Senate Bill 104

By: Senators Payne of the 54th, Stone of the 23rd, Karinshak of the 48th, Albers of the 56th, Miller of the 49th and others

AS PASSED

A BILL TO BE ENTITLED
AN ACT

To amend Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use taxes, so as to repeal sunset provisions regarding certain tax exemptions; to exempt sales to organ procurement organizations from sales and use tax; to provide for an annual report; to expand the exemption for the use of food and food ingredients donated to qualified nonprofit agencies to include disaster relief; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use taxes, is amended by revising paragraphs (7.05), (7.3), (46), (57.1), (57.2), (57.3), and (101) of Code Section 48-8-3, relating to exemptions, as follows:

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

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

(ii) The exemption provided for in subparagraph (A) of this paragraph shall not apply to any local sales and use tax levied or imposed at any time.
(C) Notwithstanding Code Sections 48-2-15, 48-7-60, and 48-7-61, any taxpayer seeking to claim the exemption provided for within subparagraph (A) of this paragraph shall electronically submit to the department, at the time of application for the exemption and any such annual renewal, the total number of patients treated in the previous calendar year, the average monthly number of full-time employees, and the total amount of exempt purchases made by the taxpayer in the preceding calendar year. The department shall then issue a report to the chairpersons of the House Committee on Ways and Means and the Senate Finance Committee detailing the total number of patients treated, average monthly number of full-time employees, and the total amount of sales and use tax exempted sales for the previous calendar year, by June 30 each year;

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

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

"(46) Sales to blood banks and organ procurement organizations as defined in Code Section 44-5-141 having a nonprofit status pursuant to Section 501(c)(3) of the Internal Revenue Code. Each organ procurement organization exempt under this paragraph shall submit an annual report to the Department of Community Health which includes the number of donors and transplants facilitated by such organization in the organization's previous fiscal year;"

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

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

(C) Notwithstanding Code Sections 48-2-15, 48-7-60, and 48-7-61, any taxpayer seeking to claim the exemption provided for within subparagraph (A) of this paragraph shall electronically submit to the department, at the time of application for the exemption and any such annual renewal, the total number of clients served in the previous calendar year, total pounds of food donated by retailers, and total amount of exempt purchases made in the preceding year. The department shall then issue a report to the chairpersons of the House Committee on Ways and Means and the Senate Finance Committee detailing the total number of clients served, total pounds of food donated by retailers, and total amount of sales and use tax exempted sales for the previous calendar year, by June 30 each year.

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

(57.2)(A) For the period commencing July 1, 2015, and ending on June 30, 2021, the use of food and food ingredients which is donated to a qualified nonprofit agency and which is used for hunger relief or disaster relief purposes.

(B) As used in this paragraph, the term 'qualified nonprofit agency' means any entity which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and which provides hunger relief.

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

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

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

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

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

'(101)(A) The sale or use of noncommercial written materials or mailings by an organization which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, if the organization is located in this state and provides such materials
to charity supporters for educational, charitable, religious, or fundraising purposes, to
the extent provided in subparagraph (B) of this paragraph.
(B) This exemption shall apply from July 1, 2018, until July 1, 2026. A qualifying organization must pay sales and use tax on all purchases and uses of tangible personal property and may obtain the benefit of this exemption from sales and use taxes by filing a claim for refund of tax paid on qualifying items. All refunds made pursuant to this paragraph shall not include interest;”

SECTION 2.
This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 3.
All laws and parts of laws in conflict with this Act are repealed.