

The House Committee on Ways and Means offers the following substitute to SB 156:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales
2 and use taxes, so as to provide certain restrictions with regard to equalized homestead option
3 sales and use taxes; to provide for limitations on the collection of certain other taxes while
4 such equalized homestead option sales and use tax is being levied; to provide for the sales
5 on which such tax may be levied; to provide limitation on the use of special purpose local
6 option sales taxes which are levied in conjunction with an equalized homestead option sales
7 and use tax; to provide for related matters; to provide an effective date and applicability; to
8 repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

11 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use
12 taxes, is amended in Code Section 48-8-3, relating to exemptions, by revising
13 subparagraph (D) of paragraph (57) as follows:

14 "(D)(i) ~~The~~ Except in counties in which a tax authorized under Part 1 of Article 3 of
15 this chapter in connection with an equalized homestead option sales tax pursuant to
16 Part 2 of Article 2A of this chapter is imposed, the exemption provided for in this
17 paragraph shall not apply to any local sales and use tax levied or imposed at any time.
18 (ii) For the purposes of this subparagraph, the term 'local sales and use tax' shall
19 mean any sales tax, use tax, or local sales and use tax which is levied and imposed in
20 an area consisting of less than the entire state, however authorized, including, but not
21 limited to, such taxes authorized by or pursuant to constitutional amendment; by or
22 pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as
23 amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; or by or
24 pursuant to any article of this chapter but shall not mean a tax authorized under Part 1
25 of Article 3 of this chapter in connection with an equalized homestead option sales tax
26 pursuant to Part 2 of Article 2A of this chapter."

27

SECTION 2.

28 Said chapter is further amended by revising subsection (a) of Code Section 48-8-111, relating
 29 to procedure for imposition of tax, resolution or ordinance, notice to county election
 30 superintendent, and election with regard to county special purpose local option sales taxes,
 31 as follows:

32 "(a) Prior to the issuance of the call for the referendum and prior to the vote of a county
 33 governing authority within a special district to impose the tax under this part, such
 34 governing authority may enter into an intergovernmental agreement with any or all of the
 35 qualified municipalities within the special district. Any county that desires to have a tax
 36 under this part levied within the special district shall deliver or mail a written notice to the
 37 mayor or chief elected official in each qualified municipality located within the special
 38 district. Such notice shall contain the date, time, place, and purpose of a meeting at which
 39 the governing authorities of the county and of each qualified municipality are to meet to
 40 discuss the possible projects for inclusion in the referendum, including municipally owned
 41 or operated projects. The notice shall be delivered or mailed at least ten days prior to the
 42 date of the meeting. The meeting shall be held at least 30 days prior to the issuance of the
 43 call for the referendum. Following such meeting, the governing authority of the county
 44 within the special district voting to impose the tax authorized by this part shall notify the
 45 county election superintendent by forwarding to the superintendent a copy of the resolution
 46 or ordinance of the governing authority calling for the imposition of the tax. Such
 47 ordinance or resolution shall specify eligible expenditures identified by the county and any
 48 qualified municipality for use of proceeds distributed pursuant to subsection (b) of Code
 49 Section 48-8-115. Such ordinance or resolution shall also specify:

50 (1) The purpose or purposes for which the proceeds of the tax are to be used and may be
 51 expended, which purpose or purposes may consist of capital outlay projects located
 52 within or outside, or both within and outside, any incorporated areas in the county in the
 53 special district or outside the county, as authorized by subparagraph (B) of this paragraph
 54 for regional facilities, and which may include any of the following purposes:

55 (A) A capital outlay project consisting of road, street, and bridge purposes, which
 56 purposes may include sidewalks and bicycle paths;

57 (B) A capital outlay project or projects in the special district and consisting of a
 58 courthouse; administrative buildings; a civic center; a local or regional jail, correctional
 59 institution, or other detention facility; a library; a coliseum; local or regional solid waste
 60 handling facilities as defined under paragraph (27.1) or (35) of Code Section 12-8-22,
 61 as amended, excluding any solid waste thermal treatment technology facility, including,
 62 but not limited to, any facility for purposes of incineration or waste to energy direct
 63 conversion; local or regional recovered materials processing facilities as defined under

- 64 paragraph (26) of Code Section 12-8-22, as amended; or any combination of such
65 projects;
- 66 (C) A capital outlay project or projects which will be operated by a joint authority or
67 authorities of the county and one or more qualified municipalities within the special
68 district;
- 69 (D) A capital outlay project or projects, to be owned or operated or both either by the
70 county, one or more qualified municipalities within the special district, one or more
71 local authorities within the special district, or any combination thereof;
- 72 (E) A capital outlay project consisting of a cultural facility, a recreational facility, or
73 a historic facility or a facility for some combination of such purposes;
- 74 (F) A water capital outlay project, a sewer capital outlay project, a water and sewer
75 capital outlay project, or a combination of such projects, to be owned or operated or
76 both by a county water and sewer district and one or more qualified municipalities in
77 the county;
- 78 (G) The retirement of previously incurred general obligation debt of the county, one
79 or more qualified municipalities within the special district, or any combination thereof;
- 80 (H) A capital outlay project or projects within the special district and consisting of
81 public safety facilities, airport facilities, or related capital equipment used in the
82 operation of public safety or airport facilities, or any combination of such purposes;
- 83 (I) A capital outlay project or projects within the special district, consisting of capital
84 equipment for use in voting in official elections or referendums;
- 85 (J) A capital outlay project or projects within the special district consisting of any
86 transportation facility designed for the transportation of people or goods, including but
87 not limited to railroads, port and harbor facilities, mass transportation facilities, or any
88 combination thereof;
- 89 (K) A capital outlay project or projects within the special district and consisting of a
90 hospital or hospital facilities that are owned by a county, a qualified municipality, or
91 a hospital authority within the special district and operated by such county,
92 municipality, or hospital authority or by an organization which is tax exempt under
93 Section 501(c)(3) of the Internal Revenue Code, which operates the hospital through
94 a contract or lease with such county, municipality, or hospital authority;
- 95 (L) The repair of capital outlay projects, including, but not limited to, roads, streets,
96 and bridges, located, in part or in whole, within the special district that have been
97 damaged or destroyed by a natural disaster;
- 98 (M) A capital outlay project or projects that are owned, operated, or administered by
99 the state and located, in part or in whole, within the special district; or
- 100 (N) Any combination of two or more of the foregoing;

101 provided, however, that a tax authorized under this part which is submitted to the voters
 102 for approval in connection with an equalized homestead option sales tax pursuant to
 103 Part 2 of Article 2A of this chapter shall be used for transportation purposes which shall
 104 include roads, bridges, public transit, rails, airports, buses, seaports, and including
 105 without limitation road, street, and bridge purposes pursuant to paragraph (1) of
 106 subsection (b) of Code Section 48-8-121, for public safety facilities and related capital
 107 equipment used in the operation thereof, for debt service purposes for which a
 108 municipality used proceeds from the homestead option sales and use tax, and for the
 109 repair of capital outlay projects; provided, however, that the amount of proceeds used for
 110 the repair of capital outlay projects shall not exceed 15 percent of the total proceeds
 111 which are collected under this part for a capital outlay project or projects authorized
 112 under this paragraph;

113 (2) The maximum period of time, to be stated in calendar years or calendar quarters and
 114 not to exceed five years, unless the provisions of paragraph (1) of subsection (b) or
 115 subparagraph (b)(2)(A) of Code Section 48-8-115 are applicable, in which case the
 116 maximum period of time for which the tax may be levied shall not exceed six years;

117 (3) The estimated cost of the project or projects which will be funded from the proceeds
 118 of the tax, which estimated cost shall also be the estimated amount of net proceeds to be
 119 raised by the tax, unless the provisions of paragraph (1) of subsection (b) or
 120 subparagraph (b)(2)(A) of Code Section 48-8-115 are applicable, in which case the final
 121 day of the tax shall be based upon the length of time for which the tax was authorized to
 122 be levied by the referendum; and

123 (4) If general obligation debt is to be issued in conjunction with the imposition of the tax,
 124 the principal amount of the debt to be issued, the purpose for which the debt is to be
 125 issued, the local government issuing the debt, the interest rate or rates or the maximum
 126 interest rate or rates which such debt is to bear, and the amount of principal to be paid in
 127 each year during the life of the debt."

128 **SECTION 3.**

129 This Act shall become effective upon its approval by the Governor or upon its becoming law
 130 without such approval and shall apply to all equalized homestead option sales and use taxes
 131 which are implemented on and after such date and to all county special purpose local option
 132 sales taxes which are implemented in conjunction with an equalized homestead option sales
 133 and use tax implemented on and after such date.

134 **SECTION 4.**

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