

The Senate Committee on Finance offered the following substitute to HB 105:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and  
2 taxation, so as to exempt from state income tax certain income received by taxpayers as  
3 payments from a federal disaster relief or assistance grant program administered by this state  
4 or its instrumentalities or the United States Department of Agriculture in connection with  
5 Hurricane Michael; to provide for legislative findings; to exempt from all sales and use taxes  
6 certain sales of transportation that are subject to an excise tax; to provide for a new excise  
7 tax on certain sales of transportation; to provide for the intended disposition of the proceeds  
8 of such tax; to provide for reporting of certain information; to provide for legislative intent;  
9 to provide for definitions, procedures, and conditions; to provide for a penalty; to provide for  
10 authority to establish rules and regulations; to provide for related matters; to provide for  
11 effective dates and applicability; to repeal conflicting laws; and for other purposes.

12 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

13 **PART I**  
14 **SECTION 1-1.**

15 (1) The General Assembly finds and determines that Hurricane Michael has had a  
16 catastrophic impact on the citizens and the economy of Georgia and has particularly  
17 devastated the agriculture industry on which many citizens of Georgia are heavily dependent  
18 for their livelihood and on which the state is dependent for a large portion of its gross  
19 domestic product.

20 (2) The General Assembly further finds and declares that, due to the severity and scope of  
21 this natural disaster, it is appropriate and advisable under these very limited circumstances  
22 that any agricultural related relief or assistance payments awarded to taxpayers impacted by  
23 Hurricane Michael by the federal government should not be treated and taxed as income by  
24 the State of Georgia in order to provide relief to Georgia farmers and spur the rebuilding of  
25 Georgia's agriculture industry.

26 **SECTION 1-2.**

27 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is  
 28 amended in subsection (a) of Code Section 48-7-27, relating to the computation of taxable  
 29 net income, by adding a new paragraph to read as follows:

30 "(11.2) For taxable years beginning on or after January 1, 2019, and ending on or before  
 31 December 31, 2023, income received as payments from a federal disaster relief or  
 32 assistance grant program administered by this state or its instrumentalities or the United  
 33 States Department of Agriculture, if such federal grant program was established  
 34 specifically to address agricultural losses suffered due to Hurricane Michael which was  
 35 a weather event declared to be a major disaster in this state by the President of the United  
 36 States during the 2018 calendar year, to the extent such income is included in federal  
 37 adjusted gross income or federal taxable income:"

38 **PART II**

39 **SECTION 2-1.**

40 Said title is further amended in Code Section 48-8-3, relating to exemptions from state sales  
 41 and use tax, by revising paragraph (25) as follows:

42 "(25) Transportation that is subject to the tax imposed by Article 8 of Chapter 13 of this  
 43 title Reserved;"

44 **SECTION 2-2.**

45 Said title is further amended by adding a new article to Chapter 13, relating to specific,  
 46 business, and occupation taxes, to read as follows:

47 "ARTICLE 8

48 48-13-140.

49 It is declared to be the purpose and intent of the General Assembly that:

50 (1) An effective air quality control measure is to reduce the number of motor vehicles  
 51 on the roadways through an increased use of transit vehicles;

52 (2) Reducing the number of motor vehicles on the roadways is of great import and would  
 53 aid in improvement of the air quality of this state; and

54 (3) An excise tax shall be levied upon for-hire ground transport trips.

55 48-13-141.

56 As used in this article, the term:

57 (1) 'For-hire ground transport service provider' means a limousine carrier, ride share  
 58 network service, taxi service, and transportation referral service as such terms are defined  
 59 in Code Section 40-1-190.

60 (2) 'For-hire ground transport trip' means a completed journey by vehicle provided by  
 61 a for-hire ground transport service provider or any request for such journey for which a  
 62 customer is charged, whether completed or not.

63 (3) 'Shared for-hire ground transport trip' means any journey in which an individual is  
 64 matched with, or eligible to be matched with, another individual by a for-hire ground  
 65 transport service provider for a for-hire ground transport trip.

66 48-13-142.

67 On and after April 1, 2020, an excise tax in the amount of 50¢ shall be levied upon any  
 68 for-hire ground transport trip and 25¢ upon any shared for-hire ground transport trip;  
 69 provided, however, that the amount of the tax shall increase annually by a rate determined  
 70 by the commissioner to be equal to the annual rate of inflation for the cost of living that  
 71 consumers in this state experienced on average during the prior calendar year. The  
 72 commissioner shall use the Consumer Price Index for All Urban Consumers rate published  
 73 by the Bureau of Labor Statistics of the United States Department of Labor, as such rate,  
 74 unless he or she determines that such rate is unavailable or does not accurately reflect the  
 75 rate of inflation for the cost of living that consumers in this state experienced on average  
 76 during the prior calendar year. Such excise tax shall be collected and remitted by the  
 77 for-hire ground transport service provider itself and not the vehicle driver. Such excise tax  
 78 shall be administered, collected, and due and payable in the same manner as would  
 79 otherwise be required by the tax imposed in Article 1 of Chapter 8 of this title.

80 48-13-143.

81 It is the intent of the General Assembly that the proceeds of the tax levied by this article  
 82 shall be made available and appropriated exclusively for the purpose of capital construction  
 83 of transportation infrastructure in this state. The commissioner shall account for such  
 84 proceeds separately and report the amounts collected for each fiscal year upon request of  
 85 the chairpersons of the House Committee on Appropriations, the Senate Appropriations  
 86 Committee, the House Committee on Ways and Means, the Senate Finance Committee,  
 87 the House Budget and Research Office, or the Senate Budget and Evaluation Office.

88 48-13-144.

89 Any for-hire ground transport service provider that knowingly and willfully violates the  
90 requirements of this article shall be assessed a civil penalty of not more than \$10,000.00  
91 in addition to the amount of tax due.

92 48-13-145.

93 Each for-hire ground transport service provider shall submit a monthly report to the  
94 department that identifies the number of for-hire ground transport trips provided by county  
95 of origin and the average cost per trip. All such reports shall be treated as confidential and  
96 shall not be subject to Article 4 of Chapter 18 of Title 50, relating to open records.

97 48-13-146.

98 The department is authorized to adopt rules and regulations necessary for the enforcement  
99 and implementation of the provisions of this article."

100

### **PART III**

101

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

102 This Act shall become effective upon its approval by the Governor or upon its becoming law  
103 without such approval; provided, however, that Part 2 of this Act shall become effective on  
104 April 1, 2020, and shall apply to sales of transportation on or after April 1, 2020.

105

#### **SECTION 3-2.**

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