

The House Committee on Ways and Means offers the following substitute to HB 924:

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 sales and use tax, so as to provide for a limited period of time an exemption  
3 from state sales and use tax only with respect to certain sales to a qualified job training  
4 organization; to provide for procedures, conditions, and limitations; to provide an effective  
5 date and sunset date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

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

12 "(97)(A) Sales of tangible personal property and services to a qualified job training  
13 organization when such organization obtains an exemption determination letter from  
14 the commissioner.

15 (B) For the purposes of this paragraph, the term 'qualified job training organization'  
16 means an organization which:

17 (i) Is located in this state;

18 (ii) Is exempt from income taxation under Section 501(c)(3) of the Internal Revenue  
19 Code;

20 (iii) Specializes in the retail sale of donated items;

21 (iv) Provides job training and employment services to individuals with workplace  
22 disadvantages and disabilities, including, but not limited to, reentry citizens who shall  
23 be persons released from incarceration, persons with disabilities, and veterans; and

24 (v) Uses a majority of its revenues for job training and placement programs.

25 (C)(i) For the purposes of this paragraph, the term 'local sales and use tax' means any  
26 sales tax, use tax, or local sales and use tax which is levied and imposed in an area

27 consisting of less than the entire state, however authorized, including, but not limited  
28 to, such taxes authorized by or pursuant to constitutional amendment; by or pursuant  
29 to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended,  
30 the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; or by or pursuant to  
31 Article 2, Article 2A, Part 1 or Part 2 of Article 3, Article 4, or Article 5 of this  
32 chapter.

33 (ii) The exemption provided for in subparagraph (A) of this paragraph shall not apply  
34 to any local sales and use tax levied or imposed at any time.

35 (D) Any qualified job training organization which is granted an exemption under this  
36 paragraph shall provide an annual report to the department which contains, but is not  
37 limited to, the following:

38 (i) The number of individuals trained in the program;

39 (ii) The number of individuals employed by the organization after receiving such  
40 training; and

41 (iii) The number of individuals employed in full-time positions outside the  
42 organization after such training.

43 Such data shall be compiled by the department and presented to the House Committee  
44 on Ways and Means for consideration prior to any renewal or extension of the  
45 exemption provided by this paragraph.

46 (E) The commissioner shall promulgate any rules and regulations necessary to  
47 implement and administer this paragraph."

48 **SECTION 2.**

49 This Act shall become effective on July 1, 2017, and sunset on July 1, 2020.

50 **SECTION 3.**

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