

House Bill 1131

By: Representatives Gardner of the 57th, Kaiser of the 59th, Metze of the 55th, Abrams of the 89th, Bennett of the 80th, and others

A BILL TO BE ENTITLED
AN ACT

1 To provide for the levy of a retail sales and use tax by the City of Atlanta for the purpose of
2 providing public transportation of passengers for hire in the metropolitan area of the City of
3 Atlanta; to provide for definitions; to provide for procedures, conditions, and limitations for
4 the imposition of such tax; to provide for selection of projects for such purposes; to provide
5 for a referendum; to provide for an additional referendum in certain instances; to provide for
6 a limitation on the collection of a tax for transportation purposes in certain counties in certain
7 instances; to provide for related matters; to provide for an effective date; to repeal conflicting
8 laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

11 (a) As used in this Act, the term:

12 (1) 'Authority' means the authority created by the MARTA Act.

13 (2) 'City' means the City of Atlanta.

14 (3) 'MARTA Act' means an Act known as the "Metropolitan Atlanta Rapid Transit
15 Authority Act of 1965," approved March 10, 1965 (Ga. L. 1965, p. 2243), as amended.

16 (b) Pursuant to the authority granted under a provision of the Constitution enacted by Ga.
17 L. 1964, p. 1008, the city shall be authorized to levy a retail sales and use tax up to
18 three-quarter percent under the provisions set forth in this Act. Such tax shall be in
19 addition to any tax which is authorized and collected under the MARTA Act. The city may
20 elect to hold a referendum in 2016 as provided for by this Act by the adoption of a
21 resolution or ordinance by its governing body on or prior to June 30, 2016; provided,
22 however, that if the city does not adopt a resolution or ordinance on or prior to June 30,
23 2016, it may elect to hold a referendum at the November, 2017, municipal general election
24 by the adoption of a resolution or ordinance by its governing body to that effect on or prior
25 to June 30, 2017. Such additional tax shall not count toward any local sales tax limitation
26 provided for by Code Section 48-8-6 of the O.C.G.A.

27 (c)(1) No later than May 31 of the year a referendum is to be called for as provided in
 28 this Act, the authority shall submit to the city a preliminary list of rapid transit projects
 29 within or serving the geographical area of the city which may be funded in whole or in
 30 part by the proceeds of the additional tax authorized by this Act.

31 (2) No later than July 31 of the year a referendum is to be called for as provided in this
 32 Act, the authority shall submit to the city a final list of rapid transit projects within or
 33 serving the city to be funded in whole or in part by the proceeds of the tax authorized by
 34 this Act. Such final list of rapid transit projects shall be incorporated into the rapid transit
 35 contract established under Section 24 of the MARTA Act between the authority and the
 36 city upon approval by the qualified voters of the city of the referendum to levy the
 37 additional tax authorized by this Act.

38 (d) Before the additional tax authorized under this Act shall become valid, the tax shall be
 39 approved by a majority of qualified voters of the city in a referendum thereon. The
 40 procedure for holding the referendum called for in this Act shall be as follows: There shall
 41 be published in a newspaper having general circulation throughout the city, once each week
 42 for four weeks immediately preceding the week during which the referendum is to be held,
 43 a notice to the electors thereof that on the day named therein an election will be held to
 44 determine the question of whether or not the tax authorized by this Act should be collected
 45 in the city for the purpose of expanding and enhancing the rapid transit system. Such
 46 election shall be held in all the election districts within the territorial limits of the city. The
 47 question to be presented to the electorate in any such referendum shall be stated on the
 48 ballots or ballot labels as follows:

49 "() YES Shall an additional sales and use tax of (insert percentage) percent be
 50 collected in the City of Atlanta for the purpose of significantly expanding
 51 () NO and enhancing MARTA transit service in Atlanta?"

52 The question shall be published as a part of the aforesaid notice of election. Each such
 53 election shall be governed, held, and conducted in accordance with the provisions of law
 54 from time to time governing the holding of special elections. After the returns of such an
 55 election have been received, and the same have been canvassed and computed, the result
 56 shall be certified to the governing body of the city, in addition to any other person
 57 designated by law to receive the same, and such governing body shall officially declare the
 58 result thereof. Each election called by the governing body of the city under the provisions
 59 of this Act shall be governed by and conducted in accordance with the provisions of law
 60 governing the holding of elections by the city. The expense of any such election shall be
 61 paid by the city.

62 (e) If a majority of those voting in such an election vote in favor of the proposition
 63 submitted, then the rapid transit contract between the authority and the city shall authorize

64 the levy and collection of the tax provided for by this Act, and the final list provided for
65 in paragraph (2) of subsection (c) of this Act shall be incorporated therein. All of the
66 proceeds derived from the additional tax provided for by this Act shall be first allocated for
67 payment of the cost of the rapid transit projects incorporated in such contract, except as
68 otherwise provided by the terms of such rapid transit contract, and thereafter, upon
69 completion and payment of such rapid transit projects, as provided for in such contract and
70 this Act. It shall be the policy of the authority to provide that the tax collected under this
71 Act in an amount exceeding the cost of the rapid transit projects incorporated in the
72 contract shall be expended solely within and for the benefit of the city. When a tax is
73 imposed under this Act, the effective rate of any tax approved as provided for by Article
74 5A of Chapter 8 of Title 48 of the O.C.G.A. shall be reduced within the boundaries of the
75 city by crediting against such tax in each transaction an amount of payments of the tax
76 provided for by this Act such that the effective rate of such tax, when combined with the
77 rate of the tax provided for by this Act, shall not exceed a rate of 1 percent at any time on
78 any transaction within the city. If the tax provided for by this Act is imposed and a county
79 in which the city is located does not impose a similar tax, or imposes a similar tax at a
80 different rate, and such county also imposes the tax provided for by Article 5A of Chapter
81 8 of Title 48 of the O.C.G.A., then the governing authorities of such county and the city
82 shall enter into an intergovernmental agreement to adjust the project lists provided for by
83 paragraph (2) of subsection (c) of this Act and paragraph (2) of subsection (b) of Code
84 Section 48-8-262 pertaining to such county to take into account the differential rates of
85 taxation.

86 (f) If a majority of those voting in an election provided for by this Act in 2016 vote against
87 the proposition submitted, the city may elect to resubmit such proposition on the date of
88 the November, 2017, municipal general election by the adoption of a resolution or
89 ordinance to that effect on or prior to June 30, 2017, subject to the provisions of this Act.

90 (g)(1) Except as provided for to the contrary in this Act, the additional tax provided for
91 by this Act shall be collected in the same manner and under the same conditions as set
92 forth in Section 25 of the MARTA Act.

93 (2) The tax provided for by this Act shall not be subject to any restrictions as to rate
94 provided for by the MARTA Act and shall not be subject to the provisions of paragraph
95 (2) of subsection (b) or subsection (k) of Section 25 of the MARTA Act.

96 (3) A tax levied under this paragraph shall be added to the state sales and use tax
97 imposed by Article 1 of Chapter 8 of Title 48 of the O.C.G.A., and the state revenue
98 commissioner is authorized and directed to establish a bracket system by appropriate
99 rules and regulations to collect the tax imposed under this paragraph in the city.

100 **SECTION 2.**

101 This Act shall become effective upon approval by the Governor or upon becoming law
102 without such approval.

103 **SECTION 3.**

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