

House Bill 340

By: Representatives Blackmon of the 146<sup>th</sup>, Powell of the 171<sup>st</sup>, Kelley of the 16<sup>th</sup>, Harrell of the 106<sup>th</sup>, Stephens of the 164<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 5C of Title 48 of the Official Code of Georgia Annotated, relating to  
2 alternative ad valorem tax on motor vehicles, so as to change the manner of distribution of  
3 the proceeds of such tax; to provide for related matters; to provide an effective date and for  
4 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 Chapter 5C of Title 48 of the Official Code of Georgia Annotated, relating to alternative ad  
8 valorem tax on motor vehicles, is amended by revising paragraph (1) of subsection (b) of  
9 Code Section 48-5C-1, relating to definitions, exemption from taxation, allocation and  
10 disbursement of proceeds collected by tag agents, fair market value of vehicle appealable,  
11 and report, as follows:

12 "(b)(1)(A) Except as otherwise provided in this subsection, any motor vehicle for  
13 which a title is issued in this state on or after March 1, 2013, shall be exempt from sales  
14 and use taxes to the extent provided under paragraph (95) of Code Section 48-8-3 and  
15 shall not be subject to the ad valorem tax as otherwise required under Chapter 5 of this  
16 title. Any such motor vehicle shall be titled as otherwise required under Title 40 but  
17 shall be subject to a state title fee and a local title fee which shall be alternative ad  
18 valorem taxes as authorized by Article VII, Section I, Paragraph III(b)(3) of the Georgia  
19 Constitution. Motor vehicles registered under the International Registration Plan shall  
20 not be subject to state and local title ad valorem tax fees but shall continue to be subject  
21 to apportioned ad valorem taxation under Article 10 of Chapter 5 of this title.

22 (B)(i) ~~As used in this subparagraph, the term:~~

23 (F) ~~'Local base amount' means \$1 billion.~~

24 (H) ~~'Local current collection amount' means the total amount of sales and use taxes~~  
25 ~~on the sale of motor vehicles under Chapter 8 of this title and motor vehicle local~~  
26 ~~ad valorem tax proceeds under this Code section and Chapter 5 of this title which~~

27 were collected during the calendar year which immediately precedes the tax year in  
 28 which the title ad valorem tax adjustments are required to be made under this  
 29 subparagraph.

30 (III) ~~'Local target collection amount' means an amount equal to the local base~~  
 31 ~~amount added to the product of 2 percent of the local base amount multiplied by the~~  
 32 ~~number of years since 2012 with a maximum amount of \$1.2 billion.~~

33 (IV) ~~'State base amount' means \$535 million.~~

34 (V) ~~'State current collection amount' means the total amount of sales and use taxes~~  
 35 ~~on the sale of motor vehicles under Chapter 8 of this title and motor vehicle state ad~~  
 36 ~~valorem tax proceeds under this Code section and Chapter 5 of this title which were~~  
 37 ~~collected during the calendar year which immediately precedes the tax year in~~  
 38 ~~which the state and local title ad valorem tax rate is to be reviewed for adjustment~~  
 39 ~~under division (xiv) of this subparagraph. Notwithstanding the other provisions of~~  
 40 ~~this subdivision to the contrary, the term 'state current collection amount' for the~~  
 41 ~~2014 calendar year for the purposes of the 2015 review under division (xiv) of this~~  
 42 ~~subparagraph shall be adjusted so that such amount is equal to the amount of motor~~  
 43 ~~vehicle state ad valorem tax proceeds that would have been collected under this~~  
 44 ~~Code section in 2014 if the combined state and local title ad valorem tax rate was~~  
 45 ~~7 percent of the fair market value of the motor vehicle less any trade-in value plus~~  
 46 ~~the total amount of motor vehicle state ad valorem tax proceeds collected under~~  
 47 ~~Chapter 5 of this title during 2014.~~

48 (VI) ~~'State target collection amount' means an amount equal to the state base~~  
 49 ~~amount added to the product of 2 percent of the state base amount multiplied by the~~  
 50 ~~number of years since 2012~~ Reserved.

51 (ii) The combined state and local title ad valorem tax shall be at a rate equal to:

52 (I) ~~For the period commencing March 1, 2013, through December 31, 2013, 6.5~~  
 53 ~~percent of the fair market value of the motor vehicle;~~

54 (II) ~~For the 2014 tax year, 6.75 percent of the fair market value of the motor~~  
 55 ~~vehicle; and~~

56 (III) ~~Except as provided in division (xiv) of this subparagraph, for the 2015 and~~  
 57 ~~subsequent tax years, 7 percent of the fair market value of the motor vehicle.~~

58 (iii) ~~For the period commencing March 1, 2013, through December 31, 2013, the~~  
 59 ~~state title ad valorem tax shall be at a rate equal to 57 percent of the tax rate specified~~  
 60 ~~in division (ii) of this subparagraph, and the local title ad valorem tax shall be at a rate~~  
 61 ~~equal to 43 percent of the tax rate specified in division (ii) of this subparagraph~~  
 62 Beginning with the 2018 tax year and extending through the 2021 tax year, each  
 63 county shall retain an amount of the state and local title ad valorem tax proceeds,

64 including associated fees, penalties, and interest, collected for each month equal to the  
 65 amount of ad valorem taxes collected pursuant to Chapter 5 of this title on motor  
 66 vehicles for the corresponding month in the 2012 tax year minus the amount of ad  
 67 valorem tax proceeds collected pursuant to Chapter 5 of this title in the current month.  
 68 Such proceeds shall be distributed as provided in paragraph (3) or (4) of  
 69 subsection (c) of this Code section. That portion of the state and local title ad valorem  
 70 tax proceeds in excess of such amount each month shall be distributed as follows:

71 (I) For the 2018 tax year, 80 percent of the remaining funds shall be remitted to the  
 72 state revenue commissioner as provided in subparagraph (c)(2)(A) of this Code  
 73 section and 20 percent of the remaining funds shall be distributed as provided in  
 74 paragraph (3) of subsection (c) of this Code section;

75 (II) For the 2019 tax year, 70 percent of the remaining funds shall be remitted to the  
 76 state revenue commissioner as provided in subparagraph (c)(2)(A) of this Code  
 77 section and 30 percent of the remaining funds shall be distributed as provided in  
 78 paragraph (3) of subsection (c) of this Code section;

79 (III) For the 2020 tax year, 60 percent of the remaining funds shall be remitted to  
 80 the state revenue commissioner as provided in subparagraph (c)(2)(A) of this Code  
 81 section and 40 percent of the remaining funds shall be distributed as provided in  
 82 paragraph (3) of subsection (c) of this Code section; and

83 (IV) For the 2021 tax year, 50 percent of the remaining funds shall be remitted to  
 84 the state revenue commissioner as provided in subparagraph (c)(2)(A) of this Code  
 85 section and 50 percent of the remaining funds shall be distributed as provided in  
 86 paragraph (3) of subsection (c) of this Code section.

87 ~~(iv) For the 2014 tax year, the state title ad valorem tax shall be at a rate equal to 55~~  
 88 ~~percent of the tax rate specified in division (ii) of this subparagraph, and the local title~~  
 89 ~~ad valorem tax shall be at a rate equal to 45 percent of the tax rate specified in~~  
 90 ~~division (ii) of this subparagraph~~ Beginning with the 2022 and subsequent tax years,  
 91 each county shall distribute the state and local title ad valorem tax proceeds, including  
 92 associated fees, penalties, and interest, collected each month by remitting 30 percent  
 93 of the funds to the state revenue commissioner as provided in subparagraph (c)(2)(A)  
 94 of this Code section and distributing 70 percent of the funds as provided in  
 95 paragraph (4) of subsection (c) of this Code section.

96 ~~(v) For the 2015 tax year, the state title ad valorem tax shall be at a rate equal to 55~~  
 97 ~~percent of the tax rate specified in division (ii) of this subparagraph, and the local title~~  
 98 ~~ad valorem tax shall be at a rate equal to 45 percent of the tax rate specified in~~  
 99 ~~division (ii) of this subparagraph.~~

100 ~~(vi) For the 2016 tax year, except as otherwise provided in division (xiii) of this~~  
101 ~~subparagraph, the state title ad valorem tax shall be at a rate equal to 53.5 percent of~~  
102 ~~the tax rate specified in division (ii) of this subparagraph, and the local title ad~~  
103 ~~valorem tax shall be at a rate equal to 46.5 percent of the tax rate specified in division~~  
104 ~~(ii) of this subparagraph.~~

105 ~~(vii) For the 2017 tax year, except as otherwise provided in divisions (xiii) and (xiv)~~  
106 ~~of this subparagraph, the state title ad valorem tax shall be at a rate equal to 44 percent~~  
107 ~~of the tax rate specified in division (ii) of this subparagraph, and the local title ad~~  
108 ~~valorem tax shall be at a rate equal to 56 percent of the tax rate specified in division~~  
109 ~~(ii) of this subparagraph.~~

110 ~~(viii) For the 2018 tax year, except as otherwise provided in division (xiii) of this~~  
111 ~~subparagraph, the state title ad valorem tax shall be at a rate equal to 40 percent of the~~  
112 ~~tax rate specified in division (ii) of this subparagraph, and the local title ad valorem~~  
113 ~~tax shall be at a rate equal to 60 percent of the tax rate specified in division (ii) of this~~  
114 ~~subparagraph.~~

115 ~~(ix) For the 2019 tax year, except as otherwise provided in divisions (xiii) and (xiv)~~  
116 ~~of this subparagraph, the state title ad valorem tax shall be at a rate equal to 36 percent~~  
117 ~~of the tax rate specified in division (ii) of this subparagraph, and the local title ad~~  
118 ~~valorem tax shall be at a rate equal to 64 percent of the tax rate specified in division~~  
119 ~~(ii) of this subparagraph.~~

120 ~~(x) For the 2020 tax year, except as otherwise provided in division (xiii) of this~~  
121 ~~subparagraph, the state title ad valorem tax shall be at a rate equal to 34 percent of the~~  
122 ~~tax rate specified in division (ii) of this subparagraph, and the local title ad valorem~~  
123 ~~tax shall be at a rate equal to 66 percent of the tax rate specified in division (ii) of this~~  
124 ~~subparagraph.~~

125 ~~(xi) For the 2021 tax year, except as otherwise provided in division (xiii) of this~~  
126 ~~subparagraph, the state title ad valorem tax shall be at a rate equal to 30 percent of the~~  
127 ~~tax rate specified in division (ii) of this subparagraph, and the local title ad valorem~~  
128 ~~tax shall be at a rate equal to 70 percent of the tax rate specified in division (ii) of this~~  
129 ~~subparagraph.~~

130 ~~(xii) For the 2022 and all subsequent tax years, except as otherwise provided in~~  
131 ~~division (xiii) of this subparagraph for tax years 2022, 2023, and 2024 and except as~~  
132 ~~otherwise provided in division (xiv) of this subparagraph for tax year 2023, the state~~  
133 ~~title ad valorem tax shall be at a rate equal to 28 percent of the tax rate specified in~~  
134 ~~division (ii) of this subparagraph, and the local title ad valorem tax shall be at a rate~~  
135 ~~equal to 72 percent of the tax rate specified in division (ii) of this subparagraph.~~

136 ~~(xiii) Beginning in 2016, by not later than January 15 of each tax year through the~~  
137 ~~2022 tax year, the state revenue commissioner shall determine the local target~~  
138 ~~collection amount and the local current collection amount for the preceding calendar~~  
139 ~~year. If such local current collection amount is equal to or within 1 percent of the~~  
140 ~~local target collection amount, then the state title ad valorem tax rate and the local title~~  
141 ~~ad valorem tax rate for such tax year shall remain at the rate specified in this~~  
142 ~~subparagraph for that year. If the local current collection amount is more than 1~~  
143 ~~percent greater than the local target collection amount, then the local title ad valorem~~  
144 ~~tax rate for such tax year shall be reduced automatically by operation of this division~~  
145 ~~by such percentage amount as may be necessary so that, if such rate had been in effect~~  
146 ~~for the calendar year under review, the local current collection amount would have~~  
147 ~~produced an amount equal to the local target collection amount, and the state title ad~~  
148 ~~valorem tax rate for such tax year shall be increased by an equal amount to maintain~~  
149 ~~the combined state and local title ad valorem tax rate at the rate specified in division~~  
150 ~~(ii) of this subparagraph. If the local current collection amount is more than 1 percent~~  
151 ~~less than the local target collection amount, then the local title ad valorem tax rate for~~  
152 ~~such tax year shall be increased automatically by operation of this division by such~~  
153 ~~percentage amount as may be necessary so that, if such rate had been in effect for the~~  
154 ~~calendar year under review, the local current collection amount would have produced~~  
155 ~~an amount equal to the local target collection amount, and the state title ad valorem~~  
156 ~~tax rate for such tax year shall be reduced by an equal amount to maintain the~~  
157 ~~combined state and local title ad valorem tax rate at the rate specified in division (ii)~~  
158 ~~of this subparagraph. In the event of an adjustment of such ad valorem tax rates, by~~  
159 ~~not later than January 31 of such tax year, the state revenue commissioner shall notify~~  
160 ~~the tax commissioner of each county in this state of the adjusted rate amounts. The~~  
161 ~~effective date of such adjusted rate amounts shall be January 1 of such tax year.~~  
162 ~~(xiv) In tax years 2015, 2018, and 2022, by not later than July 1 of each such tax~~  
163 ~~year, the state revenue commissioner shall determine the state target collection~~  
164 ~~amount and the state current collection amount for the preceding calendar year. If~~  
165 ~~such state current collection amount is greater than, equal to, or within 1 percent of~~  
166 ~~the state target collection amount after making the adjustment, if any, required in~~  
167 ~~division (xiii) of this subparagraph, then the combined state and local title ad valorem~~  
168 ~~tax rate provided in division (ii) of this subparagraph shall remain at the rate specified~~  
169 ~~in such division. If the state current collection amount is more than 1 percent less~~  
170 ~~than the state target collection amount after making the adjustment, if any, required~~  
171 ~~by division (xiii) of this subparagraph, then the combined state and local title ad~~  
172 ~~valorem tax rate provided in division (ii) of this subparagraph shall be increased~~

173 ~~automatically by operation of this division by such percentage amount as may be~~  
 174 ~~necessary so that, if such rate had been in effect for the calendar year under review,~~  
 175 ~~the state current collection amount would have produced an amount equal to the state~~  
 176 ~~target collection amount, and the state title ad valorem tax rate and the local title ad~~  
 177 ~~valorem tax rate for the tax year in which such increase in the combined state and~~  
 178 ~~local title ad valorem tax rate shall become effective shall be adjusted from the rates~~  
 179 ~~specified in this subparagraph or division (xiii) of this subparagraph for such tax year~~  
 180 ~~such that the proceeds from such increase in the combined state and local title ad~~  
 181 ~~valorem tax rate shall be allocated in full to the state. In the event of an adjustment~~  
 182 ~~of the combined state and local title ad valorem tax rate, by not later than August 31~~  
 183 ~~of such tax year, the state revenue commissioner shall notify the tax commissioner of~~  
 184 ~~each county in this state of the adjusted combined state and local title ad valorem tax~~  
 185 ~~rate for the next calendar year. The effective date of such adjusted combined state~~  
 186 ~~and local title ad valorem tax rate shall be January 1 of the next calendar year.~~  
 187 ~~Notwithstanding the provisions of this division, the combined state and local title ad~~  
 188 ~~valorem tax rate shall not exceed 9 percent.~~

189 ~~(xv)~~ (v) The state revenue commissioner shall promulgate such rules and regulations  
 190 as may be necessary and appropriate to implement and administer this Code section,  
 191 including, but not limited to, rules and regulations regarding appropriate public  
 192 notification of ~~any changes in rate amounts and the effective date of such changes~~ and  
 193 rules and regulations regarding appropriate enforcement and compliance procedures  
 194 and methods for the implementation and operation of this Code section. The state  
 195 revenue commissioner may promulgate and implement rules and regulations as may  
 196 be necessary to permit seller financed sales of used vehicles to be assessed 2.5  
 197 percentage points less than the rate specified in division (ii) of this subparagraph.

198 (C) The application for title and the state and local title ad valorem tax fees provided  
 199 for in subparagraph (A) of this paragraph shall be paid to the tag agent in the county  
 200 where the motor vehicle is to be registered and shall be paid at the time the application  
 201 for a certificate of title is submitted or, in the case of an electronic title transaction, at  
 202 the time when the electronic title transaction is finalized. In an electronic title  
 203 transaction, the state and local title ad valorem tax fees shall be remitted electronically  
 204 directly to the county tag agent. A dealer of new or used motor vehicles may accept  
 205 such application for title and state and local title ad valorem tax fees on behalf of the  
 206 purchaser of a new or used motor vehicle for the purpose of submitting or, in the case  
 207 of an electronic title application, finalizing such title application and remitting state and  
 208 local title ad valorem tax fees.

209 (D) There shall be a penalty imposed on any person who, in the determination of the  
 210 commissioner, falsifies any information in any bill of sale used for purposes of  
 211 determining the fair market value of the motor vehicle. Such penalty shall not  
 212 exceed \$2,500.00 as a state penalty and shall not exceed \$2,500.00 as a local penalty  
 213 as determined by the commissioner. Such determination shall be made within 60 days  
 214 of the commissioner receiving information of a possible violation of this paragraph.

215 (E) Except in the case in which an extension of the registration period has been granted  
 216 by the county tag agent under Code Section 40-2-20, a dealer of new or used motor  
 217 vehicles that accepts an application for title and state and local title ad valorem tax fees  
 218 from a purchaser of a new or used motor vehicle and does not submit or, in the case of  
 219 an electronic title transaction, finalize such application for title and remit such state and  
 220 local title ad valorem tax fees to the county tag agent within 30 days following the date  
 221 of purchase shall be liable to the county tag agent for an amount equal to 5 percent of  
 222 the amount of such state and local title ad valorem tax fees. An additional penalty equal  
 223 to 10 percent of the amount of such state and local title ad valorem tax fees shall be  
 224 imposed if such payment is not transmitted within 60 days following the date of  
 225 purchase. An additional penalty equal to 15 percent of the amount of such state and  
 226 local title ad valorem tax fees shall be imposed if such payment is not transmitted  
 227 within 90 days following the date of purchase, and an additional penalty equal to 20  
 228 percent of the amount of such state and local title ad valorem tax fees shall be imposed  
 229 if such payment is not transmitted within 120 days following the date of purchase. An  
 230 additional penalty equal to 25 percent of the amount of such state and local title ad  
 231 valorem tax fees shall be imposed for each subsequent 30 day period in which the  
 232 payment is not transmitted.

233 (F) A dealer of new or used motor vehicles that accepts an application for title and state  
 234 and local title ad valorem tax fees from a purchaser of a new or used motor vehicle and  
 235 converts such fees to his or her own use shall be guilty of theft by conversion and, upon  
 236 conviction, shall be punished as provided in Code Section 16-8-12."

237 **SECTION 2.**

238 Said chapter is further amended by revising subsection (c) of Code Section 48-5C-1, relating  
 239 to definitions, exemption from taxation, allocation and disbursement of proceeds collected  
 240 by tag agents, fair market value of vehicle appealable, and report, as follows:

241 "(c)(1) The amount of proceeds collected by tag agents each month as state and local title  
 242 ad valorem tax fees, state salvage title ad valorem tax fees, administrative fees, penalties,  
 243 and interest pursuant to subsection (b) of this Code section shall be allocated and  
 244 disbursed as provided in this subsection.

245 (2) For the 2013 tax year and in each subsequent tax year, the amount of such funds shall  
 246 be disbursed within 20 days following the end of each calendar month as follows:

247 (A) State title ad valorem tax fees, state salvage title ad valorem tax fees,  
 248 administrative fees, penalties, and interest shall be remitted to the state revenue  
 249 commissioner who shall deposit such proceeds in the general fund of the state less an  
 250 amount to be retained by the tag agent not to exceed 1 percent of the total amount  
 251 otherwise required to be remitted under this subparagraph to defray the cost of  
 252 administration. Such retained amount shall be remitted to the collecting county's  
 253 general fund. Failure by the tag agent to disburse within such 20 day period shall result  
 254 in a forfeiture of such administrative fee plus interest on such amount at the rate  
 255 specified in Code Section 48-2-40; and

256 (B) Local title ad valorem tax fees, administrative fees, penalties, and interest shall be  
 257 designated as local government ad valorem tax funds. The tag agent shall then  
 258 distribute the proceeds as specified in paragraph (3) or (4) of this subsection.

259 (3) ~~The~~ For tax years 2018 through 2021, the local title ad valorem tax fee proceeds  
 260 required under this subsection shall be distributed as follows:

261 (A) The tag agent of the county shall within 20 days following the end of each calendar  
 262 month allocate and distribute to the county governing authority and to municipal  
 263 governing authorities, the board of education of the county school district, the board of  
 264 education of any independent school district located in such county, the water and  
 265 sewerage authority for which the county has levied an ad valorem tax in accordance  
 266 with a local constitutional amendment, and in a county in which a sales and use tax is  
 267 levied for purposes of a metropolitan area system of public transportation, as authorized  
 268 by the amendment to the Constitution set out at Ga. L. 1964, p. 1008, the governing  
 269 body of the transportation authority created by the Metropolitan Atlanta Rapid Transit  
 270 Authority Act of 1965, Ga. L. 1965, p. 2243, as amended, and the amendment to the  
 271 Constitution set out at Ga. L. 1964, p. 1008, an amount of those proceeds necessary to  
 272 offset any reduction in (i) ad valorem tax on motor vehicles collected under Chapter 5  
 273 of this title in the taxing jurisdiction of each governing authority, school district, and  
 274 water and sewerage authority from the amount of ad valorem taxes on motor vehicles  
 275 collected under Chapter 5 of this title in each such governing authority, school district,  
 276 and water and sewerage authority during the same calendar month of 2012 and (ii) with  
 277 respect to the transportation authority, the monthly average portion of the sales and use  
 278 tax levied for purposes of a metropolitan area system of public transportation applicable  
 279 to any motor vehicle titled in a county which levied such tax in 2012. Such amount of  
 280 tax may be determined by the commissioner for counties which levied such tax in 2012,  
 281 and any counties which subsequently levy a tax pursuant to a metropolitan area system



282 of public transportation, as authorized by the amendment to the Constitution set out at  
283 Ga. L. 1964, p. 1008, the governing body of the transportation authority created by the  
284 Metropolitan Atlanta Rapid Transit Authority Act of 1965, Ga. L. 1965, p. 2243, as  
285 amended, and the amendment to the Constitution set out at Ga. L. 1964, p. 1008, the  
286 Commissioner may determine what amount of sales and use tax would have been  
287 collected in 2012, had such tax been levied. This reduction shall be calculated, with  
288 respect to (i) above, by subtracting the amount of ad valorem tax on motor vehicles  
289 collected under Chapter 5 of this title in each such taxing jurisdiction from the amount  
290 of ad valorem tax on motor vehicles collected under Chapter 5 of this title in that taxing  
291 jurisdiction in the same calendar month of 2012. In the event that the local title ad  
292 valorem tax fee proceeds are insufficient to fully offset such reduction in ad valorem  
293 taxes on motor vehicles or the portion of the sales and use tax described in (ii) above,  
294 the tag agent shall allocate a proportionate amount of the proceeds to each governing  
295 authority, the board of education of each such school district, the water and sewerage  
296 authority, and the transportation authority, and any remaining shortfall shall be paid  
297 from the following month's local title ad valorem tax fee proceeds. In the event that a  
298 shortfall remains, the tag agent shall continue to first allocate local title ad valorem tax  
299 fee proceeds to offset such shortfalls until the shortfall has been fully repaid; and  
300 (B) Of the proceeds remaining following the allocation and distribution under  
301 subparagraph (A) of this paragraph, the tag agent shall allocate and distribute to the  
302 county governing authority and to municipal governing authorities, the board of  
303 education of the county school district, and the board of education of any independent  
304 school district located in such county the remaining amount of those proceeds in the  
305 manner provided in this subparagraph. Such proceeds shall be deposited in the general  
306 fund of such governing authority or board of education and shall not be subject to any  
307 use or expenditure requirements provided for under any of the following described local  
308 sales and use taxes but shall be authorized to be expended in the same manner as  
309 authorized for the ad valorem tax revenues on motor vehicles under Chapter 5 of this  
310 title which would otherwise have been collected for such governing authority or board  
311 of education. Of such remaining proceeds:

312 (i) An amount equal to one-third of such proceeds shall be distributed to the board  
313 of education of the county school district and the board of education of each  
314 independent school district located in such county in the same manner as required for  
315 any local sales and use tax for educational purposes levied pursuant to Part 2 of  
316 Article 3 of Chapter 8 of this title currently in effect. If such tax is not currently in  
317 effect, such proceeds shall be distributed to such board or boards of education in the  
318 same manner as if such tax were in effect;

319 (ii)(I) Except as otherwise provided in this division, an amount equal to one-third  
320 of such proceeds shall be distributed to the governing authority of the county and  
321 the governing authority of each qualified municipality located in such county in the  
322 same manner as specified under the distribution certificate for the joint county and  
323 municipal sales and use tax under Article 2 of Chapter 8 of this title currently in  
324 effect.

325 (II) If such tax were never in effect, such proceeds shall be distributed to the  
326 governing authority of the county and the governing authority of each qualified  
327 municipality located in such county on a pro rata basis according to the ratio of the  
328 population that each such municipality bears to the population of the entire county.

329 (III) If such tax is currently in effect as well as a local option sales and use tax for  
330 educational purposes levied pursuant to a local constitutional amendment, an  
331 amount equal to one-third of such proceeds shall be distributed in the same manner  
332 as required under subdivision (I) of this division and an amount equal to one-third  
333 of such proceeds shall be distributed to the board of education of the county school  
334 district.

335 (IV) If such tax is not currently in effect and a local option sales and use tax for  
336 educational purposes levied pursuant to a local constitutional amendment is  
337 currently in effect, such proceeds shall be distributed to the board of education of  
338 the county school district and the board of education of any independent school  
339 district in the same manner as required under that local constitutional amendment.

340 (V) If such tax is not currently in effect and a homestead option sales and use tax  
341 under Article 2A of Chapter 8 of this title is in effect, such proceeds shall be  
342 distributed to the governing authority of the county, each qualified municipality, and  
343 each existing municipality in the same proportion as otherwise required under Code  
344 Section 48-8-104; and

345 (iii)(I) An amount equal to one-third of such proceeds shall be distributed to the  
346 governing authority of the county and the governing authority of each qualified  
347 municipality located in such county in the same manner as specified under an  
348 intergovernmental agreement or as otherwise required under the county special  
349 purpose local option sales and use tax under Part 1 of Article 3 of Chapter 8 of this  
350 title currently in effect; provided, however, that this subdivision shall not apply if  
351 subdivision (III) of division (ii) of this subparagraph is applicable.

352 (II) If such tax were in effect but expired and is not currently in effect, such  
353 proceeds shall be distributed to the governing authority of the county and the  
354 governing authority of each qualified municipality located in such county in the  
355 same manner as if such tax were still in effect according to the intergovernmental

356 agreement or as otherwise required under the county special purpose local sales and  
 357 use tax under Part 1 of Article 3 of Chapter 8 of this title for the 12 month period  
 358 commencing at the expiration of such tax. If such tax is not renewed prior to the  
 359 expiration of such 12 month period, such amount shall be distributed in accordance  
 360 with subdivision (I) of division (ii) of this subparagraph; provided, however, that if  
 361 a tax under Article 2 of Chapter 8 of this title is not in effect, such amount shall be  
 362 distributed in accordance with subdivision (II) of division (ii) of this subparagraph.  
 363 (III) If such tax is not currently in effect in a county in which a tax is levied for  
 364 purposes of a metropolitan area system of public transportation, as authorized by the  
 365 amendment to the Constitution set out at Ga. L. 1964, p. 1008; the continuation of  
 366 such amendment under Article XI, Section I, Paragraph IV(d) of the Constitution;  
 367 and the laws enacted pursuant to such constitutional amendment, such proceeds  
 368 shall be distributed in such county, in the same manner as ad valorem tax on motor  
 369 vehicles collected under Chapter 5 of this title in the taxing jurisdiction of each  
 370 governing authority and school district from the amount of ad valorem taxes on  
 371 motor vehicles collected under Chapter 5 of this title in each such governing  
 372 authority and school district during the same calendar month of 2012.

373 (IV) If such tax were never in effect, such proceeds shall be distributed in the same  
 374 manner as specified under the distribution certificate for the joint county and  
 375 municipal sales and use tax under Article 2 of Chapter 8 of this title currently in  
 376 effect; provided, however, that if such tax under such article is not in effect, such  
 377 proceeds shall be distributed to the governing authority of the county and the  
 378 governing authority of each qualified municipality located in such county on a pro  
 379 rata basis according to the ratio of the population that each such municipality bears  
 380 to the population of the entire county.

381 (4) For the 2022 and subsequent tax years, the local title ad valorem tax fee proceeds  
 382 required under this subsection shall be distributed as follows:

383 (A) With regard to the proceeds associated with and collected on motor vehicle titles  
 384 for motor vehicles registered within the unincorporated areas of the county, the tag  
 385 agent of the county shall within 20 days following the end of each calendar month  
 386 allocate and distribute to the county governing authority 50 percent of such proceeds  
 387 and distribute to the board of education of the county school district 50 percent of such  
 388 proceeds; and

389 (B) With regard to the proceeds associated with and collected on motor vehicle titles  
 390 for motor vehicles registered in the incorporated areas of the county, the tag agent of  
 391 the county shall within 20 days following the end of each calendar month allocate such  
 392 proceeds by the municipality from which the proceeds were derived and then, for each

393 such municipality, distribute to the county governing authority 30 percent of such  
394 proceeds and to the governing authority of such municipality 20 percent of such  
395 proceeds, and the remaining 50 percent of such proceeds shall be distributed to the  
396 board of education of the county school district; provided, however, that, if there is an  
397 independent school district in such municipality, then such remaining 50 percent of  
398 such proceeds shall be distributed to the board of education of the independent school  
399 district."

400 **SECTION 3.**

401 This Act shall become effective on January 1, 2018, and shall apply to all tax years beginning  
402 on and after such date.

403 **SECTION 4.**

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