

**RULES
OF
DEPARTMENT OF REVENUE
SALES AND USE TAX DIVISION**

**CHAPTER 560-12-2
SUBSTANTIVE RULES AND REGULATIONS**

560-12-2-.87 Machinery for Reducing Air or Water Pollution.

(1) The sale of machinery or equipment that is used for the primary purpose of reducing or eliminating air or water pollution, or any repair, replacement, or component parts for such machinery or equipment, is exempt from tax.

(2) The exemption applies only to tangible personal property that remains tangible personal property after installation.

(3) Any person making a sale of such machinery, equipment, or parts must remit tax unless the purchaser furnishes the seller with a Form ST-M8 Certificate of Exemption, certifying that the purchaser is entitled to purchase such machinery, equipment, and parts without paying tax. A purchaser may obtain Form ST-M8 Certificate of Exemption by completing and submitting to the Department Form ST-M7.

(4) Pursuant to O.C.G.A. § 48-8-63, a contractor must pay the tax when purchasing such machinery, equipment, or parts. However, the ultimate owner of the property may file a claim for refund of such tax.

(5) Claims for refund must be filed within three (3) years following date of payment of tax to the Department. If a taxpayer seeks a refund of taxes paid on a purchase made prior to obtaining and using Form ST-M8, then the refund will be made without interest.

(6) Taxpayers selling or acquiring machinery, equipment, and parts under this exemption must maintain records of the sale.

AUTHORITY: O.C.G.A. §§ 48-2-12, 48-2-35, 48-2-35.1, 48-8-3(36), 48-8-63.