

The Senate Committee on Finance offered the following substitute  
to HB 93:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 2 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to administration of revenue and taxation, so as to provide that interest shall be paid  
3 on certain refunds of sales and use taxes to certain purchasers under certain circumstances;  
4 to amend Article 3 of Chapter 5 of Title 28 of the Official Code of Georgia Annotated,  
5 relating to fiscal bills generally, so as to require an economic analysis prior to the  
6 introduction or amendment of legislation containing tax incentives or modifying or extending  
7 existing tax incentives; to provide for the waiving of such requirements; to provide for  
8 definitions; to require an economic analysis to be conducted by the state auditor of certain  
9 income tax credits and exemptions from sales and use taxes according to a schedule; to  
10 exclude tax bills from the fiscal note process; to provide for a short title; to provide for  
11 related matters; to provide for an effective date; to repeal conflicting laws; and for other  
12 purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**PART I**  
**SECTION 1-1.**

16 Article 2 of Chapter 2 of Title 48 of the Official Code of Georgia Annotated, relating to  
17 administration of revenue and taxation, is amended by revising Code Section 48-2-35.1,  
18 relating to refunds of sales and use taxes, as follows:

19 "(a)(1) If a certificate or exemption determination letter issued by the commissioner  
20 certifying that the purchaser is entitled to purchase tangible personal property or taxable  
21 services without the payment of sales and use tax has not been obtained and used prior  
22 to purchasing such tangible personal property or taxable services, a refund of sales and  
23 use taxes shall be made to such purchaser without interest.

24 (2)(A) For refunds of overpayments of state and local sales and use taxes made by a  
25 taxpayer with a direct payment permit, interest shall be paid on the overpaid amount of

26 the taxes or fees pursuant to subsection (a) of Code Section 48-2-35 from the date of  
 27 the filing of the claim for refund by the taxpayer.

28 (B) Interest shall only be determined and paid pursuant to this paragraph after the  
 29 calculation of net payments at the end of a filing period.

30 (C) The commissioner shall pay and a taxpayer shall not waive the interest on refunds  
 31 owed to such taxpayer pursuant to this paragraph."

## 32 **PART II**

### 33 **SECTION 2-1.**

34 This part shall be known and may be cited as the "Georgia Measuring Success Act."

### 35 **SECTION 2-2.**

36 Article 3 of Chapter 5 of Title 28 of the Official Code of Georgia Annotated, relating to fiscal  
 37 bills generally, is amended by revising Code Section 28-5-41, which is designated as  
 38 reserved, as follows:

39 "28-5-41.

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

41 (1) 'Economic analysis' means a report issued by the state auditor in accordance with this  
 42 Code section.

43 (2) 'Fiscal amendment' means any modification of a bill, whether by amendment,  
 44 substitute, or otherwise, which would cause such bill to become a tax bill or which would  
 45 modify the provisions of a tax incentive within a tax bill.

46 (3) 'LC number' means that number preceded by the letters 'LC' assigned to a bill by the  
 47 Office of Legislative Counsel when that office prepares a bill for a member of the  
 48 General Assembly.

49 (4) 'Tax bill' means any bill that provides for a tax incentive or modifies or extends an  
 50 existing tax incentive.

51 (5) 'Tax incentive' means, whether direct or indirect, an exemption, exclusion, or  
 52 deduction from the base of a tax, a credit against a tax, a deferral of a tax, a rebate of  
 53 taxes paid, a tax abatement, or a preferential tax rate.

54 (b) A tax bill shall not be adopted by a committee, the House of Representatives, or the  
 55 Senate unless an economic analysis of the bill has been completed in accordance with this  
 56 Code section or such requirement has been waived in accordance with subsection (h) of  
 57 this Code section.

58 (c) An economic analysis shall include, but not be limited to, a good faith estimate as a  
 59 result of the bill becoming law upon its effective date, on an annual basis for ten years  
 60 thereafter, of the following, on both a direct and indirect basis:

61 (1) Net change in state revenue;

62 (2) Net change in state expenditures, which shall include, but not be limited to, costs of  
 63 administering the bill;

64 (3) Net change in economic activity; and

65 (4) Net change in public benefit.

66 (d) The Clerk of the House of Representatives or the Secretary of the Senate shall cause  
 67 the summary of each economic analysis to be printed in sufficient quantities to attach a  
 68 copy thereof to all printed copies of the bill.

69 (e)(1) To obtain an economic analysis, a member of the General Assembly shall present  
 70 an exact copy of a proposed bill that bears an LC number in the upper right portion of  
 71 each page of the bill and a transmittal letter that requests the state auditor to issue an  
 72 economic analysis for such bill.

73 (2)(A) Within ten days of his or her receipt of a proposed bill, the state auditor shall  
 74 determine whether or not the proposed bill is a tax bill and, if it is not, will issue a  
 75 certification reflecting such determination to the member of the General Assembly who  
 76 submitted such bill to the state auditor.

77 (B) Within 30 days of his or her receipt of a proposed bill, if he or she determines that  
 78 the proposed bill is a tax bill, the state auditor shall issue an economic analysis to the  
 79 member of the General Assembly who submitted such bill to the state auditor.

80 (f) A tax bill may only be modified by amendment or substitute if the amended or  
 81 substituted bill is submitted to the state auditor for a revised economic analysis and such  
 82 analysis is attached to the amendment or substitute before being adopted by either chamber  
 83 of the General Assembly or reported out of a committee; provided, however, that such  
 84 requirement can be waived in accordance with subsection (h) of this Code section.

85 (g)(1) Any member of the General Assembly may submit a copy of a bill that has been  
 86 introduced without an economic analysis, or an amendment or substitute to a bill that has  
 87 been adopted without a corresponding, revised economic analysis and for which the  
 88 requirements of this Code section have not been waived pursuant to subsection (h) of this  
 89 Code section, to the state auditor at any time for a certification of whether or not the bill  
 90 is a tax bill, or the amendment or substitute is a fiscal amendment.

91 (2) The state auditor shall issue such certification within 72 hours following his or her  
 92 receipt of the submission.

93 (3) If the state auditor certifies an amendment or substitute as a fiscal amendment and  
 94 such fiscal amendment is or has been adopted, without a corresponding, revised economic

95 analysis attached or waiver of this Code section pursuant to subsection (h) of this Code  
 96 section, the bill's progress in the legislative process will end, and the bill shall not be  
 97 considered further by either the House of Representatives or the Senate, and, if passed by  
 98 the General Assembly, the bill shall not become law and shall stand repealed in its  
 99 entirety upon its enactment, provided that such amendment or substitute may be  
 100 withdrawn by the legislative body that made the amendment or substitute and thereafter  
 101 the bill may continue in the legislative process as any other bill, unless it is subsequently  
 102 amended, and, in that event, this subsection shall still apply to the subsequent  
 103 amendment.

104 (h) The provisions of the Code section may be waived for a tax bill or fiscal amendment  
 105 by a two-thirds' majority vote of the House of Representatives, the Senate, the Senate  
 106 Finance Committee, or the House Committee on Ways and Means to expressly waive the  
 107 requirements of this Code section."

108 **SECTION 2-3.**

109 Said article is further amended by adding a new Code section to read as follows:

110 "28-5-41.1.

111 (a) An economic analysis shall include, but not be limited to, a good faith estimate as a  
 112 result of the law, on an annual basis for ten years thereafter, of the following, on both a  
 113 direct and indirect basis:

114 (1) Net change in state revenue;

115 (2) Net change in state expenditures, which shall include, but not be limited to, costs of  
 116 administering the bill;

117 (3) Net change in economic activity; and

118 (4) Net change in public benefit.

119 (b) An economic analysis shall be issued by the state auditor to the House Committee on  
 120 Ways and Means and the Senate Finance Committee according to the following schedule  
 121 for the following Code sections or portions thereof:

122 (1) On or before December 1, 2018, Code Sections 48-7-29, 48-7-29.2, 48-7-29.6,  
 123 48-7-29.7, 48-7-29.14, 48-7-29.17, 48-7-40, 48-7-40.1, 48-7-40.5, 48-7-40.22, and  
 124 48-7-41 and paragraphs (7.2), (14), (15), (76), and (93) of Code Section 48-8-3;

125 (2) On or before December 1, 2019, Code Sections 48-7-40.6, 48-7-40.7, 48-7-40.8,  
 126 48-7-40.9, 48-7-40.15, 48-7-40.17, and 48-7-40.30 and paragraphs (15.1), (24), (38),  
 127 (50), (57.3), and (62) of Code Section 48-8-3;

128 (3) On or before December 1, 2020, Code Sections 48-7-29.12, 48-7-29.13, 48-7-29.16,  
 129 48-7-40.27, and 48-7-40.28 and paragraphs (53) and (59) of Code Section 48-8-3;

- 130 (4) On or before December 1, 2021, Code Sections 48-7-29.1, 48-7-29.4, 48-7-29.10,  
 131 48-7-29.15, and 48-7-40.26 and paragraphs (7.1), (39), (56), (57), (71), (97), and (98) of  
 132 Code Section 48-8-3;  
 133 (5) On or before December 1, 2022, Code Sections 48-7-29.9, 48-7-40.2, 48-7-40.3,  
 134 48-7-40.4, 48-7-40.15A, and 48-7A-3 and paragraphs (47), (51), (52), and (54) of Code  
 135 Section 48-8-3;  
 136 (6) On or before December 1, 2023, paragraphs (18), (36), (36.1), (40), (72), and (86) of  
 137 Code Section 48-8-3; and  
 138 (7) On or before December 1, 2024, paragraphs (7), (30), (41), (46), and (63) of Code  
 139 Section 48-8-3."

#### 140 **SECTION 2-4.**

141 Said article is further amended in Code Section 28-5-42, relating to introduction of bills  
 142 having significant impact upon anticipated revenues or expenditures and furnishing of fiscal  
 143 notes, by revising paragraph (1) of subsection (a) as follows:

144 "(a)(1) Any bill, other than a tax bill as defined in Code Section 28-5-41, having a  
 145 significant impact on the anticipated revenue or expenditure level of any state  
 146 department, bureau, board, council, committee, commission, or other state agency must  
 147 be introduced no later than the twentieth day of any session. The sponsor of such  
 148 legislation must request a fiscal note from the Office of Planning and Budget and the  
 149 Department of Audits and Accounts by November 1 of the year preceding the annual  
 150 convening of the General Assembly in which the bill is to be introduced, but subsequent  
 151 to the preparation of such bill by the Office of Legislative Counsel. With respect to a  
 152 member-elect of the General Assembly, such person must request a fiscal note from the  
 153 Office of Planning and Budget and the Department of Audits and Accounts by December  
 154 1 of the year preceding the annual convening of the General Assembly in which the bill  
 155 is to be introduced, but subsequent to the preparation of such bill by the Office of  
 156 Legislative Counsel. The director of the Office of Planning and Budget and the state  
 157 auditor shall prepare and submit the fiscal note not later than the day of convening of the  
 158 General Assembly."

#### 159 **PART III**

#### 160 **SECTION 3-1.**

161 This Act shall become effective upon its approval by the Governor or upon its becoming law  
 162 without such approval.

163 **SECTION 3-2.**  
164 All laws and parts of laws in conflict with this Act are repealed.