

House Bill 1386

By: Representatives Carson of the 46<sup>th</sup>, Smith of the 133<sup>rd</sup>, Corbett of the 174<sup>th</sup>, Seabaugh of the 34<sup>th</sup>, and Anulewicz of the 42<sup>nd</sup>

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 exempt from sales and use taxation the sale or use of pipes necessary  
3 and integral to the manufacturing of potable water by a manufacturer; to provide for related  
4 matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **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 subsection (b) of Code Section 48-8-3.2, relating to sales and  
9 use tax exemptions for manufacturing equipment, industrial materials, packing supplies, and  
10 energy, as follows:

11 "(b)(1) The sale, use, or storage of machinery or equipment which is necessary and  
12 integral to the manufacture of tangible personal property and the sale, use, storage, or  
13 consumption of industrial materials or packaging supplies shall be exempt from all sales  
14 and use taxation.

15 (2) The sale to or use of pipes by a manufacturer shall be exempt from all sales and use  
16 taxation, provided that such pipes are necessary and integral to the manufacturing of

17 potable water, regardless of whether such pipes are considered fixtures or are installed  
18 within or outside of a manufacturing plant."

19 **SECTION 2.**

20 All laws and parts of laws in conflict with this Act are repealed.