

House Bill 586

By: Representatives Watson of the 172nd, Corbett of the 174th, Houston of the 170th, Blackmon of the 146th, and Rich of the 97th

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 exempt sales of tickets,
4 fees, or charges for admission to certain fine arts performances or exhibitions from taxation
5 from state sales and use taxes; to provide for a definition; to provide for automatic repeal; to
6 redefine the term "manufacturing plant" to include certain motor vehicles that manufacture
7 tangible personal property; to grant a limited exemption for such motor vehicles that mix
8 concrete; to remove the sunset provision for an exemption for sales taxes on certain tangible
9 personal property sold or used to maintain, refit, or repair a boat during a single event; to
10 provide for a short title; to provide for related matters; to repeal conflicting laws; and for
11 other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 SECTION 1.

14 This Act shall be known and may be cited as the "Georgia Economic Recovery Act of 2021."

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15 **SECTION 2.**

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

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

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

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

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

37 **SECTION 3.**

38 Said part is further amended by revising paragraph (100) of Code Section 48-8-3, relating
39 to exemptions from sales and use taxes, as follows:

40 “(100)(A) Sales of tickets, fees, or charges for admission to a fine arts performance or
41 exhibition conducted within a facility in this state that is owned or operated by an
42 organization which is exempt from taxation under Section 501(c)(3) of the Internal
43 Revenue Code, or a museum of cultural significance, if such organization's or museum's
44 mission is to advance the arts in this state and to provide arts, educational, and
45 culturally significant programming and exhibits for the benefit and enrichment of the
46 citizens of this state.

47 (B) As used in this paragraph, the term 'fine arts' means music performed by a
48 symphony orchestra, poetry, photography, ballet, dance, opera, theater, dramatic arts,
49 painting, sculpture, ceramics, drawing, watercolor, graphics, printmaking, and
50 architecture.

51 (C) The exemption provided for in subparagraph (A) of this paragraph shall not apply
52 to any sales and use tax levied or imposed in an area consisting of less than the entire
53 state, however authorized, including, but not limited to, such taxes authorized by or
54 pursuant to:

55 (i) Constitutional amendment;

56 (ii) Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243), as
57 amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; or

58 (iii) Article 2, 2A, 3, 4, 5, or 5A of this chapter;

59 (D) This paragraph shall be automatically repealed on December 31, 2022 Reserved;”

60 **SECTION 4.**

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

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

68 "(1.1) For any manufacturing plant that is a motor vehicle, the exemptions granted by this
69 Code section shall be limited to maintenance and replacement parts for machinery or
70 equipment, stationary or in transit, used to mix, agitate, and transport freshly mixed
71 concrete in a plastic and unhardened state, including but not limited to, mixers and
72 components, engines and components, interior and exterior operational controls and
73 components, hydraulics and components, all structural components, and all safety
74 components. The provisions of this Code section shall not exempt motor fuel sold for
75 or used in a manufacturing plant that is a motor vehicle;"

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

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

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

86 **SECTION 5.**

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

89 "48-8-3.4.

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

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

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

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

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

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

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

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

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

109 **SECTION 6.**

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