

House Bill 1035

By: Representative Martin of the 49th

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 repeal sunset provisions regarding certain tax exemptions; to provide
3 for related matters; to repeal conflicting laws; and for other purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

6 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use
7 taxes, is amended by revising paragraphs (7.05), (7.3), (57.1), and (57.3) of Code Section
8 48-8-3, relating to exemptions, as follows:

9 ~~"(7.05)(A) For the period commencing on July 1, 2015, and ending on June 30, 2024,~~
10 ~~sales~~ Sales of tangible personal property to a nonprofit health center in this state which
11 has been established under the authority of and is receiving funds pursuant to the
12 United States Public Health Service Act, 42 U. S. C. Section 254b if such health clinic
13 obtains an exemption determination letter from the commissioner.

14 (B)(i) For the purposes of this paragraph, the term 'local sales and use tax' shall mean
15 any sales tax, use tax, or local sales and use tax which is levied and imposed in an
16 area consisting of less than the entire state, however authorized, including, but not
17 limited to, such taxes authorized by or pursuant to constitutional amendment; by or
18 pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as
19 amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; or by or
20 pursuant to Article 2, 2A, 3, or 4 of this chapter.

21 (ii) The exemption provided for in subparagraph (A) of this paragraph shall not apply
22 to any local sales and use tax levied or imposed at any time.

23 (C) Notwithstanding Code Sections 48-2-15, 48-7-60, and 48-7-61, any taxpayer
24 seeking to claim the exemption provided for within subparagraph (A) of this paragraph
25 shall electronically submit to the department, at the time of application for the
26 exemption and any such annual renewal, the total number of patients treated in the

27 previous calendar year, the average monthly number of full-time employees, and the
 28 total amount of exempt purchases made by the taxpayer in the preceding calendar year.
 29 The department shall then issue a report to the chairpersons of the House Committee
 30 on Ways and Means and the Senate Finance Committee detailing the total number of
 31 patients treated, average monthly number of full-time employees, and the total amount
 32 of sales and use tax exempted sales for the previous calendar year, by June 30 each
 33 year;"

34 ~~"(7.3)(A) For the period commencing July 1, 2015, and ending June 30, 2024, sales~~
 35 Sales of tangible personal property and services to a nonprofit volunteer health clinic
 36 which primarily treats indigent persons with incomes below 200 percent of the federal
 37 poverty level and which property and services are used exclusively by such volunteer
 38 health clinic in performing a general treatment function in this state when such
 39 volunteer health clinic is a tax exempt organization under the Internal Revenue Code
 40 and obtains an exemption determination letter from the commissioner.

41 (B) Notwithstanding Code Sections 48-2-15, 48-7-60, and 48-7-61, any taxpayer
 42 seeking to claim the exemption provided for within subparagraph (A) of this paragraph
 43 shall electronically submit to the department, at the time of application for the
 44 exemption and any such annual renewal, the total number of patients treated in the
 45 previous calendar year, the average monthly number of full-time employees, and the
 46 total amount of exempt purchases made by the taxpayer in the preceding calendar year.
 47 The department shall then issue a report to the chairpersons of the House Committee
 48 on Ways and Means and the Senate Finance Committee detailing the total number of
 49 patients treated, average monthly number of full-time employees, and the total amount
 50 of sales and use tax exempted sales for the previous calendar year, by June 30 each
 51 year;"

52 ~~"(57.1)(A) From July 1, 2014, until June 30, 2021, sales~~ Sales of food and food
 53 ingredients to a qualified food bank.

54 (B) As used in this paragraph, the term 'qualified food bank' means any food bank
 55 which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code
 56 and which is operated primarily for the purpose of providing hunger relief to ~~low~~
 57 income low-income persons residing in this state.

58 (C) Notwithstanding Code Sections 48-2-15, 48-7-60, and 48-7-61, any taxpayer
 59 seeking to claim the exemption provided for within subparagraph (A) of this paragraph
 60 shall electronically submit to the department, at the time of application for the
 61 exemption and any such annual renewal, the total number of clients served in the
 62 previous calendar year, total pounds of food donated by retailers, and total amount of
 63 exempt purchases made in the preceding year. The department shall then issue a report

64 to the chairpersons of the House Committee on Ways and Means and the Senate
65 Finance Committee detailing the total number of clients served, total pounds of food
66 donated by retailers, and total amount of sales and use tax exempted sales for the
67 previous calendar year, by June 30 each year.

68 (D) The commissioner is authorized to promulgate rules and regulations deemed
69 necessary in order to administer and effectuate this paragraph;"

70 "(57.3)(A) ~~For the period commencing July 1, 2015, and ending on June 30, 2020, the~~
71 The use of food and food ingredients which is donated following a natural disaster and
72 which is used for disaster relief purposes.

73 (B) For the purposes of this paragraph, the term 'food and food ingredients' as defined
74 in Code Section 48-8-2 shall not include drugs or over-the-counter drugs.

75 (C) The commissioner is authorized to promulgate rules and regulations deemed
76 necessary in order to administer and effectuate this paragraph;"

77 **SECTION 2.**

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