

House Bill 1009 (AS PASSED HOUSE AND SENATE)

By: Representatives Glanton of the 75<sup>th</sup>, Jacobs of the 80<sup>th</sup>, Abrams of the 89<sup>th</sup>, Jordan of the 77<sup>th</sup>, Stovall of the 74<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 state sales and use taxes in general, so as to extend the date for the  
3 applicability of an exemption to the local sales and use tax cap for a county that levied a tax  
4 for the purposes of a metropolitan area system of public transportation; to provide for related  
5 matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Part 1 of Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,  
9 relating to state sales and use taxes in general, is amended by revising subsection (a) of Code  
10 Section 48-8-6, relating to limitations upon the authority of local governments to levy sales  
11 and use taxes and other similar taxes, as follows:

12 "(a) There shall not be imposed in any jurisdiction in this state or on any transaction in this  
13 state local sales taxes, local use taxes, or local sales and use taxes in excess of 2 percent.  
14 For purposes of this prohibition, the taxes affected are any sales tax, use tax, or sales and  
15 use tax which is levied in an area consisting of less than the entire state, however  
16 authorized, including such taxes authorized by or pursuant to constitutional amendment,  
17 except that the following taxes shall not count toward or be subject to such 2 percent  
18 limitation:

19 (1) A sales and use tax for educational purposes exempted from such limitation under  
20 Article VIII, Section VI, Paragraph IV of the Constitution;

21 (2) Any tax levied for purposes of a metropolitan area system of public transportation,  
22 as authorized by the amendment to the Constitution set out at Georgia Laws, 1964, page  
23 1008; the continuation of such amendment under Article XI, Section I, Paragraph IV(d)  
24 of the Constitution; and the laws enacted pursuant to such constitutional amendment;  
25 provided, however, that the exception provided for under this paragraph shall only apply:

26 (A) In a county in which a tax is being imposed under subparagraph (a)(1)(D) of Code  
 27 Section 48-8-111 in whole or in part for the purpose or purposes of a water capital  
 28 outlay project or projects, a sewer capital outlay project or projects, a water and sewer  
 29 capital outlay project or projects, water and sewer projects and costs as defined under  
 30 paragraph (4) of Code Section 48-8-200, or any combination thereof and with respect  
 31 to which the county has entered into an intergovernmental contract with a municipality,  
 32 in which the average waste-water system flow of such municipality is not less than 85  
 33 million gallons per day, allocating proceeds to such municipality to be used solely for  
 34 water and sewer projects and costs as defined under paragraph (4) of Code Section  
 35 48-8-200. The exception provided for under this subparagraph shall apply only during  
 36 the period the tax under said subparagraph (a)(1)(D) is in effect. The exception  
 37 provided for under this subparagraph shall not apply in any county in which a tax is  
 38 being imposed under Article 2A of this chapter; or

39 (B) In a county in which the tax levied for purposes of a metropolitan area system of  
 40 public transportation is first levied after January 1, 2010, and before November 1, ~~2012~~  
 41 2016. Such tax shall not apply to the following:

42 (i) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport. For  
 43 purposes of this division, a 'qualifying airline' means any person which is authorized  
 44 by the Federal Aviation Administration or another appropriate agency of the United  
 45 States to operate as an air carrier under an air carrier operating certificate and which  
 46 provides regularly scheduled flights for the transportation of passengers or cargo for  
 47 hire. For purposes of this division, a 'qualifying airport' means any airport in the state  
 48 that has had more than 750,000 takeoffs and landings during a calendar year; and

49 (ii) The sale of motor vehicles;

50 (3) In the event of a rate increase imposed pursuant to Code Section 48-8-96, only the  
 51 amount in excess of the initial 1 percent sales and use tax and in the event of a newly  
 52 imposed tax pursuant to Code Section 48-8-96, only the amount in excess of a 1 percent  
 53 sales and use tax;

54 (4) A sales and use tax levied under Article 4 of this chapter; and

55 (5) A sales and use tax levied under Article 5 of this chapter.

56 If the imposition of any otherwise authorized local sales tax, local use tax, or local sales  
 57 and use tax would result in a tax rate in excess of that authorized by this subsection, then  
 58 such otherwise authorized tax may not be imposed."

59 **SECTION 2.**

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