

House Bill 586 (COMMITTEE SUBSTITUTE)

By: Representatives Watson of the 172<sup>nd</sup>, Corbett of the 174<sup>th</sup>, Houston of the 170<sup>th</sup>,  
Blackmon of the 146<sup>th</sup>, Rich of the 97<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 1 of Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia  
2 Annotated, relating to general provisions regarding sales and use taxes, so as to extend the  
3 sunset date for the exemption for projects of regional significance; to exempt sales of tickets,  
4 fees, or charges for admission to certain fine arts performances or exhibitions from sales and  
5 use taxes; to provide for a definition; to provide for automatic repeal; to redefine the term  
6 "manufacturing plant" to include certain motor vehicles that manufacture tangible personal  
7 property; to grant a limited exemption for such motor vehicles that mix concrete; to remove  
8 the sunset provision for an exemption for sales taxes on certain tangible personal property  
9 sold or used to maintain, refit, or repair a boat during a single event; to provide for a short  
10 title; to provide for related matters; to repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 SECTION 1.

13 This Act shall be known and may be cited as the "Georgia Economic Recovery Act of 2021."

H. B. 586 (SUB)

**SECTION 2.**

14  
15 Part 1 of Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,  
16 relating to general provisions regarding sales and use taxes, is amended by revising  
17 paragraph (93) of Code Section 48-8-3, relating to exemptions from sales and use taxes, as  
18 follows:

19 "(93)(A) For the period commencing January 1, 2012, until June 30, ~~2021~~ 2023, sales  
20 of tangible personal property used for and in the construction of a competitive project  
21 of regional significance.

22 (B) The exemption provided in subparagraph (A) of this paragraph shall apply to  
23 purchases made during the entire time of construction of the competitive project of  
24 regional significance so long as such project meets the definition of a competitive  
25 project of regional significance within the period commencing January 1, 2012, until  
26 June 30, ~~2021~~ 2023.

27 (C) The department shall not be required to pay interest on any refund claims filed for  
28 local sales and use taxes paid on purchases made prior to the implementation of this  
29 paragraph.

30 (D) As used in this paragraph, the term 'competitive project of regional significance'  
31 means the location or expansion of some or all of a business enterprise's operations in  
32 this state where the commissioner of economic development determines that the project  
33 would have a significant regional impact. The commissioner of economic development  
34 shall promulgate regulations in accordance with the provisions of this paragraph  
35 outlining the guidelines to be applied in making such determination;"

**SECTION 3.**

36  
37 Said part is further amended by revising paragraph (100) of Code Section 48-8-3, relating  
38 to exemptions from sales and use taxes, as follows:

39 “(100)(A) Sales of tickets, fees, or charges for admission to a fine arts performance or  
40 exhibition conducted within a facility in this state that is owned or operated by an  
41 organization which is exempt from taxation under Section 501(c)(3) of the Internal  
42 Revenue Code, or a museum of cultural significance, if such organization's or museum's  
43 mission is to advance the arts in this state and to provide arts, educational, and  
44 culturally significant programming and exhibits for the benefit and enrichment of the  
45 citizens of this state.

46 (B) As used in this paragraph, the term 'fine arts' means music performed by a  
47 symphony orchestra, poetry, photography, ballet, dance, opera, theater, dramatic arts,  
48 painting, sculpture, ceramics, drawing, watercolor, graphics, printmaking, and  
49 architecture.

50 (C) This paragraph shall stand repealed and reserved on December 31, 2022 Reserved;”

51 **SECTION 4.**

52 Said part is further amended in Code Section 48-8-3.2, relating to sales tax exemptions for  
53 manufacturers, definitions, exemption, applicability, and examples, by revising paragraph  
54 (11) of subsection (a), paragraphs (11), (12), and (13) of subsection (e), and by adding a new  
55 paragraph to subsection (d) to read as follows:

56 “(11) 'Manufacturing plant' means any facility, site, or other area where a manufacturer  
57 engages in the manufacture of tangible personal property and any motor vehicle with  
58 which a manufacturer engages in the manufacture of tangible personal property.”

59 “(1.1) For any manufacturing plant that is a motor vehicle, the exemptions granted by this  
60 Code section shall be limited to maintenance and replacement parts for machinery or  
61 equipment, stationary or in transit, used to mix, agitate, and transport freshly mixed  
62 concrete in a plastic and unhardened state, including but not limited to, mixers and  
63 components, engines and components, interior and exterior operational controls and  
64 components, hydraulics and components, all structural components, and all safety

65 components. The provisions of this Code section shall not exempt motor fuel sold for  
66 or used in a manufacturing plant that is a motor vehicle;"

67 "(11) Machinery or equipment used in quarrying and mining activities, including  
68 blasting, extraction, and crushing; and

69 ~~(12) Until July 1, 2020, maintenance and replacement parts for machinery or equipment,~~  
70 ~~stationary or in transit, used to mix, agitate, and transport freshly mixed concrete in a~~  
71 ~~plastic and unhardened state, including but not limited to mixers and components, engines~~  
72 ~~and components, interior and exterior operational controls and components, hydraulics~~  
73 ~~and components, all structural components, and all safety components, provided that sales~~  
74 ~~and use taxes on motor fuel used as energy in a concrete mixer truck shall not be exempt~~  
75 ~~or refundable; and~~

76 ~~(13) Energy used at a manufacturing plant."~~

77 **SECTION 5.**

78 Said part is further amended by revising Code Section 48-8-3.4, relating to maximum amount  
79 of sales and use tax on boats, annual reporting, and termination, as follows:

80 "48-8-3.4.

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

82 (1) 'Boat' means a vehicle used or capable of being used as a means of transportation on  
83 the water.

84 (2) 'Event' means an uninterrupted period of time beginning when a boat arrives at a  
85 maintenance, refit, or repair facility in this state and ending when such boat departs such  
86 facility.

87 (b) Notwithstanding any other provision of this article, the maximum amount of sales and  
88 use tax imposed and collected to maintain, refit, or repair a boat in this state during a single  
89 event shall not exceed \$35,000.00.

90 (c) The commissioner shall promulgate any rules and regulations necessary to implement  
91 and administer this Code section, including, but not limited to, calling for an annual report  
92 to be issued to the department and the chairpersons of the House Committee on Ways and  
93 Means and the Senate Finance Committee that contains the following:

94 (1) The number of full-time and part-time positions created by the seller during the  
95 preceding tax year;

96 (2) The average salary of individuals employed in the reported positions; and

97 (3) The total revenue generated and sales and use taxes collected from qualifying events  
98 during the preceding year.

99 ~~(d) This Code section shall be automatically repealed on June 30, 2025."~~

100

#### **SECTION 6.**

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