

House Bill 416

By: Representatives Efration of the 104<sup>th</sup>, Blackmon of the 146<sup>th</sup>, and Kelley of the 16<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 88 of Title 36 of the Official Code of Georgia Annotated, relating to  
2 enterprise zones, so as to revise the class of retailer from which fees may be collected; to  
3 revise the period of existence of enterprise zones; to provide for related matters; to repeal  
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Chapter 88 of Title 36 of the Official Code of Georgia Annotated, relating to enterprise  
8 zones, is amended in Code Section 36-88-6, relating to criteria for enterprise zone, by  
9 revising subsection (g) as follows:

10 "(g)(1) A nominated area under this subsection shall:

11 (A) Be included in an urban redevelopment area as defined ~~by paragraph (23) of in~~  
12 Code Section 36-61-2; and

13 (B) Contain within its borders the site for a redevelopment project having a minimum  
14 of \$400 million in capital investment for the redevelopment of an area certified by the  
15 commissioner to have been chronically underdeveloped for a period of 20 years or  
16 more.

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17 (2) Any nominated area meeting the criteria in paragraph (1) of this subsection may be  
18 designated as an enterprise zone. Any redevelopment project used to qualify an area for  
19 designation as an enterprise zone under this subsection shall, upon approval of such  
20 designation, qualify for an exemption of any sales and use tax levied within the  
21 boundaries of such project.

22 (3) Any variation in the sales price of goods and services within any redevelopment  
23 project used to qualify an area for designation as an enterprise zone under this subsection  
24 attributable to lease arrangements between a retailer and the owner of the project shall be  
25 a permitted practice under Parts 1 and 2 of Article 15 of Chapter 1 of Title 10.

26 (4) By resolution or ordinance, the local governing body designating and creating an  
27 enterprise zone under this subsection may assess and collect annual enterprise zone  
28 infrastructure fees from each retailer ~~operating within the boundaries of the project~~  
29 making sales transactions exempted from sales and use tax under paragraph (2) of this  
30 subsection in an amount not to exceed, in aggregate, the amount of sales and use tax on  
31 transactions of such retailer exempted under paragraph (2) of this subsection, which fees  
32 may be pledged by such local governing body, directly or indirectly, as security for  
33 revenue bonds issued for development or infrastructure within the enterprise zone.

34 (5) This subsection shall not apply to projects involving or related to casino gambling."

35 **SECTION 2.**

36 Said chapter is further amended by revising Code Section 36-88-10, relating to time  
37 limitations, as follows:

38 "36-88-10.

39 An area designated as an enterprise zone shall remain in existence for ten years from the  
40 first day of the calendar year immediately following its designation as an enterprise zone;  
41 provided, however, that an area designated as an enterprise zone under subsection (g) of  
42 Code Section 36-88-6 shall remain in existence for 30 years from ~~such day or until the~~

43 ~~redevelopment project required in subparagraph (g)(1)(B) of Code Section 36-88-6 is~~  
44 ~~complete and~~ the first issuance of any revenue bonds issued under paragraph (4) of  
45 subsection (g) of Code Section 36-88-6 ~~are retired, whichever first occurs~~ with a principal  
46 amount in excess of \$100,000.00. Municipal and county governments may enter into  
47 agreements with qualifying business or service enterprises in designated enterprise zones  
48 to provide for modification or termination of the tax and fee exemptions and abatements.  
49 Property tax incentives available to a qualified business or service enterprise in an  
50 enterprise zone shall remain in effect for the full ten-year period established by Code  
51 Section 36-88-8, regardless of the termination of the designation of the enterprise zone."

52

### SECTION 3.

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