing the budget.

97 (c) Such plan shall identify at least the following categories and establish a target  
 98 percentage of resources to be expended and the respective fund sources in each of the  
 99 following areas:

100 (1) Construction of new highway projects;

101 (2) Maintenance of existing infrastructure;

102 (3) Bridge repairs and replacement;

103 (4) Safety enhancements; and

104 (5) Administrative expenses.

105 (d) Priority shall be given to expenditure of available resources for maintenance,  
 106 expansion, and improvement of highway infrastructure in the areas of this state most  
 107 impacted by traffic congestion and to areas of this state in need of highway infrastructure  
 108 to aid in attracting economic development to the area.

109 (e) Such plan shall also bring forward all efficiencies found within the bureaucracy of the  
 110 Department and how those funds have been redirected to road construction."

111

### PART III

112

#### SECTION 3-1.

113 Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles and traffic, is  
 114 amended by revising paragraph (7) of subsection (l) of Code Section 40-2-86.1, relating to  
 115 certain special license plates, as follows:

116 "(7)(A) A special license plate to be issued for alternative fueled vehicles, which  
 117 license plate shall be similar in design to the license plate issued to all other residents  
 118 of ~~the~~ this state except that the commissioner shall place a distinctive logo or emblem  
 119 on the license plate which shall distinguish the vehicle as an alternative fueled vehicle  
 120 eligible to travel in travel lanes designated for such vehicles under paragraph (4) of  
 121 subsection (a) of Code Section 32-9-4. The words 'alternative fueled vehicle' shall be  
 122 imprinted on such special license plate in lieu of the county name decal. The funds  
 123 raised by the sale of this license plate shall be deposited in the general fund.

124 (B) As used in this paragraph, the term:

125 (i) 'Alternative fuel' means ~~methanol, denatured ethanol, and other alcohols; mixtures~~  
 126 ~~containing 85 percent or more or such other percentage, but not less than 70 percent,~~  
 127 ~~as determined by the United States secretary of energy, by rule as it existed on~~

128 January 1, 1997, to provide for requirements relating to cold start, safety, or vehicle  
 129 functions, by volume of methanol, denatured ethanol, and other alcohols with gasoline  
 130 or other fuels; natural gas; liquefied petroleum gas; hydrogen; coal derived liquid  
 131 fuels; fuels other than alcohol derived from biological materials; electricity including  
 132 electricity from solar energy; and any other fuel the United States secretary of energy  
 133 determined by rule as it existed on January 1, 1997, is substantially not petroleum and  
 134 would yield substantial energy security benefits and substantial environmental  
 135 benefits electricity, natural gas, and propane.

136 (ii) 'Alternative fueled vehicle' means: ~~(F) Any any vehicle fueled solely by~~  
 137 ~~alternative fuel as defined in division (i) of this subparagraph, bi-fuel, or dual fuel; or~~  
 138 ~~(H) A hybrid vehicle, which means a motor vehicle which draws propulsion energy~~  
 139 ~~from onboard sources of stored energy which include an internal combustion or heat~~  
 140 ~~engine using combustible fuel and a rechargeable energy storage system; and, in the~~  
 141 ~~case of a passenger automobile or light truck, means for any 2000 and later model,~~  
 142 ~~a vehicle which has received a certificate of conformity under the Clean Air Act, 42~~  
 143 ~~U.S.C. Section 7401, et seq., and meets or exceeds the equivalent qualifying~~  
 144 ~~California low-emission vehicle standard under Section 243(e)(2) of the Clean Air~~  
 145 ~~Act, 42 U.S.C. Section 7583(c)(2), for that make and model year or, for any 2004~~  
 146 ~~and later model, a vehicle which has received a certificate that such vehicle meets~~  
 147 ~~or exceeds the Bin 5 Tier II emission level established in regulations prescribed by~~  
 148 ~~the administrator of the Environmental Protection Agency under Section 202(i) of~~  
 149 ~~the Clean Air Act, 42 U.S.C. Section 7521(i), for that make and model year vehicle~~  
 150 ~~and which achieves a composite label fuel economy greater than or equal to 1.5~~  
 151 ~~times the Model Year 2002 EPA composite class average for the same vehicle class~~  
 152 ~~and which is made by a manufacturer.~~

153 (C) Pursuant to paragraph (19) of subsection (a) of Code Section 40-2-151, the  
 154 applicant for a special license plate for any alternative fueled vehicle shall provide  
 155 proof that he or she has paid the registration fee prescribed therein prior to the issuance  
 156 of any special license plate under this paragraph."

157 **SECTION 3-2.**

158 Said title is further amended by adding a new paragraph to subsection (a) of Code Section  
 159 40-2-151, relating to the annual license fees for the operation of vehicles, to read as follows:

160 "(19)(A)(i) Upon registration of an alternative fueled vehicle not operated  
 161 for commercial purposes . . . . . 200.00  
 162 (ii) Upon registration of an alternative fueled vehicle operated for  
 163 commercial purposes . . . . . 300.00

164 (B)(i) As used in this paragraph, the term 'alternative fueled vehicle' shall have the  
 165 same meaning as in division (1)(7)(B)(ii) of Code Section 40-2-86.1; provided,  
 166 however, that the fees in this paragraph shall not be assessed on vehicles which  
 167 operate primarily on compressed natural gas, liquefied natural gas, or liquefied  
 168 petroleum gas.

169 (ii) The fees in this paragraph shall be in addition to any other fee imposed on the  
 170 vehicle by this Code section.

171 (iii) The fees in this paragraph shall be automatically adjusted on an annual basis by  
 172 multiplying the percentage of increase or decrease in fuel efficiency from the previous  
 173 year as measured by using the average of combined miles per gallon published in the  
 174 United States Department of Energy Fuel Economy Guide against the current fee, and  
 175 the resulting increase or decrease shall be added or subtracted from the fee. This  
 176 preliminary fee adjustment shall then be multiplied by the increase or decrease in the  
 177 Consumer Price Index percentage for the applicable year, and the result will be added  
 178 or subtracted from the preliminary fee to produce the fee for the year. The first  
 179 adjustment shall be calculated and implemented on July 1, 2016. The Consumer Price  
 180 Index shall no longer be used after July 1, 2018."

181 **SECTION 3-3.**

182 Said title is further amended by adding a new Code section to read as follows:

183 "40-2-151.1.

184 (a) As used in this Code section, the term 'transportation purposes' means and includes  
 185 roads, bridges, public transit, rails, airports, buses, seaports, including without limitation  
 186 road, street, and bridge purposes pursuant to paragraph (1) of subsection (b) of Code  
 187 Section 48-8-121, and all accompanying infrastructure and services necessary to provide  
 188 access to these transportation facilities, including general obligation debt and other  
 189 multiyear obligations issued to finance such purposes.

190 (b) In conjunction with the payment of fees for the licensing of the operation of vehicles  
 191 pursuant to Code Section 40-2-151, certain heavy vehicles registered in Georgia shall pay  
 192 a highway impact fee. The annual fees shall be as follows for each such vehicle registered:

- 193 (1) 15,500 lbs. up to 26,000 lbs. . . . . \$ 50.00
- 194 (2) Greater than 26,001 lbs. . . . . 100.00

195 (c) It is the intention of the General Assembly, subject to appropriations, that the fees  
 196 collected pursuant to subsection (b) of this Code section shall be made available and used  
 197 exclusively for transportation purposes in this state.

198 (d) If the amount collected under this Code section is ever not appropriated for a fiscal  
 199 year as provided by subsection (c) of this Code section, as determined jointly by the House

200 Budget and Research Office and the Senate Budget and Evaluation Office, then the amount  
 201 collected shall be reduced by 50 percent. Upon the conclusion of a second fiscal year in  
 202 which an amount is not so appropriated, this Code section shall stand repealed and  
 203 reserved, and such fees shall cease to be collected, on the date the appropriations Act for  
 204 such fiscal year becomes effective. Such budget offices shall certify any such lack of  
 205 appropriation to the Code Revision Commission for purposes of updating the Code in  
 206 accordance with this subsection."

207 **PART IV**

208 **SECTION 4-1.**

209 Chapter 12 of Title 45 of the Official Code of Georgia Annotated, relating to the Governor,  
 210 is amended by revising Code Section 45-12-22, relating to the Governor's authority to  
 211 suspend the collection of taxes, as follows:

212 "45-12-22.

213 (a) Except as provided in subsection (b) of this Code section, the ~~The~~ Governor may  
 214 suspend the collection of taxes, or any part thereof, due the state until the meeting of the  
 215 next General Assembly but no longer; but he or she shall not otherwise interfere with the  
 216 collection of taxes.

217 (b) Unless there has been a state of emergency declaration by the Governor, the Governor  
 218 shall not suspend or modify in any manner the collection of any rate of state motor fuel  
 219 under Code Section 48-9-3 as it applies to sales of motor fuel and aviation gasoline as such  
 220 terms are defined in Code Section 48-9-2. Any suspension or modification of any rate of  
 221 state motor fuel taxes under this subsection by the Governor shall be effective only until  
 222 the next meeting of the General Assembly which must ratify such suspension or  
 223 modification by a two-thirds' vote of both chambers. In the event the General Assembly  
 224 fails to ratify the Governor's actions, state motor fuel taxes under this subsection shall be  
 225 collected at the rate specified absent such suspension or modification and any amounts  
 226 unpaid due to such suspension or modification shall be collected using such rate."

227 **PART V**

228 **SECTION 5-1.**

229 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is  
 230 amended by revising subsection (b) of Code Section 48-7-40.16, relating to state income tax  
 231 credits for low-emission vehicles, as follows:

232 "(b)(1) A tax credit is allowed against the tax imposed under this article to a taxpayer for  
 233 the purchase or lease of a new low-emission vehicle or new zero emission vehicle that  
 234 is registered in the State of Georgia. The amount of the credit shall be:

235 ~~(1)(A)~~ For any new low-emission vehicle, 10 percent of the cost of such vehicle or  
 236 \$2,500.00, whichever is less; and

237 ~~(2)(B)~~ For any new zero emission vehicle, 20 percent of the cost of such vehicle or  
 238 \$5,000.00, whichever is less.

239 (2) For any new low-emission vehicle or new zero emission vehicle purchased or leased  
 240 on or after July 1, 2015, the amount of the credit shall be \$0.00."

241 **SECTION 5-2.**

242 Said title is further amended by revising paragraphs (23) and (24) of Code Section 48-8-2,  
 243 relating to definitions regarding state sales and use taxes, as follows:

244 "(23) 'Prepaid local tax' means any local sales and use tax which is levied on the sale or  
 245 use of motor fuel and imposed in an area consisting of less than the entire state, however  
 246 authorized, including, but not limited to, such taxes authorized by or pursuant to  
 247 constitutional amendment; by or pursuant to Section 25 of an Act approved March 10,  
 248 1965 (Ga. L. 1965, p. 2243), as amended, known as the 'Metropolitan Atlanta Rapid  
 249 Transit Authority Act of 1965'; or by or pursuant to Article 2, 2A, 3, or 4 of this chapter.  
 250 Such tax is based on the same average retail sales price ~~as set forth in subparagraph~~  
 251 ~~(b)(2)(B) of Code Section 48-9-14~~ as compiled by the Energy Information Agency of the  
 252 United States Department of Energy, the Oil Pricing Information Service, or a similar  
 253 reliable published index less taxes imposed under Code Section 48-9-3 and all local sales  
 254 and use or excise taxes levied on motor fuel. Such price shall be used to compute the  
 255 prepaid sales tax rate for local jurisdictions by multiplying such retail price by the  
 256 applicable rate imposed by the jurisdiction. The person collecting and reporting the  
 257 prepaid local tax for the local jurisdiction shall provide a schedule as to which jurisdiction  
 258 these collections relate. This determination shall be based upon the shipping papers of  
 259 the conveyance that delivered the motor fuel to the dealer or consumer in the local  
 260 jurisdiction. A seller may rely upon the representation made by the purchaser as to which  
 261 jurisdiction the shipment is bound and prepare shipping papers in accordance with those  
 262 instructions.

263 ~~(24) 'Prepaid state tax' means the tax levied under Code Section 48-8-30 in conjunction~~  
 264 ~~with Code Section 48-8-3.1 and Code Section 48-9-14 on the retail sale of motor fuels~~  
 265 ~~for highway use and collected prior to that retail sale. This tax is based upon the average~~  
 266 ~~retail sales price as set forth in Code Section 48-9-14~~ Reserved."

**SECTION 5-3.**

267  
268 Said title is further amended by revising paragraph (33.1) of Code Section 48-8-3, relating  
269 to exemptions from state sales and use taxes, as follows:

270 "(33.1)(A) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport,  
271 to the extent provided in subparagraphs (B) and (C) of this paragraph.

272 (B)(i) ~~For the period of time beginning July 1, 2011, and ending June 30, 2012, the~~  
273 ~~sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall be~~  
274 ~~exempt from state sales and use tax until the aggregate state sales and use tax liability~~  
275 ~~of the taxpayer during such period with respect to jet fuel exceeds \$20 million,~~  
276 ~~computed as if the exemption provided in this division was not in effect during such~~  
277 ~~period. Thereafter during such period, the exemption provided by this division shall~~  
278 ~~not apply to the sale or use of jet fuel to or by the qualifying airline. For purposes of~~  
279 ~~this division, the terms 'qualifying airline' and 'qualifying airport' shall have the same~~  
280 ~~meanings as those terms were defined under the prior provisions of this paragraph as~~  
281 ~~it existed immediately prior to July 1, 2012.~~

282 (ii) For the period of time beginning July 1, 2012, and ending on June 30, 2015, the  
283 sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall be  
284 exempt from 1 percent of the 4 percent state sales and use tax.

285 (C) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall  
286 be exempt at all times from the sales or use tax levied and imposed as authorized  
287 pursuant to Part 1 of Article 3 of this chapter. As used in this subparagraph, the term  
288 'qualifying airport' means any airport in this state that has had more than 750,000  
289 takeoffs and landings during a calendar year, and the term 'qualifying airline' shall have  
290 the same meaning as set forth in subparagraph (E) of this paragraph.

291 (D) Except as provided for in subparagraph (C) of this paragraph, this exemption shall  
292 not apply to any other local sales and use tax levied or imposed at any time in any area  
293 consisting of less than the entire state, however authorized, not to exceed the rate at  
294 which such taxes were levied as of January 1, 2014, including, but not limited to, such  
295 taxes authorized by or pursuant to Section 25 of an Act approved March 10, 1965 (Ga.  
296 L. 1965, p. 2243), as amended, the 'Metropolitan Atlanta Rapid Transit Authority Act  
297 of 1965,' or such taxes as authorized by or pursuant to Part 2 of Article 3 or Article 2,  
298 2A, or 4 of this chapter.

299 (E) For purposes ~~of division (ii)~~ of subparagraph (B) of this paragraph and paragraph  
300 (2) of subsection (d) of Code Section 48-8-241, a 'qualifying airline' shall mean any  
301 person which is authorized by the Federal Aviation Administration or appropriate  
302 agency of the United States to operate as an air carrier under an air carrier operating

303 certificate and which provides regularly scheduled flights for the transportation of  
 304 passengers or cargo for hire.

305 (F) For purposes of ~~division (ii)~~ of subparagraph (B) of this paragraph and paragraph  
 306 (2) of subsection (d) of Code Section 48-8-241, the term 'qualifying airport' means a  
 307 certificated air carrier airport in Georgia.

308 (G) On or after July 1, 2017, revenue derived from the levy of sales and use taxes on  
 309 jet fuel shall be used for a state aviation program or airport related purposes to the  
 310 extent required to comply with 49 U.S.C. Sections 47107(b) and 47113. Any portion  
 311 of such revenue so derived which is in excess of the amount required for purposes of  
 312 such compliance with federal law may be appropriated by the General Assembly for  
 313 other purposes.

314 ~~(G)~~(H) The commissioner shall adopt rules and regulations to carry out the provisions  
 315 of this paragraph;"

316 **SECTION 5-4.**

317 Said title is further amended by revising subsections (a) and (b) of Code Section 48-8-3.1,  
 318 relating to sales tax exemptions as applied to motor fuels, as follows:

319 "(a) Except as provided in subsection (b) of this Code section, sales of motor fuels as  
 320 defined in paragraph (9) of Code Section 48-9-2 shall be exempt from the ~~first 3 percent~~  
 321 ~~of the state~~ sales and use taxes levied or imposed by this article ~~and shall be subject to the~~  
 322 ~~remaining 1 percent of the sales and use taxes levied or imposed by this article.~~

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

328 **SECTION 5-5.**

329 Said title is further amended by revising subsection (k) of Code Section 48-8-30, relating to  
 330 the imposition, rate, and collection of state sales tax, as follows:

331 "(k) The prepaid local tax shall be imposed at the time tax is imposed ~~under subparagraph~~  
 332 ~~(b)(2)(B) of Code Section 48-9-14~~ under Code Section 48-9-3."

333 **SECTION 5-6.**

334 Said title is further amended by revising paragraph (2) of subsection (b) of Code Section  
 335 48-8-49, relating to dealers' returns as gross proceeds of sales and purchases, as follows:

336 "(2) If the tax liability of a dealer in the preceding calendar year was greater than  
 337 \$60,000.00 excluding local sales taxes, the dealer shall file a return and remit to the  
 338 commissioner not less than 50 percent of the estimated tax liability for the taxable period  
 339 on or before the twentieth day of the period. The amount of the payment of the estimated  
 340 tax liability shall be credited against the amount to be due on the return required under  
 341 subsection (a) of this Code section. ~~This subsection shall not apply to any dealer whose  
 342 primary business is the sale of motor fuels who is remitting prepaid state tax under  
 343 paragraph (2) of subsection (b) of Code Section 48-9-14."~~

344 **SECTION 5-7.**

345 Said title is further amended by revising paragraphs (2), (3), and (4) of subsection (b) of  
 346 Code Section 48-8-50, relating to compensation of dealers for reporting and paying tax, as  
 347 follows:

348 "(2) With respect to each certificate of registration number on such return, a deduction  
 349 of one-half of 1 percent of that portion exceeding \$3,000.00 of the combined total amount  
 350 of all sales and use taxes reported due on such return for each location other than the  
 351 taxes specified in paragraph (3) of this subsection; and

352 (3) With respect to each certificate of registration number on such return, a deduction of  
 353 3 percent of the combined total amount due of all sales and use taxes on motor fuel as  
 354 defined under paragraph (9) of Code Section 48-9-2, which are imposed under any  
 355 provision of this title, including, but not limited to, sales and use taxes on motor fuel  
 356 imposed under any of the provisions described in subsection (f) of this Code section, ~~but  
 357 not including Code Section 48-9-14; and~~

358 ~~(4) A deduction with respect to Code Section 48-9-14, as defined in Code Section  
 359 48-8-2, shall be at the rate of one-half of 1 percent of the total amount due of the prepaid  
 360 state tax reported due on such return, so long as the return and payment are timely,  
 361 regardless of the classification of tax return upon which the remittance is made."~~

362 **SECTION 5-8.**

363 Said title is further amended by revising Code Section 48-8-82, relating to authorization of  
 364 counties and municipalities to impose a joint sales and use tax, as follows:

365 "48-8-82.

366 (a) When the imposition of a joint county and municipal sales and use tax is authorized  
 367 according to the procedures provided in this article within a special district, the county  
 368 whose geographical boundary is conterminous with that of the special district and each  
 369 qualified municipality located wholly or partially within the special district shall levy a  
 370 joint sales and use tax at the rate of 1 percent, except as provided in subsection (b) of this

371 Code section. Except as to rate, the joint tax shall correspond to the tax imposed and  
 372 administered by Article 1 of this chapter. No item or transaction which is not subject to  
 373 taxation by Article 1 of this chapter shall be subject to the tax levied pursuant to this article,  
 374 except that the joint tax provided in this article shall be applicable to sales of motor fuels  
 375 as prepaid local tax as that term is defined in Code Section 48-8-2 and shall be applicable  
 376 to the sale of food and food ingredients and alcoholic beverages only to the extent provided  
 377 for in paragraph (57) of Code Section 48-8-3.

378 (b) On or after July 1, 2015, such joint sales and use tax levied on sales of motor fuels as  
 379 defined in Code Section 48-9-2 shall be at the rate of 1 percent of the retail sales price of  
 380 the motor fuel which is not more than \$3.00 per gallon."

381 **SECTION 5-9.**

382 Said title is further amended by revising subsection (b) of Code Section 48-8-102, relating  
 383 to the creation of special districts and use of proceeds of the homestead option sales and use  
 384 tax, as follows:

385 "(b)(1) When the imposition of a local sales and use tax is authorized according to the  
 386 procedures provided in this article within a special district, the county whose  
 387 geographical boundary is conterminous with that of the special district shall levy a local  
 388 sales and use tax at the rate of 1 percent, except as provided in paragraph (2) of this  
 389 subsection. Except as to rate, the local sales and use tax shall correspond to the tax  
 390 imposed and administered by Article 1 of this chapter. No item or transaction which is  
 391 not subject to taxation by Article 1 of this chapter shall be subject to the sales and use tax  
 392 levied pursuant to this article, except that the sales and use tax provided in this article  
 393 shall be applicable to sales of motor fuels as prepaid local tax as that term is defined in  
 394 Code Section 48-8-2 and shall be applicable to the sale of food and food ingredients and  
 395 alcoholic beverages only to the extent provided for in paragraph (57) of Code Section  
 396 48-8-3.

397 (2) On or after July 1, 2015, such sales and use tax levied on sales of motor fuels as  
 398 defined in Code Section 48-9-2 shall be at the rate of 1 percent of the retail sales price of  
 399 the motor fuel which is not more than \$3.00 per gallon."

400 **SECTION 5-10.**

401 Said title is further amended by revising subsection (c) of and by adding a new subsection  
 402 to Code Section 48-8-110.1, relating to the authorization for a county special purpose local  
 403 option sales tax, to read as follows:

404 "(c) Any Except as provided in subsection (d) of this Code section, any tax imposed under  
 405 this part shall be at the rate of 1 percent. Except as to rate, a tax imposed under this part

406 shall correspond to the tax imposed by Article 1 of this chapter. No item or transaction  
 407 which is not subject to taxation under Article 1 of this chapter shall be subject to a tax  
 408 imposed under this part, except that a tax imposed under this part shall apply to sales of  
 409 motor fuels as prepaid local tax as that term is defined in Code Section 48-8-2 and shall be  
 410 applicable to the sale of food and food ingredients and alcoholic beverages as provided for  
 411 in Code Section 48-8-3.

412 (d) On or after July 1, 2015, such sales and use tax levied on sales of motor fuels as  
 413 defined in Code Section 48-9-2 shall be at the rate of 1 percent of the retail sales price of  
 414 the motor fuel which is not more than \$3.00 per gallon."

415 **SECTION 5-11.**

416 Said title is further amended by revising Code Section 48-8-141, relating to imposition of a  
 417 sales tax for educational purposes, as follows:

418 "48-8-141.

419 (a) Except as otherwise expressly provided in Article VIII, Section VI, Paragraph IV of  
 420 the Constitution of Georgia, the sales tax for educational purposes which may be levied by  
 421 a board of education of a county school district or concurrently by the board of education  
 422 of a county school district and the board of education of each independent school district  
 423 located within such county shall be imposed and levied by such board or boards of  
 424 education and collected by the commissioner on behalf of such board or boards of  
 425 education in the same manner as provided for under Part 1 of this article and the provisions  
 426 of Part 1 of this article in particular, but without limitation, the provisions regarding the  
 427 authority of the commissioner to administer and collect this tax, retain the 1 percent  
 428 administrative fee, and promulgate rules and regulations governing this tax shall apply  
 429 equally to such board or boards of education. The report required pursuant to Code Section  
 430 48-8-122 shall be applicable; provided, however, that in addition to posting such report in  
 431 a newspaper of general circulation as required by such Code section, such report may be  
 432 posted on the searchable website provided for under Code Section 50-6-32.

433 (b) On or after July 1, 2015, such sales and use tax levied on sales of motor fuels as  
 434 defined in Code Section 48-9-2 shall be at the rate of 1 percent of the retail sales price of  
 435 the motor fuel which is not more than \$3.00 per gallon."

436 **SECTION 5-12.**

437 Said title is further amended by revising subsection (c) of and adding a new subsection to  
 438 Code Section 48-8-201, relating to the intergovernmental agreement for the distribution of  
 439 tax proceeds from the water and sewer projects sales tax, as follows:

440 "(c) In the event a tax imposed under this article is imposed only by the municipality:

441 (1) No item or transaction which is not subject to taxation under Article 1 of this chapter  
 442 shall be subject to a tax imposed under this article, except that a tax imposed under this  
 443 article shall apply to:

444 (A) Sales of motor fuels as prepaid local tax as that term is defined in Code Section  
 445 48-8-2;

446 (B) The sale of food and food ingredients and alcoholic beverages as provided for in  
 447 Code Section 48-8-3;

448 (C) The sale of natural or artificial gas used directly in the production of electricity  
 449 which is subsequently sold, notwithstanding paragraph (70) of Code Section 48-8-3;  
 450 and

451 (D) The furnishing for value to the public of any room or rooms, lodgings, or  
 452 accommodations which is subject to taxation under Article 3 of Chapter 13 of this title;  
 453 and

454 (2) A tax imposed under this article shall not apply to the sale of motor vehicles."

455 "(e) On or after July 1, 2015, such sales and use tax levied on sales of motor fuels as  
 456 defined in Code Section 48-9-2 shall be at the rate of 1 percent of the retail sales price of  
 457 the motor fuel which is not more than \$3.00 per gallon."

458 **SECTION 5-13.**

459 Said title is further amended by revising Code Section 48-9-3, relating to an excise tax on  
 460 motor fuel, as follows:

461 "48-9-3.

462 (a)(1) An excise tax is imposed at the rate of ~~7 1/2¢~~ 26¢ per gallon on distributors who  
 463 sell or use motor fuel, other than diesel fuel, within this state. An excise tax is imposed  
 464 at the rate of 29¢ per gallon on distributors who sell or use diesel fuel within this state.  
 465 It is the intention of the General Assembly that the legal incidence of the tax be imposed  
 466 upon the distributor.

467 (1.1)(A) Beginning on July 1, 2016, and annually thereafter, the amount of this excise  
 468 tax per gallon on distributors shall be automatically adjusted on an annual basis in  
 469 accordance with this paragraph.

470 (B) Using 2014 as a base year, the department shall determine the average miles per  
 471 gallon of all new vehicles registered in this state pursuant to Code Section 48-5C-1  
 472 using the average of combined miles per gallon published in the United States  
 473 Department of Energy Fuel Economy Guide. Beginning on July 1, 2016, and each year  
 474 thereafter, the department shall calculate the average miles per gallon of all new  
 475 vehicles registered in this state in the previous year. The excise tax rate shall be  
 476 multiplied by the percentage increase or decrease in fuel efficiency from the previous

477 year, and the resulting increase or decrease shall be added to the excise tax rate to  
 478 determine the preliminary excise tax rate.

479 (C) Once the preliminary excise tax rate is established, it shall be multiplied by the  
 480 annual percentage of increase or decrease in the Consumer Price Index. The resulting  
 481 calculation shall be added to the preliminary excise tax rate, and the result of such  
 482 calculation shall be the new excise tax rate for motor fuels for the next calendar year.  
 483 The Consumer Price Index shall no longer be used after July 1, 2018.

484 (2) In the event any motor fuels which are not commonly sold or measured by the gallon  
 485 are used in any motor vehicles on the public highways of this state, the commissioner  
 486 may assess, levy, and collect a tax upon such fuels, under such regulations as the  
 487 commissioner may promulgate, in accordance with and measured by the nearest power  
 488 potential equivalent to that of one gallon of regular grade gasoline. Any determination  
 489 by the commissioner of the power potential equivalent of such motor fuels shall be  
 490 prima-facie correct. Upon each such quantity of such fuels used upon the public  
 491 highways of this state, a tax at the same rate per gallon imposed on motor fuel under  
 492 paragraph (1) of this subsection shall be assessed and collected.

493 (3) No county, municipality, or other political subdivision of this state shall levy any fee,  
 494 license, or other excise tax on a gallonage basis upon the sale, purchase, storage, receipt,  
 495 distribution, use, consumption, or other disposition of motor fuel. Nothing contained in  
 496 this article shall be construed to prevent a county, municipality, or other political  
 497 subdivision of this state from levying license fees or taxes upon any business selling  
 498 motor fuel.

499 (4)(A) For purposes of this subsection, and notwithstanding the provisions of  
 500 paragraph (2) of this subsection and any provision contained in the National Bureau of  
 501 Standards Handbook or any other national standard that may be adopted by law or  
 502 regulation, the gallon equivalent of compressed natural gas shall be not less than  
 503 110,000 British thermal units and the gallon equivalent of liquefied natural gas shall not  
 504 be less than 6.06 pounds.

505 (B) As used in this paragraph, the term:

506 (i) 'Compressed natural gas' means a mixture of hydrocarbon gases and vapors,  
 507 consisting principally of methane in gaseous form, that has been compressed for use  
 508 as a motor fuel.

509 (ii) 'Liquefied natural gas' means methane or natural gas in the form of a cryogenic  
 510 or refrigerated liquid for use as a motor fuel.

511 (b) No tax is imposed by this article upon or with respect to the following sales by duly  
 512 licensed distributors:

513 (1) Bulk sales to a duly licensed distributor;

- 514 (2) Sales of motor fuel for export from this state when exempted by any provisions of  
 515 the Constitutions of the United States or this state;
- 516 (3) Sales of motor fuel to a licensed distributor for export from this state;
- 517 (4) Sales of motor fuel to the United States for the exclusive use of the United States  
 518 when the motor fuel is purchased and paid for by the United States;
- 519 (5) Sales of aviation gasoline to a duly licensed aviation gasoline dealer, except for 1¢  
 520 per gallon of the tax imposed by paragraph (1) of subsection (a) of this Code section ~~and~~  
 521 ~~all of the tax imposed by Code Section 48-9-14;~~
- 522 (6) Bulk sales of compressed petroleum gas or special fuel to a duly licensed consumer  
 523 distributor;
- 524 (7)(A) Sales of compressed petroleum gas or special fuel to a consumer who has no  
 525 highway use of the fuel at the time of the sale and does not resell the fuel. Consumers  
 526 of compressed petroleum gas or special fuel who have both highway and nonhighway  
 527 use of the fuel and resellers of such fuel must be licensed as distributors in order for  
 528 sales of the fuel to be tax exempt. Each type of motor fuel is to be considered  
 529 separately under this exemption.
- 530 (B)(i) In instances where a sale of compressed petroleum gas has been made to an  
 531 ultimate consumer who has both highway and nonhighway use of that type of motor  
 532 fuel and no tax has been paid by the distributor on the sale, the consumer shall  
 533 become licensed as a consumer distributor of that type of motor fuel. After the  
 534 consumer is licensed as a consumer distributor and if it is demonstrated to the  
 535 satisfaction of the commissioner that the motor fuel purchased prior to the licensee's  
 536 becoming licensed as a consumer distributor was used for nonhighway purposes, such  
 537 sales shall be exempt from the tax imposed by this article; provided, however, that,  
 538 if at the time of demonstration the ultimate consumer does not have both highway and  
 539 nonhighway use of such fuel but it can be demonstrated by the distributor to the  
 540 satisfaction of the commissioner that the motor fuel was used for nonhighway  
 541 purposes, the sales shall be exempt from the tax imposed by this article; and
- 542 (ii)(I) Any special fuel sold by a distributor to a purchaser who has a storage  
 543 receptacle which has a connection to a withdrawal outlet that may be used for  
 544 highway use, as defined in paragraph (8) of Code Section 48-9-2, is not exempt  
 545 from the motor fuel and road taxes imposed by this article unless: (1) the purchaser  
 546 is at the time of sale a valid licensed distributor of that type of motor fuel, or (2) an  
 547 exemption certificate has been obtained from the purchaser on forms furnished by  
 548 the Department of Revenue showing that the purchaser has no highway use of such  
 549 fuels and is not a reseller of such fuels. Each exemption certificate shall be valid  
 550 for a period of not more than three years and shall be kept by the distributor as one

551 of the records specified in Code Section 48-9-8. It shall be the responsibility of the  
 552 purchaser to notify the distributor when the purchaser is no longer qualified for the  
 553 nonhighway exemption. All applicable taxes must be charged the purchaser until  
 554 the purchaser is granted a valid distributor's license for that type of motor fuel.

555 (II) Any such purchaser granted an exemption under subdivision (I) of this division  
 556 who falsely claims the exemption or fails to rescind the purchaser's exemption  
 557 certificate to the distributor in writing when he or she is no longer eligible for the  
 558 exemption shall be deemed a distributor for purposes of taxation and is subject to  
 559 all provisions of this article relating to distributors. This division in no way shall  
 560 restrict the option of the purchaser to become licensed as a distributor. If the  
 561 distributor sells special fuel to a purchaser who has a storage receptacle which has  
 562 a connection to a withdrawal outlet that may be used for highway use, as defined in  
 563 paragraph (8) of Code Section 48-9-2, and the purchaser is not a valid licensed  
 564 distributor and has not executed a valid signed exemption certificate, the taxes  
 565 imposed by this article are due from the distributor and not the purchaser on all sales  
 566 of that type of fuel to that purchaser;

567 (8) Sales of fuel oils, compressed petroleum gas, or special fuel directly to an ultimate  
 568 consumer to be used for heating purposes only. The delivery of fuel oils, compressed  
 569 petroleum gas, or special fuel directly to an ultimate consumer to be used for heating  
 570 purposes only shall be made directly into the storage receptacle of the heating unit of the  
 571 consumer by the licensed distributor. To qualify for this exemption, sales must be  
 572 delivered into storage receptacles that are not equipped with any secondary withdrawal  
 573 outlets for the motor fuel;

574 (9) Sales of dyed fuel oils to a consumer for other than highway use as defined in  
 575 paragraph (8) of Code Section 48-9-2;

576 (10)(A) During the period of July 1, 2012, through June 30, 2015, sales of motor fuel,  
 577 as defined in paragraph (9) of Code Section 48-9-2, for public mass transit vehicles  
 578 which are owned by public transportation systems which receive or are eligible to  
 579 receive funds pursuant to 49 U.S.C. Sections 5307 and 5311 for which passenger fares  
 580 are routinely charged and which vehicles are used exclusively for revenue generating  
 581 purposes which motor fuel sales occur at bulk purchase facilities approved by the  
 582 department.

583 (B) During the period of July 1, 2012, through June 30, 2015, sales of motor fuel, as  
 584 defined in paragraph (9) of Code Section 48-9-2, for vehicles operated by a public  
 585 campus transportation system, provided that such system has a policy which provides  
 586 for free transfer of passengers from the public transportation system operated by the  
 587 jurisdiction in which the campus is located; makes the general public aware of such free

588 transfer policy; and receives no state or federal funding to assist in the operation of such  
 589 public campus transportation system and which motor fuel sales occur at bulk purchase  
 590 facilities approved by the department.

591 (C) For purposes of this paragraph, the term 'vehicle' or 'vehicles' means buses, vans,  
 592 minibuses, or other vehicles which have the capacity to transport seven or more  
 593 passengers; or

594 (11) For the period of time beginning July 1, 2013, and ending June 30, 2015, sales of  
 595 motor fuel to public school systems in this state for the exclusive use of the school system  
 596 in operating school buses when the motor fuel is purchased and paid for by the school  
 597 system.

598 (c) Fuel oils, compressed petroleum gas, or special fuel used by a duly licensed distributor  
 599 for nonhighway purposes is exempt from the tax imposed by this article.

600 (d) No export from this state shall be recognized as being exempt from tax under  
 601 paragraphs (2) and (3) of subsection (b) of this Code section unless the exporter informs  
 602 the seller and the terminal operator of the intention to export and causes to be set out the  
 603 minimum information specified in subsection (e) of Code Section 48-9-17 on the bill of  
 604 lading or equivalent documentation under which the motor fuel is transported. In the event  
 605 that the motor fuel is delivered to any point other than that which is set out on the bill of  
 606 lading or equivalent documentation, the legal incidence of the tax shall continue to be  
 607 imposed exclusively upon the exporter who caused the export documentation to be issued  
 608 and no exemption shall be recognized until suitable proof of exportation has been provided  
 609 to the commissioner."

610 **SECTION 5-14.**

611 Said title is further amended by repealing in its entirety Code Section 48-9-14, relating to the  
 612 second motor fuel tax, and designating said Code section as reserved.

613 **SECTION 5-15.**

614 Said title is further amended by adding a new Code section to read as follows:

615 "48-13-50.3.

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

617 (1) 'Extended stay' means providing lodging for the public for longer than 30 consecutive  
 618 days to the same customer.

619 (2) 'Innkeeper' means any person who is subject to taxation under this article for the  
 620 furnishing for value to the public any rooms, lodgings, or accommodations.

621 (3) 'Transportation purposes' means and includes roads, bridges, public transit, rails,  
 622 airports, buses, seaports, including without limitation road, street, and bridge purposes

623 pursuant to paragraph (1) of subsection (b) of Code Section 48-8-121, and all  
 624 accompanying infrastructure and services necessary to provide access to these  
 625 transportation facilities, including general obligation debt and other multiyear obligations  
 626 issued to finance such purposes.

627 (b) On or after July 1, 2015, each innkeeper in this state shall charge a \$5.00 per night fee  
 628 to the customer, unless it is an extended stay rental, for each calendar day a room, lodging,  
 629 or accommodation is rented or leased. The innkeeper shall collect the fee at the time the  
 630 customer pays for the rental or lease of such room, lodging, or accommodation. The  
 631 innkeeper collecting the fee shall remit the fee on a monthly basis to the department.

632 (c) The commissioner shall promulgate and make available forms for the use of innkeepers  
 633 to assist in compliance with this Code section. The commissioner shall promulgate rules  
 634 and regulations as necessary to implement the provisions of this Code section.

635 (d) It is the intention of the General Assembly, subject to appropriations, that the fees  
 636 collected pursuant to subsection (b) of this Code section shall be made available and used  
 637 exclusively for transportation purposes in this state.

638 (e) If the amount collected under this Code section is ever not appropriated for a fiscal year  
 639 as provided by subsection (d) of this Code section, as determined jointly by the House  
 640 Budget and Research Office and the Senate Budget and Evaluation Office, then the amount  
 641 collected shall be reduced by 50 percent. Upon the conclusion of a second fiscal year in  
 642 which an amount is not so appropriated, this Code section shall stand repealed and  
 643 reserved, and such fees shall cease to be collected, on the date the appropriations Act for  
 644 such fiscal year becomes effective. Such budget offices shall certify any such lack of  
 645 appropriation to the Code Revision Commission for purposes of updating the Code in  
 646 accordance with this subsection."

## 647 **PART VI**

### 648 **SECTION 6-1.**

649 Part 3 of Article 2 of Chapter 10 of Title 32 of the Official Code of Georgia Annotated, the  
 650 "Georgia Transportation Infrastructure Bank Act," is amended by revising subsection (b) of  
 651 Code Section 32-10-127, relating to loans and other financial assistance and the  
 652 determination of eligible projects, as follows:

653 "(b)(1) The board shall determine which projects are eligible projects and then select  
 654 from among the eligible projects qualified projects. When determining eligibility, the  
 655 board shall make every effort to balance any loans or other financial assistance among  
 656 all regions of this state.

657 (2) Preference for loans may be given to eligible projects ~~which have local financial~~  
 658 support in tier 1 and tier 2 counties, as defined in Code Section 48-7-40 and by the  
 659 Department of Community Affairs.

660 (3) Preference for grants and other financial assistance may be given to eligible projects  
 661 which have local financial support."

662 **PART VII**

663 **SECTION 7-1.**

664 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to revenue and  
 665 taxation, is amended by revising subsection (d) of and adding new subsections to Code  
 666 Section 48-8-241, relating to the creation of special districts and the tax rate for purposes of  
 667 a transportation sales and use tax, as follows:

668 "(d) Any ~~Except as otherwise provided in subsection (e) of this Code section, any~~ tax  
 669 imposed under this article shall be at the rate of 1 percent. Except as to rate, a tax imposed  
 670 under this article shall correspond to the tax imposed by Article 1 of this chapter. No item  
 671 or transaction which is not subject to taxation under Article 1 of this chapter shall be  
 672 subject to a tax imposed under this article, except that a tax imposed under this article shall  
 673 not apply to:

674 (1) The sale or use of any type of fuel used for off-road heavy-duty equipment, off-road  
 675 farm or agricultural equipment, or locomotives;

676 (2) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport;

677 (3) The sale or use of fuel that is used for propulsion of motor vehicles on the public  
 678 highways. For purposes of this paragraph, a motor vehicle means a self-propelled vehicle  
 679 designed for operation or required to be licensed for operation upon the public highways;

680 (4) The sale or use of energy used in the manufacturing or processing of tangible goods  
 681 primarily for resale; or

682 (5) For motor fuel as defined under paragraph (9) of Code Section 48-9-2 for public mass  
 683 transit.

684 The tax imposed pursuant to this article shall only be levied on the first \$5,000.00 of any  
 685 transaction involving the sale or lease of a motor vehicle. The tax imposed pursuant to this  
 686 article shall be subject to any sales and use tax exemption which is otherwise imposed by  
 687 law; provided, however, that the tax levied by this article shall be applicable to the sale of  
 688 food and food ingredients as provided for in paragraph (57) of Code Section 48-8-3.

689 (e) Any tax imposed under this article on or after July 1, 2015, may be at a rate of up to  
 690 1 percent but shall not be more than 1 percent. Any rate less than 1 percent shall be in an

691 increment of .05 percent. This subsection shall not apply to taxes under this article  
 692 imposed or to be imposed under resolutions and ordinances adopted prior to July 1, 2015.  
 693 (f) Any tax imposed under this article on or after July 1, 2015, shall be required to expend  
 694 at least 30 percent of the estimated revenue on projects included in the state-wide strategic  
 695 transportation plan as defined in paragraph (6) of subsection (a) of Code Section 32-2-22."

696 **SECTION 7-2.**

697 Said chapter is further amended by revising paragraph (12) of Code Section 48-8-242,  
 698 relating to definitions relative to Special District Transportation Sales and Use Tax, as  
 699 follows:

700 ~~"(12) 'Special Regional Transportation Funding Election Act' means an Act specifically~~  
 701 ~~and exclusively enacted for the purpose of ordering that a referendum be held for the~~  
 702 ~~reimposition of the special district transportation sales and use tax within the region that~~  
 703 ~~includes the districts, in their entirety or any portion thereof, of the members from a local~~  
 704 ~~legislative delegation in the General Assembly. A majority of the signatures of the~~  
 705 ~~legislative delegation for a majority of the counties within the region shall be required for~~  
 706 ~~the bill to be placed upon the local calendar of each chamber. This method shall be~~  
 707 ~~exclusively used for this purpose and no other bill shall be placed or voted upon on the~~  
 708 ~~local calendar utilizing this method of qualification for placement thereon. This Act shall~~  
 709 ~~be treated procedurally by the General Assembly as a local Act and all counties within~~  
 710 ~~the region shall receive the legal notice requirements of a local Act. Reserved."~~

711 **SECTION 7-3.**

712 Said chapter is further amended by revising subsection (c) of Code Section 48-8-245, relating  
 713 to the collection and cessation of special district transportation sales and use tax, as follows:

714 ~~"(c)(1) No more than a single 1 percent tax under this article may be collected at any time~~  
 715 ~~within a special district.~~

716 ~~(2) Upon the enactment by the General Assembly of a Special Regional Transportation~~  
 717 ~~Funding Election Act and the adoption of resolutions by the governing bodies of a~~  
 718 ~~majority of the counties within a special district in which a tax authorized by this article~~  
 719 ~~is in effect, an election may be held for the reimposition of the tax while the tax is in~~  
 720 ~~effect. Proceedings for the development of an investment list and for the reimposition~~  
 721 ~~of a tax shall be in the same manner as provided for in Code Section Sections 48-8-241~~  
 722 ~~and 48-8-243.~~

723 ~~(3) Following the expiration of the special district transportation sales and use tax under~~  
 724 ~~this article, or following a special election in which voters in a special district rejected the~~  
 725 ~~imposition of the tax, upon the passage by the General Assembly of a Special Regional~~

726 ~~Transportation Funding Election Act and the~~ adoption of resolutions by the governing  
 727 bodies of a majority of counties within a special district, an election may be held for the  
 728 imposition of a tax under this article in the same manner as provided in this article for the  
 729 initial imposition of such tax. ~~Such subsequent election shall be held on the date of a~~  
 730 ~~state-wide general primary. The election superintendents shall issue the call and conduct~~  
 731 ~~the election in the manner authorized by general law.~~ The development of the investment  
 732 list for such special district shall follow the dates established in Code Section 48-8-243  
 733 with the years adjusted appropriately, and such schedule shall be posted on a website  
 734 developed by the state revenue commissioner to be used exclusively for matters related  
 735 to the special district transportation sales and use tax within 30 days of the later of the  
 736 state revenue commissioner's receipt of notice from the final county governing body  
 737 required to adopt a resolution ~~or of the passage of the Special Regional Transportation~~  
 738 ~~Funding Election Act by the General Assembly."~~

739 **SECTION 7-4.**

740 Said chapter is further amended in subsection (a) of Code Section 48-8-6, relating to the  
 741 ceiling on local sales and use taxes, by revising paragraphs (4) and (5) and adding a new  
 742 paragraph to read as follows:

743 "(4) A sales and use tax levied under Article 4 of this chapter; and  
 744 (5) A sales and use tax levied under Article 5 of this chapter; and  
 745 (6) A sales and use tax levied under Article 5A of this chapter."

746 **SECTION 7-5.**

747 Said chapter is further amended by adding a new article to read as follows:

748 "ARTICLE 5A

749 48-8-260.

750 As used in this article, the term:

751 (1) 'Dealer' means a dealer as defined in paragraph (8) of Code Section 48-8-2.

752 (2) 'District' means a special district created pursuant to subsection (a) of Code Section  
 753 48-8-261.

754 (3) 'Intergovernmental agreement' means a contract entered into pursuant to Article IX,  
 755 Section III, Paragraph I of the Constitution.

756 (4) 'Levy' means the collection within a special district of the tax authorized pursuant to  
 757 this article.

758 (5) 'Mass transportation' means any mode of transportation serving the general public  
 759 which is appropriate to transport people by highways or rail.

760 (6) 'Mass transportation regional system participant' means any county within a special  
 761 district created pursuant to Article 5 of this chapter wherein mass transportation service  
 762 is provided within the district, to the district, or from the district by a multicounty  
 763 regional transportation authority created by an Act of the General Assembly, including  
 764 but not limited to the Georgia Regional Transportation Authority or the Metropolitan  
 765 Atlanta Rapid Transit Authority.

766 (7) 'Qualified municipality' means a qualified municipality as defined in paragraph (4)  
 767 of Code Section 48-8-110 situated wholly or partly within a district.

768 (8) 'Transportation purposes' means and includes roads, bridges, public transit, rails,  
 769 airports, buses, seaports, including without limitation road, street, and bridge purposes  
 770 pursuant to paragraph (1) of subsection (b) of Code Section 48-8-121, and all  
 771 accompanying infrastructure and services necessary to provide access to these  
 772 transportation facilities, including general obligation debt and other multiyear obligations  
 773 issued to finance such purposes.

774 48-8-261.

775 (a) Pursuant to the authority granted by Article IX, Section II, Paragraph VI of the  
 776 Constitution of this state, 159 special districts are created within this state. The  
 777 geographical boundary of each county shall correspond with and shall be conterminous  
 778 with the geographical boundary of the 159 districts created.

779 (b) On or after July 1, 2015, any county:

780 (1) That is not located within a special district levying a special sales and use tax  
 781 pursuant to Article 5 of this chapter;

782 (2) That is a mass transportation regional system participant; and

783 (3) In which a tax is currently being levied and collected pursuant to:

784 (A) Part 1 of Article 3 of this chapter;

785 (B) A local constitutional amendment for purposes of a metropolitan area system of  
 786 public transportation set out at Ga. L. 1964, p. 1008, and the laws enacted pursuant to  
 787 such local constitutional amendment; or

788 (C) Code Section 48-8-96

789 may, by following the procedures required by this article, impose for a limited period of  
 790 time within the special district under this article a transportation special purpose local  
 791 option sales tax, the proceeds of which shall be used only for transportation purposes.

792 (c) On or after July 1, 2017, any county:

793 (1) That is not located within a special district levying a special sales and use tax  
 794 pursuant to Article 5 of this chapter; and

795 (2) In which a tax is currently being levied and collected pursuant to:

796 (A) Part 1 of Article 3 of this chapter;

797 (B) A local constitutional amendment for purposes of a metropolitan area system of  
 798 public transportation set out at Ga. L. 1964, p. 1008, and the laws enacted pursuant to  
 799 such local constitutional amendment; or

800 (C) Code Section 48-8-96

801 may, by following the procedures required by this article, impose for a limited period of  
 802 time within the special district under this article a transportation special purpose local  
 803 option sales tax, the proceeds of which shall be used only for transportation purposes.

804 48-8-262.

805 (a)(1) Prior to the issuance of the call for the referendum required by Code Section  
 806 48-8-263, any county that desires to levy a tax under this article shall deliver or mail a  
 807 written notice to the mayor or chief elected official in each qualified municipality located  
 808 within the district. Such notice shall contain the date, time, place, and purpose of a  
 809 meeting at which the governing authorities of the county and of each qualified  
 810 municipality are to meet to discuss possible projects for inclusion in the referendum. The  
 811 notice shall be delivered or mailed at least ten days prior to the date of the meeting. The  
 812 meeting shall be held at least 30 days prior to the issuance of the call for the referendum.

813 (2) When a qualified municipality or combination of qualified municipalities within the  
 814 special district whose population within the special district is 90 percent or more of the  
 815 aggregate population of all qualified municipalities within the special district desires to  
 816 levy a tax under this article, such qualified municipality or combination of qualified  
 817 municipalities may deliver or mail written notice to the chief elected official of the  
 818 governing authority of the county located within the special district calling for a meeting  
 819 to discuss projects for inclusion in the referendum and the rate of levy of the tax. Such  
 820 notice shall contain the date, time, place, and purpose of the meeting and shall be  
 821 delivered or mailed at least ten days prior to the date of the meeting. The meeting shall  
 822 be held at least 30 days prior to the issuance of the call for a referendum. If the county  
 823 and all qualified municipalities within the special district do not enter into an  
 824 intergovernmental agreement meeting the requirements of subsection (b) of this Code  
 825 section within 30 days after the meeting, the qualified municipality or combination of  
 826 qualified municipalities within the special district whose population within the special  
 827 district is 90 percent or more of the aggregate population of all qualified municipalities

828 within the special district may issue the call for a referendum on the levy of a tax under  
 829 this article.

830 (b)(1) Following the meeting required by subsection (a) of this Code section and prior  
 831 to any tax being imposed under this article, the county and all qualified municipalities  
 832 therein shall execute an intergovernmental agreement memorializing their agreement to  
 833 the levy of a tax and the rate of such tax.

834 (2) At a minimum, the intergovernmental agreement authorized by paragraph (1) of this  
 835 subsection shall include the following:

836 (A) A list of the projects and purposes qualifying as transportation purposes proposed  
 837 to be funded from the levy, including an expenditure of at least 30 percent of the  
 838 estimated revenue from the tax on projects included in the state-wide strategic  
 839 transportation plan as defined in paragraph (6) of subsection (a) of Code Section  
 840 32-2-22;

841 (B) The estimated or projected dollar amounts allocated for each transportation  
 842 purpose from proceeds from the levy;

843 (C) The procedures for distributing proceeds from the levy to qualified municipalities;

844 (D) A schedule for distributing proceeds from the levy to qualified municipalities  
 845 which shall include the priority or order in which transportation purposes will be fully  
 846 or partially funded;

847 (E) A provision that all transportation purposes included in the agreement shall be  
 848 funded from proceeds from the levy except as otherwise agreed;

849 (F) A provision that proceeds from the levy shall be maintained in separate accounts  
 850 and utilized exclusively for the specified purposes;

851 (G) Record-keeping and audit procedures necessary to carry out the purposes of this  
 852 article; and

853 (H) Such other provisions as the county and qualified municipalities choose to address.

854 (c)(1) If an intergovernmental agreement is entered into by the county and all qualified  
 855 municipalities, the rate of the tax may be up to 1 percent.

856 (2) If an intergovernmental agreement is not entered into by the county and all qualified  
 857 municipalities, the maximum rate of the tax shall not exceed .75 percent and shall be  
 858 determined by the governing authority of the county.

859 (d)(1) As soon as practicable after the meeting between the governing authorities of the  
 860 county and qualified municipalities and the execution of an intergovernmental agreement,  
 861 if applicable, the governing authority of the county may by a majority vote on a  
 862 resolution offered for such purpose submit the list of transportation purposes and the  
 863 question of whether the levy should be approved to electors of the district in the next  
 864 scheduled election and shall notify the county election superintendent within the district

865 by forwarding to the superintendent a copy of such resolution calling for the imposition  
 866 of the levy. Such list, or a digest thereof, shall be available during regular business hours  
 867 in the office of the county clerk.

868 (2) The resolution authorized by paragraph (1) of this subsection shall describe:

869 (A) The specific transportation purposes to be funded;

870 (B) The approximate cost of such transportation purposes, which shall also be the  
 871 maximum amount of net proceeds to be raised by the levy; and

872 (C) The maximum period of time, to be stated in calendar years, for which the levy  
 873 may be levied and the rate thereof. The maximum period of time shall not exceed five  
 874 years.

875 48-8-263.

876 (a)(1) The ballot submitting the question of the imposition of the levy to the voters  
 877 within the district shall have written or printed thereon the following:

878 ' ( ) YES Shall a special \_\_\_\_\_ percent sales and use tax be imposed in the district  
 879 consisting of \_\_\_\_\_ County for a period of time not to exceed \_\_\_\_\_

880 ( ) NO and for the raising of not more than an estimated amount of \$ \_\_\_\_\_ for  
 881 transportation purposes?'

882 (2) If debt is to be issued pursuant to an intergovernmental agreement, the ballot shall  
 883 also have written or printed thereon, following the language specified by paragraph (1)  
 884 of this subsection, the following:

885 'If imposition of the tax is approved by the voters, such vote shall also constitute  
 886 approval of the issuance of general obligation debt of \_\_\_\_\_ County in the  
 887 principal amount of \$ \_\_\_\_\_ for the above purpose.'

888 (b) The election superintendent shall issue the call and conduct the election in the manner  
 889 authorized by general law. The superintendent shall canvass the returns, declare the result  
 890 of the election, and certify the result to the Secretary of State and to the commissioner. The  
 891 expense of the election shall be paid from county funds. All persons desiring to vote in  
 892 favor of imposing the levy shall vote 'Yes,' and all persons opposed to imposing the levy  
 893 shall vote 'No.' If more than one-half of the votes cast throughout the entire district are in  
 894 favor of imposing the levy, then the levy shall be imposed as provided in this article.

895 (c) Where such question is not approved by the voters, the county may resubmit such  
 896 question from time to time upon compliance with the requirements of this article.

897 (d)(1) If the intergovernmental agreement and proposal include the authority to issue  
 898 general obligation debt and if more than one-half of the votes cast are in favor of the  
 899 proposal, then the authority to issue such debt in accordance with Article IX, Section V,  
 900 Paragraph I of the Constitution is given to the proper officers of the county; otherwise,

901 such debt shall not be issued. If the authority to issue such debt is so approved by the  
 902 voters, then such debt may be issued without further approval by the voters.

903 (2) If the issuance of general obligation debt is included and approved as provided in this  
 904 Code section, then the governing authority of the county may incur such debt either  
 905 through the issuance and validation of general obligation bonds or through the execution  
 906 of a promissory note or notes or other instrument or instruments. If such debt is incurred  
 907 through the issuance of general obligation bonds, such bonds and their issuance and  
 908 validation shall be subject to Articles 1 and 2 of Chapter 82 of Title 36 except as  
 909 specifically provided otherwise in this article. If such debt is incurred through the  
 910 execution of a promissory note or notes or other instrument or instruments, no validation  
 911 proceedings shall be necessary, and such debt shall be subject to Code Sections 36-80-10  
 912 through 36-80-14 except as specifically provided otherwise in this article. In either event,  
 913 such general obligation debt shall be payable first from the separate account in which are  
 914 placed the proceeds received by the county from the levy. Such general obligation debt  
 915 shall, however, constitute a pledge of the full faith, credit, and taxing power of the  
 916 county; and any liability on such debt which is not satisfied from the proceeds of the levy  
 917 shall be satisfied from the general funds of the county.

918 48-8-264.

919 (a) If the imposition of the levy is approved at the election, the tax shall be imposed on the  
 920 first day of the next succeeding calendar quarter which begins more than 80 days after the  
 921 date of the election at which the levy was approved by the voters. With respect to services  
 922 which are regularly billed on a monthly basis, however, the resolution shall become  
 923 effective with respect to and the levy shall apply to services billed on or after the effective  
 924 date specified in the previous sentence.

925 (b) The levy shall cease to be imposed on the earliest of the following dates:

926 (1) If the resolution calling for the imposition of the tax provided for the issuance of  
 927 general obligation debt and such debt is the subject of validation proceedings, as of the  
 928 end of the first calendar quarter ending more than 80 days after the date on which a court  
 929 of competent jurisdiction enters a final order denying validation of such debt;

930 (2) On the final day of the maximum period of time specified for the imposition of the  
 931 levy; or

932 (3) As of the end of the calendar quarter during which the commissioner determines that  
 933 the levy will have raised revenues sufficient to provide to the district net proceeds equal  
 934 to or greater than the amount specified as the maximum amount of net proceeds to be  
 935 raised by the levy.

936 (c)(1) At any time, no more than a single tax under this article shall be imposed within  
 937 a district. Any tax imposed under this article may be at a rate of up to 1 percent but shall  
 938 not be more than 1 percent. Any rate less than 1 percent shall be in an increment of .05  
 939 percent.

940 (2) The governing authority of the county in which a levy is in effect under this article  
 941 may, upon approval of all qualified municipalities, while the levy is in effect, adopt  
 942 resolutions calling for the reimposition of the levy upon the termination of the levy then  
 943 in effect; and an election may be held at the next regularly scheduled general election for  
 944 this purpose while the levy is in effect. Proceedings for the reimposition of a levy shall  
 945 be in the same manner as proceedings for the initial imposition of the levy, but the newly  
 946 authorized levy shall not be imposed until the expiration of the levy then in effect.

947 (3) Following the expiration of a levy under this article, the county may initiate  
 948 proceedings for the reimposition of a levy under this article in the same manner as  
 949 provided in this article for initial imposition of such levy.

950 48-8-265.

951 A tax levied pursuant to this article shall be exclusively administered and collected by the  
 952 commissioner for the use and benefit of the county and qualified municipalities within the  
 953 district imposing the tax. Such administration and collection shall be accomplished in the  
 954 same manner and subject to the same applicable provisions, procedures, and penalties  
 955 provided in Article 1 of this chapter; provided, however, that all moneys collected from  
 956 each taxpayer by the commissioner shall be applied first to such taxpayer's liability for  
 957 taxes owed the state; and provided, further, that the commissioner may rely upon a  
 958 representation by or on behalf of the district or the Secretary of State that such a tax has  
 959 been validly imposed, and the commissioner and the commissioner's agents shall not be  
 960 liable to any person for collecting any such tax which was not validly imposed. Dealers  
 961 shall be allowed a percentage of the amount of the tax due and accounted for and shall be  
 962 reimbursed in the form of a deduction in submitting, reporting, and paying the amount due  
 963 if such amount is not delinquent at the time of payment. The deduction shall be at the rate  
 964 and subject to the requirements specified under subsections (b) through (f) of Code Section  
 965 48-8-50.

966 48-8-266.

967 Each sales tax return remitting taxes collected under this article shall separately identify  
 968 the location of each retail establishment at which any of the taxes remitted were collected  
 969 and shall specify the amount of sales and the amount of taxes collected at each  
 970 establishment for the period covered by the return in order to facilitate the determination

971 by the commissioner that all taxes imposed by this article are collected and distributed  
972 according to situs of sale.

973 48-8-267.

974 (a) The proceeds of the tax collected by the commissioner in each special district under  
975 this article shall be disbursed as soon as practicable after collection as follows:

976 (1) One percent of the amount collected shall be paid into the general fund of the state  
977 treasury in order to defray the costs of administration; and

978 (2) Except for the percentage provided in paragraph (1) of this Code section, the  
979 remaining proceeds of the tax shall be distributed:

980 (A) Pursuant to the terms of the intergovernmental agreement, if applicable; or

981 (B) If no intergovernmental agreement has been entered into, in accordance with  
982 subsection (b) of this Code section.

983 (b) In the event an intergovernmental agreement has not been entered into, distribution of  
984 the proceeds shall be as follows:

985 (1) The state auditor shall determine the most recent three fiscal years for which an audit  
986 under Code Section 36-81-7 has or should have been made or for which other equivalent,  
987 reliable information is available for the county and all qualified municipalities; and

988 (2) Utilizing the audit information under paragraph (1) of this subsection, the county and  
989 each qualified municipality shall receive a proportional amount of proceeds of the tax  
990 based upon the amount of expenditures made for transportation in the fiscal year. The  
991 proportional amount for the county and each qualified municipality shall be determined  
992 by dividing the average expended on transportation during the most recent three fiscal  
993 years by the county or qualified municipality by the aggregate average expended on  
994 transportation by the county and all qualified municipalities in the district during the most  
995 recent three fiscal years. Amounts expended on transportation include transportation  
996 maintenance and operation costs and shall correspond with classifications and  
997 subclassifications specified in section 4200, including noncapital expenditures in sections  
998 4210-4270, of the uniform chart of accounts in subsection (e) of Code Section 36-81-3  
999 and shall be reported in the local government audit. Total general fund expenditures by  
1000 the local government within these categories shall be specified in the footnotes of the  
1001 audited financial statement. If such transportation expenditures include maintenance and  
1002 operation costs to support local government airport and transit operations, reported in  
1003 function 7561 and 7563 of the uniform chart, the general fund costs for those functions  
1004 shall be included in the footnotes of the local government's audited financial statement.

1005 48-8-268.

1006 (a) The levy shall not be subject to any allocation or balancing of state and federal funds  
 1007 provided for by general law, nor may such proceeds be considered or taken into account  
 1008 in any such allocation or balancing.

1009 (b) The approval of the levy of the tax under this article shall not in any way diminish the  
 1010 percentage of state or federal funds allocated to any of the local governments within the  
 1011 special district levying the tax under the provisions of Code Section 32-5-27. The amount  
 1012 of state or federal funds expended in the county or any municipality within the special  
 1013 district shall not be decreased or diverted due to the use of proceeds from the tax levied  
 1014 under this article for transportation purposes that have a high priority in the state-wide  
 1015 strategic transportation plan.

1016 48-8-269.

1017 (a) Except as to rate, a tax imposed under this article shall correspond to the tax imposed  
 1018 by Article 1 of this chapter. No item or transaction which is not subject to taxation under  
 1019 Article 1 of this chapter shall be subject to a tax imposed under this article, except that a  
 1020 tax imposed under this article shall not apply to:

1021 (1) The sale or use of any type of fuel used for off-road heavy-duty equipment, off-road  
 1022 farm or agricultural equipment, or locomotives;

1023 (2) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport;

1024 (3) The sale or use of fuel that is used for propulsion of motor vehicles on the public  
 1025 highways;

1026 (4) The sale or use of energy used in the manufacturing or processing of tangible goods  
 1027 primarily for resale;

1028 (5) The sale or use of motor fuel as defined under paragraph (9) of Code Section 48-9-2  
 1029 for public mass transit; or

1030 (6) The purchase or lease of any motor vehicle pursuant to Code Section 48-5C-1.

1031 (b) Except as otherwise specifically provided in this article, the tax imposed pursuant to  
 1032 this article shall be subject to any sales and use tax exemption which is otherwise imposed  
 1033 by law; provided, however, that the tax levied by this article shall be applicable to the sale  
 1034 of food and food ingredients as provided for in paragraph (57) of Code Section 48-8-3.

1035 48-8-269.1.

1036 Where a local sales or use tax has been paid with respect to tangible personal property by  
 1037 the purchaser either in another local tax jurisdiction within this state or in a tax jurisdiction  
 1038 outside this state, the tax may be credited against the tax authorized to be imposed by this  
 1039 article upon the same property. If the amount of sales or use tax so paid is less than the

1040 amount of the levy due under this article, the purchaser shall pay an amount equal to the  
1041 difference between the amount paid in the other tax jurisdiction and the amount due under  
1042 this article. The commissioner may require such proof of payment in another local tax  
1043 jurisdiction as he or she deems necessary and proper. No credit shall be granted, however,  
1044 against the levy for tax paid in another jurisdiction if the tax paid in such other jurisdiction  
1045 is used to obtain a credit against any other local sales and use tax levied in the county or  
1046 in a special district which includes the county.

1047 48-8-269.2.

1048 No levy shall be imposed upon the sale of tangible personal property which is ordered by  
1049 and delivered to the purchaser at a point outside the geographical area of the county in  
1050 which the levy is imposed regardless of the point at which title passes, if the delivery is  
1051 made by the seller's vehicle, United States mail, or common carrier or by private or contract  
1052 carrier.

1053 48-8-269.3.

1054 The commissioner shall have the power and authority to promulgate such rules and  
1055 regulations as shall be necessary for the effective and efficient administration and  
1056 enforcement of the collection of the levy.

1057 48-8-269.4.

1058 Except as provided in Code Section 48-8-6, the tax authorized under this article shall be  
1059 in addition to any other local sales and use tax. Except as otherwise provided in this article  
1060 and except as provided in Code Section 48-8-6, the imposition of any other local sales and  
1061 use tax within a county or qualified municipality within a special district shall not affect  
1062 the authority of a county to impose the tax authorized under this article, and provided that  
1063 a county is not currently collecting a levy under Article 5 of this chapter, the imposition of  
1064 a tax under this article shall not affect the imposition of any otherwise authorized local  
1065 sales and use tax within the special district.

1066 48-8-269.5.

1067 (a)(1) The proceeds received from the levy shall be used by the county and qualified  
1068 municipalities within the district exclusively for the transportation purposes specified in  
1069 the resolution calling for imposition of the levy. Such proceeds shall be kept in a separate  
1070 account from other funds of any county and qualified municipality receiving proceeds of  
1071 the levy and shall not in any manner be commingled with other funds of any county or  
1072 qualified municipality prior to the expenditure.

1073 (2) The governing authority of each county and the governing authority of each qualified  
 1074 municipality receiving any proceeds from the tax under this article shall maintain a record  
 1075 of each and every purpose for which the proceeds of the tax are used. A schedule shall  
 1076 be included in each annual audit which shows for each purpose in the resolution calling  
 1077 for imposition of the levy the original estimated cost, the current estimated cost if it is not  
 1078 the original estimated cost, amounts expended in prior years, and amounts expended in  
 1079 the current year. The auditor shall verify and test expenditures sufficient to provide  
 1080 assurances that the schedule is fairly presented in relation to the financial statements. The  
 1081 auditor's report on the financial statements shall include an opinion, or disclaimer of  
 1082 opinion, as to whether the schedule is presented fairly in all material respects in relation  
 1083 to the financial statements taken as a whole.

1084 (b) No general obligation debt shall be issued in conjunction with the imposition of the  
 1085 levy unless each county governing authority determines that, and if the debt is to be  
 1086 validated it is demonstrated in the validation proceedings that, during each year in which  
 1087 any payment of principal or interest on the debt comes due, the county will receive from  
 1088 the levy net proceeds sufficient to fully satisfy such liability. General obligation debt  
 1089 issued under this article shall be payable first from the separate account in which are placed  
 1090 the proceeds received by each county from the levy. Such debt, however, shall constitute  
 1091 a pledge of the full faith, credit, and taxing power of each county; and any liability on said  
 1092 debt which is not satisfied from the proceeds of the levy shall be satisfied from the general  
 1093 funds of the county.

1094 (c) The intergovernmental agreement, if applicable, and resolution calling for imposition  
 1095 of the levy may specify that all of the proceeds of the levy will be used for payment of  
 1096 general obligation debt issued in conjunction with the imposition of the levy. If the  
 1097 intergovernmental agreement, if applicable, and resolution so provide, then such proceeds  
 1098 shall be used solely for such purpose except as provided in subsection (f) of this Code  
 1099 section.

1100 (d) The intergovernmental agreement, if applicable, and resolution calling for the  
 1101 imposition of the levy may specify that a part of the proceeds of the levy will be used for  
 1102 payment of general obligation debt issued in conjunction with the imposition of the tax.  
 1103 The intergovernmental agreement, if applicable, and resolution shall specifically state the  
 1104 other purposes for which such proceeds will be used. In such a case, no part of the net  
 1105 proceeds from the levy received in any year shall be used for such other purposes until all  
 1106 debt service requirements of the general obligation debt for that year have first been  
 1107 satisfied from the account in which the proceeds of the levy are placed.

1108 (e) The resolution calling for the imposition of the tax may specify that no general  
 1109 obligation debt is to be issued in conjunction with the imposition of the tax. The

1110 intergovernmental agreement and resolution shall specifically state the purpose or purposes  
 1111 for which the proceeds will be used.

1112 (f)(1)(A) If the proceeds of the levy are specified to be used solely for the purpose of  
 1113 payment of general obligation debt issued in conjunction with the imposition of the  
 1114 levy, then any net proceeds of the levy in excess of the amount required for final  
 1115 payment of such debt shall be subject to and applied as provided in paragraph (2) of this  
 1116 subsection.

1117 (B) If the district receives from the levy net proceeds in excess of the maximum cost  
 1118 of the transportation projects and costs stated in the resolution calling for the imposition  
 1119 of the levy or in excess of the actual cost of such purpose or purposes, then such excess  
 1120 proceeds shall be subject to and applied as provided in paragraph (2) of this subsection  
 1121 unless otherwise specified in the intergovernmental agreement, if applicable.

1122 (C) If the tax is terminated under paragraph (1) of subsection (b) of Code Section  
 1123 48-8-264 by reason of denial of validation of debt, then all net proceeds received by the  
 1124 special district from the tax shall be excess proceeds subject to paragraph (2) of this  
 1125 subsection.

1126 (2) Excess proceeds subject to this subsection shall be used solely for the purpose of  
 1127 reducing any indebtedness of any county or qualified municipality within the district  
 1128 other than indebtedness incurred pursuant to this article. If there is no such other  
 1129 indebtedness or if the excess proceeds exceed the amount of any such other indebtedness,  
 1130 then the excess proceeds shall next be paid into the general fund of such county or  
 1131 qualified municipality, it being the intent that any funds so paid into the general fund of  
 1132 such county or qualified municipality be used for the purpose of reducing ad valorem  
 1133 taxes.

1134 48-8-269.6.

1135 Not later than December 31 of each year, the governing authority of each county and each  
 1136 qualifying municipality receiving any proceeds from the tax under this article shall publish  
 1137 annually, in a newspaper of general circulation in the boundaries of such county or  
 1138 municipality, a simple, nontechnical report which shows for each purpose in the resolution  
 1139 calling for imposition of the levy the original estimated cost, the current estimated cost if  
 1140 it is not the original estimated cost, amounts expended in prior years, and amounts  
 1141 expended in the current year. The report shall also include a statement of what corrective  
 1142 action the county or municipality intends to implement with respect to each purpose which  
 1143 is underfunded or behind schedule and a statement of any surplus funds which have not  
 1144 been expended for a purpose."

1145 **PART VIII**1146 **SECTION 8-1.**

1147 This Act shall be known and may be cited as the "Transportation Funding Act of 2015."

1148 **SECTION 8-2.**

1149 It is the intention of the General Assembly, subject to appropriations and other constitutional  
1150 obligations of this state, that year to year revenue increases be prioritized to fund education,  
1151 transportation, and health care in this state.

1152 **PART IX**1153 **SECTION 9-1.**

1154 (a) This Act shall become effective on July 1, 2015.

1155 (b) Tax, penalty, and interest liabilities and refund eligibility for prior taxable years shall not  
1156 be affected by the passage of this Act and shall continue to be governed by the provisions of  
1157 Title 48 of the Official Code of Georgia Annotated as it existed immediately prior to the  
1158 effective date of this Act.

1159 **SECTION 9-2.**

1160 All laws and parts of laws in conflict with this Act are repealed.