

House Bill 66

By: Representatives Jones of the 167th, Powell of the 32nd, Petrea of the 166th, Williams of the 87th, Gasaway of the 28th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 4 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated,
2 relating to sale of payment instruments, so as to provide for the imposition of certain fees
3 upon money transmission transactions completed by financial institutions for individuals; to
4 provide for definitions; to provide for rules and regulations; to provide for compensation to
5 financial institutions for reporting and paying fees; to require a receipt and a notice be given
6 with each transaction; to amend Article 3 of Chapter 7 of Title 48 of the Official Code of
7 Georgia Annotated, relating to income tax returns and furnishing of information, so as to
8 provide for a tax credit for residents in the amount of certain assessed money transmission
9 transaction fees paid by such residents; to provide for a reimbursement for certain residents
10 in the amount of certain assessed money transmission transaction fees paid by such residents;
11 to provide for related matters; to repeal conflicting laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

14 Article 4 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to sale
15 of payment instruments, is amended by adding a new Code section to read as follows:

16 "7-1-699.

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

18 (1) 'Corporation' shall mean any entity formed or incorporated under or subject to the
19 provisions of Title 14.

20 (2) 'Money transmission' shall mean engaging in the business of receiving money or
21 monetary value for transmission or transmitting money or monetary value within the
22 United States or to locations abroad by any and all means, including, but not limited to,
23 an order, wire, facsimile, or electronic transfer; provided, however, that such term shall
24 not include:

25 (A) Closed-loop transactions;

- 26 (B) A bank, credit union, or brokerage engaging in the business of transmitting money
27 or monetary value from an account or on behalf of a depositor; or
- 28 (C) Transmission or transmitting money or monetary value that is to only be received
29 or retrieved at a physical location within this state.
- 30 (b) Each financial institution, including but not limited to money transmitters, shall collect
31 a fee on each money transmission transaction completed for an individual; provided,
32 however, that no such fee shall be collected on money transmission transactions completed
33 for a corporation.
- 34 (c) The fee provided for in subsection (b) of this Code section shall be:
- 35 (1) Ten dollars for each money transmission transaction that is not in excess of \$500.00;
36 and
- 37 (2) Two percent of the monetary amount of the money transmission transaction for each
38 money transmission transaction that is in excess of \$500.00.
- 39 (d) The fee provided for in subsection (b) of this Code section shall be paid into the state
40 treasury.
- 41 (e)(1) The department shall be authorized to promulgate any rules and regulations
42 necessary for the collection and payment of the fee into the state treasury as provided for
43 under this Code section.
- 44 (2) For compensation for reporting and paying the fees provided for under this Code
45 section, each financial institution shall be allowed to deduct and retain 5 percent of the
46 combined total amount of all fees reported due on a return for the collection and payment
47 of fees provided for under paragraph (1) of this subsection; provided, however, that such
48 return is timely filed and the amount due is not delinquent at the time of payment.
- 49 (f)(1) The individual for whom a money transmission transaction is made shall be
50 provided a receipt by the financial institution contemporaneous with the transaction
51 evidencing the fee that has been assessed pursuant to this Code section.
- 52 (2) The individual for whom a money transmission transaction is made shall be provided
53 a notice with the receipt provided for under paragraph (1) of this subsection. Such notice
54 shall state that such individual may be entitled to an income tax credit or a reimbursement
55 for the amount of the money transmission transaction, information on how such
56 individual may obtain such credit or reimbursement, and that the receipt should be
57 retained for the individual's Georgia income tax records. The notice shall be as provided
58 for by rules and regulations of the department and consistent with the purposes of this
59 paragraph."

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SECTION 2.

61 Article 3 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
 62 income tax returns and furnishing of information, is amended by adding a new Code section
 63 to read as follows:

64 "48-7-64.

65 (a)(1) A taxpayer shall be allowed a credit against the tax imposed by Code Section
 66 48-7-20 for the fee paid by and collected from such taxpayer for a money transmission
 67 transaction under Code Section 7-1-699. The amount of such credit shall be the amount
 68 of such fee paid.

69 (2) The total amount of the tax credit under this Code section for a taxable year may
 70 exceed the taxpayer's income tax liability. No such tax credit shall be allowed the
 71 taxpayer against prior years' tax liability.

72 (b)(1) Any resident for whom a tax is not imposed by Code Section 48-7-20 and who has
 73 paid the fee for a money transmission transaction under Code Section 7-1-699 during the
 74 preceding calendar year may file a request with the department for reimbursement of the
 75 amount of such fee paid in the preceding calendar year. Such request shall be filed by
 76 July 1 of the calendar year following the calendar year in which the fee was paid and
 77 collected.

78 (2) Such request shall include all personal identifying information as the department
 79 would collect from a resident for whom a tax is imposed by Code Section 48-7-20 and
 80 a statement from such resident that he or she does not meet the requirements to have a tax
 81 imposed upon him or her by Code Section 48-7-20. The request shall be made as a sworn
 82 statement, duly attested to by an authorized officer of the state, on forms provided by the
 83 department.

84 (c) The commissioner shall be authorized to promulgate any rules and regulations
 85 necessary to implement and administer this Code section."

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SECTION 3.

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