

House Bill 1342

By: Representatives Parsons of the 44<sup>th</sup>, Jones of the 25<sup>th</sup>, Dempsey of the 13<sup>th</sup>, Clark of the 147<sup>th</sup>, and Carpenter of the 4<sup>th</sup>

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 sales and use tax, so as to exempt the sale or use of electricity used in the  
3 commercial mining of digital assets; to provide for definitions; to provide for related matters;  
4 to repeal 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 sales and use tax, is amended by adding a new paragraph to read as follows:

9 “(68.2)(A) The sale or use of electricity used in the commercial mining of digital assets  
10 at a colocation facility.

11 (B) As used in this paragraph:

12 (i) 'Blockchain technology' means shared or distributed data structures or digital  
13 ledgers governed by consensus protocols and maintained by peer-to-peer networks  
14 that store digital transactions and verify and secure transactions cryptographically.

15 (ii) 'Colocation facility' means a facility or facilities, at least 75,000 square feet in  
16 aggregate, located in this state and utilized in the commercial mining of digital assets

17 or in hosting persons engaged in the commercial mining of digital assets through  
18 utilization of the facility's infrastructure, including servers and network hardware  
19 powered by internet bandwidth, electricity, and other services generally required for  
20 such mining operations.

21 (iii) 'Commercial mining of digital assets' means the process through which  
22 blockchain technology is used to mine digital assets for commercial purposes.

23 (iv) 'Digital assets' means a type of virtual currency that utilizes blockchain  
24 technology and can be digitally traded between users and converted or exchanged for  
25 legal tender."

26 **SECTION 2.**

27 All laws and parts of laws in conflict with this Act are repealed.