

House Bill 763 (AS PASSED HOUSE AND SENATE)

By: Representatives Houston of the 170th, Harrell of the 106th, Knight of the 130th, Carter of the 175th, Nimmer of the 178th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,
2 relating to general provisions regarding the state sales and use tax, so as to extend the sunset
3 period for the exemption of the sale of food and food ingredients to qualified food banks and
4 for the use of food and food ingredients donated to qualified nonprofit agencies; to provide
5 for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to
9 general provisions regarding the state sales and use tax, is amended by revising paragraphs
10 (57.1) and (57.2) of Code Section 48-8-3, relating to exemptions from state sales and use
11 taxes, as follows:

12 "(57.1)(A) From July 1, 2014, until June 30, ~~2016~~ 2021, sales of food and food
13 ingredients to a qualified food bank.

14 (B) As used in this paragraph, the term 'qualified food bank' means any food bank
15 which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code
16 and which is operated primarily for the purpose of providing hunger relief to low
17 income persons residing in this state.

18 (C) Notwithstanding Code Sections 48-2-15, 48-7-60, and 48-7-61, any taxpayer
19 seeking to claim the exemption provided for within subparagraph (A) of this paragraph
20 shall electronically submit to the department, at the time of application for the
21 exemption and any such annual renewal, the total number of clients served in the
22 previous calendar year, total pounds of food donated by retailers, and total amount of
23 exempt purchases made in the preceding year. The department shall then issue a report
24 to the chairpersons of the House Committee on Ways and Means and the Senate
25 Finance Committee detailing the total number of clients served, total pounds of food

26 donated by retailers, and total amount of sales and use tax exempted sales for the
27 previous calendar year, by June 30 each year.

28 ~~(C)~~(D) The commissioner is authorized to promulgate rules and regulations deemed
29 necessary in order to administer and effectuate this paragraph;

30 (57.2)(A) For the period commencing July 1, 2015, and ending on June 30, ~~2020~~ 2021,
31 the use of food and food ingredients which is donated to a qualified nonprofit agency
32 and which is used for hunger relief purposes.

33 (B) As used in this paragraph, the term 'qualified nonprofit agency' means any entity
34 which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code
35 and which provides hunger relief.

36 (C) For the purposes of this paragraph, the term 'food and food ingredients' as defined
37 in Code Section 48-8-2 shall not include drugs or over-the-counter drugs.

38 (D) The commissioner is authorized to promulgate rules and regulations deemed
39 necessary in order to administer and effectuate this paragraph;"

40 **SECTION 2.**

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