

House Bill 998

By: Representatives Duncan of the 26th, Teasley of the 37th, Raffensperger of the 50th, Harrell of the 106th, Williamson of the 115th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to
2 exemptions from state sales and use tax, so as to create a new exemption for temporary
3 storage of certain materials; to provide for related matters; to provide for an effective date
4 and applicability; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from
8 state sales and use tax, is amended by deleting "or" at the end of paragraph (95), by deleting
9 the period and adding"; or" at the end of paragraph (96), and by adding a new paragraph to
10 read as follows:

11 "(97)(A) The purchase of tangible personal property from a vendor for temporary
12 storage in this state for subsequent use outside this state shall not be subject to the tax
13 imposed by this article.

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

15 (i) 'Temporary storage in this state' means the keeping or retaining in this state for 90
16 days or less of tangible personal property purchased from a vendor for subsequent use
17 outside this state. To be considered as being for subsequent use outside this state, the
18 purchaser must document at the time the property is delivered to a Georgia location
19 that the property has been ordered for a specific project and will be for use outside
20 this state. Temporary storage in this state may include packaging, crating, palletizing,
21 or repackaging for transport outside this state.

22 (ii) 'Use' means the exercise of any right or power over tangible personal property
23 incident to the ownership of the property including, but not limited to, the sale at retail
24 of the property in the regular course of business.

25 (iii) 'Vendor' means a retailer or seller as defined in Code Section 48-8-2.

26 (C) Any use of such property involving the exercise of any right, dominion, control,
27 or power over the tangible personal property other than temporary storage in this state
28 constitutes a taxable use. Such taxable uses include, but are not limited to, processing,
29 fabricating, and modifying the property."

30 **SECTION 2.**

31 This Act shall become effective on July 1, 2016, and shall be applicable to property
32 temporarily stored in this state on or after January 1, 2017.

33 **SECTION 3.**

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