

The House Committee on Ways & Means offers the following substitute to HB 1132:

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 relative to state sales and use tax, so as to exempt  
3 from state sales and use taxation materials used in construction, renovation, and rehabilitation  
4 of affordable housing by purely public charities; to provide for requirements; to provide for  
5 automatic repeal; to provide for related matters; to provide for an effective date; to repeal  
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Part 1 of Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,  
10 relating to general provisions relative to state sales and use tax, is amended by revising  
11 paragraph (103) of Code Section 48-8-3, relating to exemptions, as follows:

12 "(103)(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary,  
13 sales of tangible personal property to a purely public charity used by such charity for  
14 the construction, renovation, or rehabilitation of affordable housing on real property;  
15 provided, however, that the exemption shall only apply to such personal property that  
16 will remain on the real property permanently, and only if:

- 17 (i) Such charity is exempt from taxation under Section 501(c)(3) of the federal  
18 Internal Revenue Code;
- 19 (ii) Such real property is held exclusively for the purpose of constructing, renovating,  
20 and rehabilitating single-family homes to be financed by such charity to individuals  
21 purchasing their first home using loans that shall not bear interest;
- 22 (iii) Such individuals at the time of purchase shall have an income equal to or less  
23 than 80 percent of the median income based on the maximum household income  
24 limits for the county where the real property is located as established annually by the  
25 United States Department of Housing and Urban Development; and
- 26 (iv) Such individuals shall reside in such homes as a primary residence and such  
27 residence shall be subject to a covenant for at least 30 years that restricts the resale of  
28 the home to a buyer who at the time of purchase has an income equal to or less than  
29 80 percent of the median income based on the maximum household income limits for  
30 the county where the real property is located as established annually by the United  
31 States Department of Housing and Urban Development.
- 32 (B) This paragraph shall stand repealed and reserved on December 31, 2031 Reserved;"

33 **SECTION 2.**

34 This Act shall become effective on January 1, 2027.

35 **SECTION 3.**

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