

The House Committee on Ways and Means offers the following substitute to HB 225:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 7 of Chapter 2 of Title 40 of the Official Code of Georgia Annotated,
2 relating to motor vehicle license fees and classes, so as to repeal inoperable provisions
3 related to licensing of ride share networks; to amend Article 1 of Chapter 8 of Title 48 of the
4 Official Code of Georgia Annotated, relating to state sales and use tax, so as to modify the
5 definition of dealer; to repeal an inoperable sales tax exemption related to ride share
6 networks; to impose collection and remittance of sales tax on certain persons that facilitate
7 or broker and accept or process payment for certain sales; to provide for an effective date and
8 applicability; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Article 7 of Chapter 2 of Title 40 of the Official Code of Georgia Annotated, relating to
12 motor vehicle license fees and classes, is amended by repealing and reserving subsection (b)
13 of Code Section 40-2-168, relating to registration and licensing of taxicabs and limousines.

14 **SECTION 2.**

15 Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to state
16 sales and use tax, is amended in paragraph (8) of Code Section 48-8-2, relating to definitions,
17 by adding a new subparagraph to read as follows:

18 “(L.1)(i) Facilitates or brokers and, directly or through a related member as defined
19 in Code Section 48-7-28.3, for itself or on behalf of the seller, accepts or processes
20 payment for sales of tangible personal property or services that are taxable under this
21 chapter if such tangible personal property is delivered to or held for pickup at a
22 location within this state or such services are rendered in this state.

23 (ii) A person described in this subparagraph that does not otherwise have a taxable
24 presence in this state shall have a taxable presence in this state if such person
25 facilitates or brokers sales of tangible personal property or services that are taxable

26 under this chapter in an aggregate gross amount exceeding \$250,000.00 in the
 27 previous or current calendar year."

28 **SECTION 3.**

29 Said article is further amended by repealing and reserving paragraph (25) of Code Section
 30 48-8-3, relating to exemptions from sales and use taxes.

31 **SECTION 4.**

32 Said article is further amended by revising subsection (f) of Code Section 48-8-30, relating
 33 to imposition of tax, rates, and collection, as follows:

34 "(f)(1) Every person purchasing or receiving any service within this state, the purchase
 35 of which is a retail sale, shall be liable for tax on the purchase at the rate of 4 percent of
 36 the sales price made for the purchase. The tax shall be paid by the person purchasing or
 37 receiving the service to the person furnishing the service. The person furnishing the
 38 service, as a dealer under this article, shall remit the tax to the commissioner as provided
 39 in this article; and, when received by the commissioner, the tax shall be a credit against
 40 the tax imposed on the person furnishing the service. Every person furnishing a service,
 41 the purchase of which is a retail sale, shall be a dealer and shall be liable for a tax on the
 42 sale at the rate of 4 percent of the sales price made for furnishing the service, or the
 43 amount of taxes collected by ~~him~~ such person furnishing a service from the person to
 44 ~~whom which~~ the service is furnished, whichever is greater.

45 (2) Every person that facilitates or brokers a retail sale in this state which includes,
 46 directly or through a related member as defined in Code Section 48-7-28.3, for itself or
 47 on behalf of the seller, and accepts or processes payment for such retail sale shall be a
 48 dealer and shall be liable for a tax on such retail sale at the rate of 4 percent of the sales
 49 price or the amount of taxes collected by such person with respect to the retail sale,
 50 whichever is greater.

51 ~~(2)~~(3) No sale of services shall be taxable to the person facilitating, brokering, or
 52 furnishing the service which is not taxable to the purchaser of the service."

53 **SECTION 5.**

54 This Act shall become effective upon its approval by the Governor or upon its becoming law
 55 without such approval and shall apply to all sales made on or after July 1, 2017.

56 **SECTION 6.**

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