

The House Committee on Ways & Means offers the following substitute to SB 52:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to
2 exemptions from state sales and use taxes, so as to provide for a definition relative to
3 crossing state borders by common carriers; 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 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from
8 state sales and use taxes, is amended by revising paragraph (33) as follows:

9 "(33)(A) The sale of aircraft, watercraft, railroad locomotives and rolling stock, motor
10 vehicles, and major components of each, which will be used principally to cross the
11 borders of this state in the service of transporting passengers or cargo by common
12 carriers and by carriers who hold common carrier and contract carrier authority in
13 interstate or foreign commerce under authority granted by the United States
14 government. Replacement parts installed by carriers in such aircraft, watercraft,
15 railroad locomotives and rolling stock, and motor vehicles which become an integral
16 part of the craft, equipment, or vehicle shall also be exempt from all taxes under this

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17 article. For purposes of this subparagraph, the term 'used principally to cross the
18 borders of this state' shall be determined based on the overall nature of a carrier's
19 interstate operations and shall not be construed to require that a majority of the miles
20 traveled by a motor vehicle occur outside this state, nor shall such term be determined
21 solely by mileage, the location of terminals, dispatch facilities, maintenance operations,
22 or any other similar administrative factor;

23 (B) In lieu of any tax under this article which would apply to the purchase, sale, use,
24 storage, or consumption of the tangible personal property described in this paragraph
25 but for this exemption, the tax under this article shall apply with respect to all fuel
26 purchased and delivered within this state by or to any common carrier and with respect
27 to all fuel purchased outside this state and stored in this state irrespective, in either case,
28 of the place of its subsequent use;"

29 **SECTION 2.**

30 All laws and parts of laws in conflict with this Act are repealed.