

House Bill 758

By: Representatives Battles of the 15th, Coomer of the 14th, Kelley of the 16th, and Williamson of the 115th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,
2 relating to state sales and use tax, so as to provide a state and local sales tax exemption for
3 sales of tangible personal property used for the construction of a certain museum; to provide
4 for a definition; to provide for automatic repeal; to provide for related matters; to provide for
5 an effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to state
9 sales and use tax, is amended in Code Section 48-8-3, relating to exemptions from state sales
10 and use taxes, by deleting "or" at the end of subparagraph (E) of paragraph (99), by replacing
11 the period with "; or" at the end of subparagraph (C) of paragraph (100), and by adding a new
12 paragraph to read as follows:

13 "(101)(A) The sale or use of tangible personal property used for the construction of a
14 museum that contains a main building with a permanent gallery that is at least 57,000
15 square feet in size, three temporary galleries, a theater, a garage for restoration or
16 storage that is at least 26,500 square feet, and an outdoor pavilion. This museum shall
17 be owned or operated, either directly or indirectly, by a private operating foundation
18 that is incorporated in this state as a nonprofit organization exempt from taxation under
19 Section 501(c)(3) of the Internal Revenue Code. The primary mission of such museum
20 shall be to celebrate the diverse heritage of automobiles through changing exhibits
21 while providing educational and engaging experiences for the benefit of the citizens of
22 this state, to the extent provided in subparagraphs (C) and (D) of this paragraph.

23 (B) As used in this paragraph, the term 'private operating foundation' shall have the
24 same meaning as stated in Section 4942(j)(3) of the Internal Revenue Code.

25 (C) This exemption shall apply from July 1, 2018, until December 31, 2020, and until
26 the aggregate state sales and use tax refunded pursuant to this paragraph exceeds

27 \$960,000.00. A qualifying organization must pay sales and use tax on all purchases and
28 uses of tangible personal property and may obtain the benefit of this exemption from
29 state sales and use tax by filing a claim for refund of tax paid on qualifying items. All
30 refunds made pursuant to this paragraph shall not include interest.

31 (D) This exemption shall apply from July 1, 2018, until December 31, 2020, to any
32 local sales and use tax levied or imposed at any time in any area consisting of less than
33 the entire state, however authorized, including, but not limited to, such taxes authorized
34 by or pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243),
35 as amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965' or such
36 taxes as authorized by or pursuant to Article 2, 2A, 3, 4, 5, or 5A of this chapter.

37 (E) Notwithstanding any provision of Code Section 48-8-63 to the contrary, purchases
38 by a contractor may qualify for the exemption provided for in this paragraph. However,
39 when a contractor purchases qualifying tangible personal property, the contractor shall
40 pay the tax at the time of purchase or at the time of first use in this state; and the
41 ultimate owner of the property may file a claim for refund of the tax paid on the
42 qualifying property.

43 (F) Items qualifying for exemption include all tangible personal property that will
44 remain at the museum after completion of construction and all tangible personal
45 property that becomes incorporated into the real property structures of the museum. The
46 exemption excludes all items that remain tangible personal property in the possession
47 of a contractor after the completion of construction.

48 (G) This paragraph shall be automatically repealed on January 1, 2021."

49 **SECTION 2.**

50 This Act shall become effective upon its approval by the Governor or upon its becoming law
51 without such approval.

52 **SECTION 3.**

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