

House Bill 898

By: Representatives Ramsey of the 72nd, Hatchett of the 150th, Wilkinson of the 52nd, and Stephens of the 164th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales
2 and use taxes, so as to change the rate and use of such taxes collected on aviation fuel and
3 aviation jet fuel; to provide for related matters; to provide for an effective date; to repeal
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to sales and use
8 taxes, is amended by revising paragraphs (33) and (33.1) of Code Section 48-8-3, 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
17 article;

18 (B) In lieu of any tax under this article which would apply to the purchase, sale, use,
19 storage, or consumption of the tangible personal property described in this paragraph
20 but for this exemption, the tax under this article shall, except as provided in paragraph
21 (33.1) of this Code section and in Code Section 48-8-3.4, apply with respect to all fuel
22 purchased and delivered within this state by or to any common carrier and with respect
23 to all fuel purchased outside this state and stored in this state irrespective, in either case,
24 of the place of its subsequent use;

25 ~~(33.1)(A) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport,~~
26 ~~to the extent provided in subparagraphs (B) and (C) of this paragraph.~~

27 ~~(B) For the period of time beginning Beginning July 1, 2012 2016, and ending on June~~
 28 ~~30, 2015, the sale or use of jet aviation fuel to or by a qualifying airline at a qualifying~~
 29 ~~airport shall be exempt from 1 percent of the 4 percent any state or local sales and use~~
 30 ~~tax, including an increase in any state or local sales or use tax rate, which tax or~~
 31 ~~increase was not in effect on December 30, 1987.~~

32 ~~(C) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall~~
 33 ~~be exempt at all times from the sales or use tax levied and imposed as authorized~~
 34 ~~pursuant to Part 1 of Article 3 of this chapter. As used in this subparagraph, the term~~
 35 ~~'qualifying airport' means any airport in this state that has had more than 750,000~~
 36 ~~takeoffs and landings during a calendar year, and the term 'qualifying airline' shall have~~
 37 ~~the same meaning as set forth in subparagraph (E) of this paragraph.~~

38 ~~(D) Except as provided for in subparagraph (C) of this paragraph, this exemption shall~~
 39 ~~not apply to any other local sales and use tax levied or imposed at any time in any area~~
 40 ~~consisting of less than the entire state, however authorized, not to exceed the rate at~~
 41 ~~which such taxes were levied as of January 1, 2014, including, but not limited to, such~~
 42 ~~taxes authorized by or pursuant to Section 25 of an Act approved March 10, 1965 (Ga.~~
 43 ~~L. 1965, p. 2243), as amended, the 'Metropolitan Atlanta Rapid Transit Authority Act~~
 44 ~~of 1965,' or such taxes as authorized by or pursuant to Part 2 of Article 3 or Article 2,~~
 45 ~~2A, or 4 of this chapter.~~

46 ~~(E) For purposes of subparagraph (B) of this paragraph and paragraph (2) of subsection~~
 47 ~~(d) of Code Section 48-8-241, a 'qualifying airline' shall mean any person which is~~
 48 ~~authorized by the Federal Aviation Administration or appropriate agency of the United~~
 49 ~~States to operate as an air carrier under an air carrier operating certificate and which~~
 50 ~~provides regularly scheduled flights for the transportation of passengers or cargo for~~
 51 ~~hire.~~

52 ~~(F) For purposes of subparagraph (B) of this paragraph and paragraph (2) of subsection~~
 53 ~~(d) of Code Section 48-8-241, the term 'qualifying airport' means a certificated air~~
 54 ~~carrier airport in Georgia.~~

55 ~~(G) On or after July 1, 2017, revenue derived from the levy of sales and use taxes on~~
 56 ~~jet fuel shall be used for a state aviation program or airport related purposes to the~~
 57 ~~extent required to comply with 49 U.S.C. Sections 47107(b) and 47113. Any portion~~
 58 ~~of such revenue so derived which is in excess of the amount required for purposes of~~
 59 ~~such compliance with federal law may be appropriated by the General Assembly for~~
 60 ~~other purposes.~~

61 ~~(H)(B) The commissioner shall adopt rules and regulations to carry out the provisions~~
 62 ~~of this paragraph;"~~

63 **SECTION 2.**

64 Said chapter is further amended by adding a new Code section to read as follows:

65 "48-8-3.4.

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

67 (1) 'Qualifying airline' means an air carrier which provides regularly scheduled flights
68 for the transportation of passengers.

69 (2) 'Qualifying airport' means any airport in this state that has had more than 750,000
70 takeoffs and landings during a calendar year.

71 (b) Aviation jet fuel purchased and delivered within this state or stored within this state for
72 use in an aircraft operated by, or exclusively for, a qualifying airline at a qualifying airport
73 shall be subject to the tax under this article only to the extent such fuel is consumed in this
74 state in the operation of aircraft.

75 (c) Twenty percent of aviation jet fuel loaded into an aircraft at a qualifying airport, which
76 aircraft's first destination is a location outside of this state, shall be deemed to be consumed
77 in this state.

78 (d) All fuel loaded into an aircraft at a qualifying airport, which aircraft's first destination
79 is a location within this state, shall be deemed to be consumed in this state.

80 (e) The commissioner shall adopt rules and regulations to carry out the provisions of this
81 Code section."

82 **SECTION 3.**

83 This Act shall become effective on July 1, 2016.

84 **SECTION 4.**

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