

House Bill 503

By: Representatives Watson of the 172nd, Blackmon of the 146th, Corbett of the 174th,
Houston of the 170th, and Stephens of the 164th

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 general provisions regarding sales and use taxes, so as to extend the
3 sunset date for the exemption for projects of regional significance; to redefine the term
4 "manufacturing plant" to include certain motor vehicles that manufacture tangible personal
5 property; to grant a limited exemption for such motor vehicles that mix concrete; to remove
6 the sunset provision for an exemption for sales taxes on certain tangible personal property
7 sold or used to maintain, refit, or repair a boat during a single event; to provide for related
8 matters; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Part 1 of Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,
12 relating to general provisions regarding sales and use taxes, is amended by revising
13 paragraph (93) of Code Section 48-8-3, relating to exemptions from sales and use taxes, as
14 follows:

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15 "(93)(A) For the period commencing January 1, 2012, until June 30, ~~2021~~ 2023, sales
16 of tangible personal property used for and in the construction of a competitive project
17 of regional significance.

18 (B) The exemption provided in subparagraph (A) of this paragraph shall apply to
19 purchases made during the entire time of construction of the competitive project of
20 regional significance so long as such project meets the definition of a competitive
21 project of regional significance within the period commencing January 1, 2012, until
22 June 30, ~~2021~~ 2023.

23 (C) The department shall not be required to pay interest on any refund claims filed for
24 local sales and use taxes paid on purchases made prior to the implementation of this
25 paragraph.

26 (D) As used in this paragraph, the term 'competitive project of regional significance'
27 means the location or expansion of some or all of a business enterprise's operations in
28 this state where the commissioner of economic development determines that the project
29 would have a significant regional impact. The commissioner of economic development
30 shall promulgate regulations in accordance with the provisions of this paragraph
31 outlining the guidelines to be applied in making such determination;"

32

SECTION 2.

33 Said part is further amended in Code Section 48-8-3.2, relating to sales tax exemptions for
34 manufacturers, definitions, exemption, applicability, and examples, by revising paragraph
35 (11) of subsection (a), paragraphs (11), (12), and (13) of subsection (e), and by adding a new
36 paragraph to subsection (d) to read as follows:

37 "(11) 'Manufacturing plant' means any facility, site, or other area where a manufacturer
38 engages in the manufacture of tangible personal property and any motor vehicle with
39 which a manufacturer engages in the manufacture of tangible personal property."

40 "(1.1) For any manufacturing plant that is a motor vehicle, the exemptions granted by this
 41 Code section shall be limited to maintenance and replacement parts for machinery or
 42 equipment, stationary or in transit, used to mix, agitate, and transport freshly mixed
 43 concrete in a plastic and unhardened state, including but not limited to, mixers and
 44 components, engines and components, interior and exterior operational controls and
 45 components, hydraulics and components, all structural components, and all safety
 46 components. The provisions of this Code section shall not exempt motor fuel sold for
 47 or used in a manufacturing plant that is a motor vehicle."

48 "(11) Machinery or equipment used in quarrying and mining activities, including
 49 blasting, extraction, and crushing; and

50 ~~(12) Until July 1, 2020, maintenance and replacement parts for machinery or equipment,~~
 51 ~~stationary or in transit, used to mix, agitate, and transport freshly mixed concrete in a~~
 52 ~~plastic and unhardened state, including but not limited to mixers and components, engines~~
 53 ~~and components, interior and exterior operational controls and components, hydraulics~~
 54 ~~and components, all structural components, and all safety components, provided that sales~~
 55 ~~and use taxes on motor fuel used as energy in a concrete mixer truck shall not be exempt~~
 56 ~~or refundable; and~~

57 ~~(13) Energy used at a manufacturing plant."~~

58 **SECTION 3.**

59 Said part is further amended by revising Code Section 48-8-3.4, relating to maximum amount
 60 of sales and use tax on boats, annual reporting, and termination, as follows:

61 "48-8-3.4.

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

63 (1) 'Boat' means a vehicle used or capable of being used as a means of transportation on
 64 the water.

65 (2) 'Event' means an uninterrupted period of time beginning when a boat arrives at a
66 maintenance, refit, or repair facility in this state and ending when such boat departs such
67 facility.

68 (b) Notwithstanding any other provision of this article, the maximum amount of sales and
69 use tax imposed and collected to maintain, refit, or repair a boat in this state during a single
70 event shall not exceed \$35,000.00.

71 (c) The commissioner shall promulgate any rules and regulations necessary to implement
72 and administer this Code section, including, but not limited to, calling for an annual report
73 to be issued to the department and the chairpersons of the House Committee on Ways and
74 Means and the Senate Finance Committee that contains the following:

75 (1) The number of full-time and part-time positions created by the seller during the
76 preceding tax year;

77 (2) The average salary of individuals employed in the reported positions; and

78 (3) The total revenue generated and sales and use taxes collected from qualifying events
79 during the preceding year.

80 ~~(d) This Code section shall be automatically repealed on June 30, 2025."~~

81 **SECTION 4.**

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