2017 SUMMARY OF ENACTED LEGISLATION


ADMINISTRATION

HB 337 (O.C.G.A. §§ 48-2-56, 48-2-59, 48-3-1, 48-3-21, 48-3-23, 48-3-28, 48-3-29, 48-3-40 through 48-3-44, 11-9-333, 15-6-97.3, 44-1-18, 44-2-2)

House Bill 337, the ‘State Tax Execution Modernization Act’ creates a uniform state-wide electronic system for recording state tax liens. The Department’s tax liens will be transmitted to the searchable electronic lien database currently operated by the Georgia Superior Court Clerks’ Cooperative Authority (GSCCCA) and will attach to a taxpayer’s property state-wide. The bill also creates a new process that will, with limited exceptions, require any seller of Georgia real property to obtain a “Certificate of Lien Clearance” from the Department of Revenue as part of the conveyance process. The Certificate will verify that, as of the issue date, the current owner of the property has no recorded state tax liens. It will be valid for a period of 30 days. The Certificate of Lien Clearance number must be entered on Form PT-61, the Real Estate Transfer Tax Declaration Form, which is available on the GSCCCA web portal. The Form must be completed online and the confirmation copy printed within that 30-day period. Property that is transferred and for which a Form PT-61 has been generated, both occurring within the 30-day period, will have transferred to the new owner free and clear of all existing state tax liens of the selling owner and all prior owners. Form PT-61 and the new deed can then be presented for recording to the clerk of superior court in the county where the property is located.

There are a limited number of conveyances for which the Certificate of Lien Clearance is not required. Examples of these conveyances include foreclosure sales where the security deed takes priority over the state tax lien, conveyances by a bankruptcy receiver or trustee, transfers by judicial order in condemnation actions, and Internal Revenue Service tax sales. In these instances, the seller must claim the appropriate exemption from the Certificate of Lien Clearance requirement on Form PT-61.

Note that if the current owner of property to be conveyed has a recorded lien, instead of a Certificate of Lien Clearance the owner will receive a Statement of Lien. The owner will be able to pay off the stated lien amount, which will remain unchanged for 30 days, through a portal on the Department’s website. If paid in full, the owner will receive their Certificate of Lien Clearance as acknowledgement of full payment of all active state tax liens. Alternatively, the owner can arrange for payment of the lien from sale proceeds at closing. Attorneys and title insurance companies can register with the Department as Qualified Third Parties and will then be able to request and obtain the Certificate of Lien Clearance by affirming to the Department that the proceeds of the sale will be applied through their account to satisfy the stated lien amount. In addition to these automated processes, the Department will have dedicated personnel to answer questions and assist in resolving any issues.

As part of the transition to electronically-recorded state tax liens, as of December 31, 2017 all unexpired state tax liens previously recorded by the Department will be invalid unless the Department renews them in the new electronic database. Instead of the current system in which the Department can perpetually renew unsatisfied liens every seven years, state tax liens will, with limited exceptions which mimic federal law, only remain valid and enforceable for a single period of ten years. Members of the public will be able to search state tax liens via the Internet at no charge by name, lien number, or the last four digits of the taxpayer’s social security or employer identification number.

House Bill 337 is effective January 1, 2018.
ALCOHOL & TOBACCO

HB 485 (O.C.G.A. §§ 3-4-24.2, 3-4-40 through 3-4-49)

This bill removes the requirement that a referendum be held prior to the issuance of licenses for the manufacture or distribution of distilled spirits. This bill also changes provisions relating to the procedures for calling for and conducting referendum elections and nullifications related to package sales of distilled spirits.

Relating to distilled spirits:

- The commissioner may issue licenses for the manufacture or distribution of distilled spirits in any county or municipality in which licenses for such activities have been authorized and issued by resolution or ordinance by the local governing authority.
- Licenses for the package sale of distilled spirits can still only be authorized by a county or municipality by an approved referendum.
- In the event a valid referendum is held and the majority of votes cast are against the issuance of licenses for the package sale of distilled spirits, no new licenses shall be issued and current licensees will not be granted a renewal of their licenses upon expiration.

HB 485 is effective May 9, 2017.

HB 510 (O.C.G.A. § 3-3-21)

This bill repeals provisions that had prescribed a different method of measurement of distances between alcoholic beverage retailers to churches and schools in counties having a population equal to or greater than 175,000 but not more than 195,000.

HB 510 is effective July 1, 2017.

SB 85 (O.C.G.A. §§ 3-4-1, 3-4-24.1, 3-4-24.2, 3-4-180, 3-4-61, 3-5-1, 3-5-24.1, 3-5-36, 3-5-38, 3-5-81)

This bill provides for the limited sale of distilled spirits and malt beverages by manufacturers to consumers and repeals prior provisions relating to tours.

Relating to distilled spirit manufacturers:

- Defines “Barrel” relative to distilled spirits as 53 gallons.
- Repeals definitions of “distillery tour”, “free souvenir”, “free tastings”, and “sample”.
- Removes permit requirement for educational and promotional tours provided by manufacturers of distilled spirits.
- Repeals requirements related to tours, souvenirs, and free samples.
- Provides for the limited sale of up to 500 barrels of distilled spirits annually to the public by a manufacturer. This limitation includes all sales for consumption on the premises and up to 2,250 milliliters for consumption off the premises per consumer per day.
- Clarifies that distillers may only sell on days and at times where lawful within the county or municipality in which the distillery is located.
- Prohibits distillers from selling at a price less than that at which a person licensed to sell distilled spirits by the package is permitted to sell distilled spirits.
- Requires that distillers remit all applicable state and local sales, use, and excise taxes to the proper collecting authority.
- Requires that the commissioner promulgate and enforce rules and regulations as deemed necessary to enforce the provisions of the Code.
• Grants the commissioner the power to place conditions or limitations on a distiller’s license if the distiller violates any provision of the Code, rules, or regulations of the Department. The commissioner may also amend or modify such conditions or limitations.

Relating to malt beverage manufacturers:

• Defines “Barrel” relative to malt beverages as 31 gallons.
• Repeals definitions of “brewery tour”, “free souvenir”, “free tastings” and “sample”.
• Repeals requirements related to tours, souvenirs, and free samples.
• Removes permit requirement for educational and promotional tours provided by manufacturers of malt beverages.
• Provides for the limited sale of up to 3,000 barrels of malt beverages annually to the public by a manufacturer. This limitation includes all sales for consumption on the premises and up to 288 ounces for consumption off the premises per consumer per day.
• Clarifies that breweries may only sell on days and at times where lawful within the county or municipality in which the brewery is located.
• Prohibits breweries from selling at a price less than that at which a person licensed to sell malt beverages by the package is permitted to sell malt beverages.
• Requires that breweries remit all applicable state and local sales, use, and excise taxes to the proper collecting authority.
• Requires that the commissioner promulgate and enforce rules and regulations as deemed necessary to enforce the provisions of the Code.
• Grants the commissioner the power to place conditions or limitations on a brewery’s license if the brewer violates any provision of the Code, rules, or regulations of the Department. The commissioner may also amend or modify such conditions or limitations.

Relating to brewpubs:

• Brewpub licensees are no longer prohibited from selling wine or malt beverages by the package for consumption off the premises where permitted by county or municipal ordinance or resolution.

SB 85 is effective September 1, 2017.

SB 226 (O.C.G.A. § 3-6-21.1)

This bill increases the amount of out-of-state wine Georgia farm wineries may receive per year. Georgia farm wineries are permitted to receive up to 40% of their annual production from deliveries and shipments of bulk wine from out-of-state producers. The previous limit on out-of-state deliveries was 20%.

SB 226 is effective May 9, 2017.

INCOME TAX

HB 73 (O.C.G.A. § 48-7-40.32)

This bill creates a new income tax credit for certain activities in a revitalization zone. The credit has three parts:

• Certified entities shall receive the revitalization zone tax credit for five consecutive years beginning with the first taxable year in which new full-time equivalent jobs are created in a revitalization zone provided the new full-time equivalent jobs are maintained for each year the tax credit is claimed. Each new full-time equivalent job created will be eligible for a $2,000 annual income tax credit. The amount of credit claimed by each certified entity shall not exceed $40,000 per taxable year.
• Certified investors who acquire and develop property in a revitalization zone shall receive the revitalization zone tax credit, subject to certain requirements specified in the statute. The amount of the tax credit per project shall be 25% of the purchase price and shall not exceed $125,000; the credit shall be prorated equally in five installments over five taxable years, beginning with the taxable year in which the property is placed in service.

• A certified investor or certified entity with qualified rehabilitation expenditures shall receive the revitalization zone tax credit for three years beginning with the year the property is placed in service. The amount of the tax credit per project shall be 30% of the qualified rehabilitation expenditures and shall not exceed $150,000; the credit shall be prorated equally in three installments over three taxable years, beginning with the taxable year in which the property is placed in service. The business shall maintain a minimum of two full-time equivalent jobs for each year the tax credit is claimed.

HB 73 is applicable to taxable years beginning on or after January 1, 2018.

HB 146 (O.C.G.A. § 48-7-27)

The income tax portion of this bill creates two new subtractions in arriving at Georgia taxable income for individual taxpayers. First, a firefighter is allowed to subtract payments received pursuant to O.C.G.A. 25-3-23(b)(2) (certain insurance benefits related to cancer) to the extent such amounts are included in the taxpayer's federal adjusted gross income and are not otherwise exempt under any other provision of O.C.G.A. 48-7-27. Second, a firefighter is allowed to subtract an amount equal to 100% of any premium paid by the firefighter during the taxable year for coverage pursuant to O.C.G.A. 25-3-23(b)(2) (premiums paid to continue coverage by a firefighter that departs employment) to the extent such deduction has not been included in the taxpayer's federal adjusted gross income and is not otherwise deductible under any other provision of O.C.G.A. 48-7-27.

HB 146 is applicable to taxable years beginning on or after January 1, 2018.

HB 155 (O.C.G.A. § 48-7-40.33)

This bill creates the musical tax credit. It provides that a production company that invests in a state certified production, certified by the Department of Economic Development, is allowed an income tax credit if the production company's qualified production expenditures equal or exceed the following spending thresholds:

• For a musical or theatrical performance, $500,000 during a taxable year; and
• For a recorded musical performance which is incorporated into or synchronized with a movie, television, or interactive entertainment production, $250,000 during a taxable year, and for any other recorded musical performance, $100,000 during a taxable year.

The credit is allowed as follows:

• A production company is allowed a tax credit equal to 15% of such production company's qualified production expenditures; and
• A production company is allowed an additional tax credit equal to 5% for such production company's qualified production expenditures incurred in a county designated as tier 1 or tier 2 by the Commissioner of Community Affairs under O.C.G.A. 48-7-40.

The credit is capped at $5 million for calendar year 2018, $10 million for calendar year 2019, and $15 million for calendar years 2020 through 2022. The production company must apply for preapproval to the Department. The credit can be claimed against withholding tax and there is a five year carry forward.

HB 155 is applicable to taxable years beginning on or after January 1, 2018.
**HB 199 (O.C.G.A. §§ 48-7-40.26, 48-7-40.26A)**

Section 1 of the bill modifies the film tax credit for qualified interactive entertainment production companies by removing the prior sunset of December 31, 2018, by allowing a credit for prereleased interactive game production, and by reducing the payroll and investment thresholds from $500,000 to $250,000.

Section 2 of the bill creates a new postproduction tax credit for postproduction companies that incur qualified postproduction expenditures of at least $500,000 in a taxable year. This portion of the credit is capped at $10 million per calendar year for 2018 through 2022.

The bill also provides a credit for postproduction companies that incur qualified postproduction expenditures of at least $100,000 but less than $500,000 and have a total aggregate payroll in Georgia of at least $100,000 but less than $500,000 in a taxable year. The aggregate amount of tax credits allowed for small postproduction companies is separately capped at $1 million per taxable year.

The postproduction company must apply for preapproval of the credit. The credit can be claimed against withholding tax and there is a five year carry forward. Additionally, the credit may be sold to a Georgia taxpayer.

HB 199 is applicable to taxable years beginning on or after January 1, 2018.

**HB 237 (O.C.G.A. § 48-7-29.21)**

This bill creates the qualified education donation tax credit. The bill works in a similar though not identical manner to the qualified education expense credit. Taxpayers must request preapproval and the credit is capped at $5 million per year.

HB 237 is applicable to taxable years beginning on or after January 1, 2018 and is automatically repealed December 31, 2020.

**HB 265 (O.C.G.A. § 48-7-40.17)**

The income tax portion of this bill modifies the quality jobs tax credit by providing that if the first date on which the taxpayer withholds wages for employees in Georgia occurs in a taxable year beginning on or after January 1, 2017, the taxpayer has two years (instead of one year) to employ at least 50 persons in new quality jobs in the state. The bill also provides that only a taxpayer that qualifies for the credit in a taxable year beginning on or after January 1, 2017 is eligible to begin a subsequent seven-year job creation period for the qualified project.

HB 265 is applicable to taxable years beginning on or after January 1, 2017.

**HB 283 (O.C.G.A. § 48-1-2)**

This bill is applicable to taxable years beginning on or after January 1, 2016 (thus it also includes the 2016 tax year). With exceptions discussed below, the bill adopts the provisions of all federal laws related to the computation of Federal Adjusted Gross Income (Federal Taxable Income for non-individuals) that were enacted on or before January 1, 2017. For 2016, for Georgia purposes, the Internal Revenue Code (I.R.C.) Section 179 deduction is limited to $500,000 and the related phase out is $2,010,000. For 2017, for Georgia purposes, the I.R.C. Section 179 deduction and the related phase out is the same as is provided in the I.R.C. as it existed on January 1, 2017. Georgia has not adopted the I.R.C. Section 179 deduction for certain real property.

**Exceptions:** Georgia has not adopted I.R.C. Section 168(k) (the 30%, 50% and 100% bonus depreciation rules) except for I.R.C. Section 168(k)(2)(A)(i) (the definition of qualified property), I.R.C. Section 168(k)(2)(D)(i) (exceptions to the definition of qualified property), I.R.C. Section 168(k)(2)(E) (special rules for qualified property), and Georgia has not adopted I.R.C. Section 199 (federal deduction for income attributable to domestic production activities).
Georgia has also not adopted the following I.R.C. provisions as specified:

- The exclusion of $2,400 of unemployment income for 2009. I.R.C. Section 85(c).
- Additional itemized deduction for the sales tax on the purchase of a new vehicle in 2009. I.R.C. Sections 164(a)(6) and 164(b)(6). Please note: Georgia also does not allow the increased standard deduction for sales tax on the purchase of a new vehicle in 2009 because Georgia has its own standard deduction.
- The election to increase the normal two-year net operating loss carryback to 3, 4, or 5 years for tax years 2008 and 2009. I.R.C. Sections 172(b)(1)(H) and 810(b)(4).
- The transition rule that would allow a taxpayer to revoke a prior election to forego the net operating loss carryback period.
- Deferral of debt discharge income from reacquisitions of business debt at a discount in 2009 and 2010 which is federally deferred for up to five years, then included ratably over five years. I.R.C. Section 108(i).
- Modified rules for high yield original issue discount obligations. I.R.C. Sections 163(e)(5)(F) and 163(i)(1).
- New York Liberty Zone Benefits. I.R.C. Section 1400L.
- 50% bonus depreciation for most tangible property and computer software bought after May 4, 2007 and placed in service in the Kansas Disaster Area. I.R.C. Section 1400N(d)(1).
- 50% bonus depreciation for “qualified reuse and recycling property”. I.R.C. Section 168(m).
- 50% bonus depreciation in connection with disasters federally declared after 2007. I.R.C. Section 168(n).
- Increased (58,000) first-year depreciation limit for passenger automobiles if the passenger automobile is “qualified property”. I.R.C. Section 168(k).
- 15-year straight-line cost recovery period for certain improvements to retail space. I.R.C. Sections 168(e)(3)(E)(ix), 168(e)(8), and 168(b)(3)(l).
- Modified rules relating to the 15-year straight-line cost recovery for qualified restaurant property (allowing buildings to now be included). I.R.C. Section 168(e)(7).
- Special rules relating to Gulf Opportunity Zone public utility casualty losses. I.R.C. Section 1400N(j).
- 5-year carryback of NOLs attributable to Gulf Opportunity Zone losses. I.R.C. Section 1400N(k).
- 5-year carryback of NOLs incurred in the Kansas disaster area after May 3, 2007. I.R.C. Section 1400N(k).
- 5-year carryback of certain disaster losses. I.R.C. Sections 172(b)(1)(J) and 172(j).
- The election to deduct public utility property losses attributable to May 4, 2007 Kansas storms and tornadoes in the fifth tax year before the year of the loss. I.R.C. Section 1400N(o).
- Special rules relating to a financial institution being able to use ordinary gain or loss treatment for the sale or exchange of certain preferred stock after Dec. 31, 2007. I.R.C. Section 1221.
- Temporary tax relief provisions relating to the Midwestern disaster area. I.R.C. Sections 1400N(f) and 1400N(k).

The bill also adopts certain federal provisions which were enacted to assist combat-injured veterans to recover income taxes that were improperly collected by the Department of Defense (DOD) on certain disability severance payments. Like the federal law, the bill extends the 3-year period for filing a refund claim with Georgia to the same date that is allowed federally (the date that is one year after DOD provides the veteran with the information required under the federal Act).

HB 283 is applicable to taxable years beginning on or after January 1, 2016 (thus it also includes the 2016 tax year).


Part I of the bill creates the agribusiness and rural jobs tax credit. The credit is principally administered by the Department of Community Affairs. The “Agribusiness Act” allows for eligible businesses with less than 250 employees which provide goods or services to agricultural entities to apply for certain tax benefits. Essentially, an investor who makes a qualified capital investment in an eligible business as approved by the Department of Community Affairs receives a tax credit which is applicable against state tax liabilities. The Department of
Community Affairs is authorized to certify $100 Million in capital investments. Part I is effective on July 1, 2017 and is applicable to taxable years beginning on or after January 1, 2018.

Part II of the bill eliminates the net worth tax for corporations with a net worth of $100,000 or less. Part II is applicable to net worth tax years beginning on or after January 1, 2018.

SB 180 (O.C.G.A. §§ 31-8-9.1, 48-7-29.20)

This bill modifies the qualified rural hospital organization expense tax credit. An individual (single or head of household) is now eligible for a credit of 90% (instead of 70%) of the actual amount expended or $5,000 per tax year (instead of $2,500.00), whichever is less. A married couple filing a joint return (married filing joint) is now eligible for a credit of 90% (instead of 70%) of the actual amount expended or $10,000.00 per tax year (instead of $5,000.00), whichever is less. A corporation or fiduciary is now eligible for a credit amount not to exceed 90% (instead of 70%) of the actual amount expended or 75% of the corporation’s or fiduciary’s income tax liability, whichever is less. The credit is allowed on a first come, first served basis. The aggregate amount of tax credits is capped at $60 million in 2017 (increased from $50 million), $60 million in 2018, and $60 million in 2019 (reduced from $70 million). The bill also changes some of the provisions that are administered by the Department of Community Health.

SB 180 is applicable to taxable years beginning on or after January 1, 2017 and as provided in the original bill is automatically repealed on December 31, 2019.

MOTOR VEHICLE

HB 260 (O.C.G.A. § 40-2-86)

This bill adds a special license plate honoring Georgia electric utility linemen. The funds raised by the sale of this license plate shall be disbursed to the Southeastern Firefighters Burn Foundation.

HB 260 is effective July 1, 2017.

HB 412 (O.C.G.A. §§ 40-1-9, 40-2-88, 40-2-88.1, 40-2-158, 40-3-33)

This bill requires the state revenue commissioner to perform an analysis on the possible elimination of the revalidation decal requirement for motor vehicle registration renewals and submit a report of the findings to the chairpersons of the House Committee on Public Safety and Homeland Security, the House Committee on Motor Vehicles, and the Senate Public Safety Committee no later than January 1, 2018.

This bill also requires applications for registration or renewal of registration of commercial vehicles under the International Registration Plan (IRP) to be submitted electronically, beginning January 1, 2018. The bill further states that the revenue commissioner shall adopt rules and regulations which provide for the denial of an application, which shall include the denial of registration to applicants previously prohibited by any federal or state agency from operating interstate or intrastate.

The bill also repeals § 40-2-158 relating to assessment of fees for certain IRP registrants.

Finally, the bill requires all applications for certificate of title by motor vehicle dealers to be submitted electronically, beginning January 1, 2018.

HB 412 is effective July 1, 2017.
SB 169 (O.C.G.A. § 40-2-86)

This bill adds a special license plate honoring Georgia law enforcement officers. The funds raised by the sale of this license plate shall be disbursed to the Peace Officers’ Annuity and Benefit Fund.

SB 169 is effective July 1, 2017.

PROPERTY TAX

HB 196 (O.C.G.A. §§ 48-5-2, 48-5-41, 48-5-48)

Section 1 of this bill amends the definition of “Fair Market Value” to require county property appraisers to utilize the income approach to valuation for income producing property. The bill also requires appraisers to consider income and expense data for a property when voluntarily supplied by the property owner. The bill does not require the appraiser to use the income method exclusively.

Additionally, Section 1 amends the definition of “Fair Market Value” to place limits and conditions on the circumstances where an appraiser of property can adjust the value of property based on federal low income housing tax credits allowed under Section 42 of the Internal Revenue Code.

Section 2 of this bill extends a property tax exemption for certain homes for mentally disabled individuals. Under prior law, the property was required to be held in the name of an organization qualified as an exempt organization under Section 501(c)(3) of the Internal Revenue Code. This bill allows the property to be held in a limited liability company which is wholly owned by the qualifying 501(c)(3) organization.

Section 3 of this bill allows a disabled veteran or his or her surviving spouse or minor children to apply for a refund of property taxes paid where the qualifying disabled veteran receives a retroactive determination of disability for prior tax periods. The claim for refund can be made for up to three periods prior to the date of filing the application for refund. Such refunds do not bear interest.

HB 196 is effective July 1, 2017.

HB 238 (O.C.G.A. §§ 48-5-7.4, 48-5-7.7)

Section 1 of this bill amends the definition of a family owned farm entity to include an entity created by the merger or consolidation of two or more entities which independently qualify as a family owned farm entity.

Section 1 and Section 2 provide for exemptions to the breach of covenant rules for certain uses of bona fide conservation use property (“CUVA”) and property covered by the Georgia Forest Land Protection Act (“FLPA”).

Under Sections 1 and 2, use of CUVA or FLPA property as a solar farm will result in a pro rata breach of covenant as to the land used as a solar farm. The portion of the property used as a solar farm must be removed from the covenant at the time of installation of solar farm equipment. The portion of the property used for solar farming will then be subject to property tax at Fair Market Value. Further, the owner must pay a penalty for breach to the extent of the acreage used for solar farming. Any remaining land continues to enjoy CUVA or FLPA treatment.

Additionally, Sections 1 and 2 allow for an exemption from a CUVA or FLPA breach of covenant for any farm labor housing existing on the property. The portion of the property used for farm labor housing must be removed from the covenant and taxed at Fair Market Value. No penalty for breach is assessed. Any remaining land continues to enjoy CUVA or FLPA treatment.

HB 238 is effective April 17, 2017.
HB 290 (O.C.G.A. § 48-5-41.1)
This bill clarifies that agricultural equipment, whether owned or held pursuant to a lease-purchase agreement, is exempt from property tax when used directly in the production of farm products by a family owned qualified farm products producer.
HB 290 is effective July 1, 2017.

HB 340 (O.C.G.A. § 48-5C-1)
This bill amends the State and Local Title Ad Valorem Tax (TAVT) Code.

This bill amends the definition of Fair Market Value of a new motor vehicle where the vehicle is leased rather than purchased. Prior to HB 340, the Fair Market Value of a leased motor vehicle was based on the “agreed upon value” of the motor vehicle as stated in the lease agreement. HB 340 changes this definition such that the Fair Market Value will be the total of the base payments pursuant to the lease agreement.

HB 340 is effective January 1, 2018.

SALES AND USE TAXES, FEES, & EXCISE TAXES

HB 117 (O.C.G.A. § 48-8-2(31))
This legislation removes voluntary contributions made to places of amusement, sports, or entertainment from the definition of “retail sale” or “sale at retail.”

HB 117 is effective May 1, 2017.

HB 125 (O.C.G.A. § 48-8-3.4)
This legislation provides a partial sales and use tax exemption for the repair, maintenance, or retrofit of certain boats. Sales and use tax imposed and collected shall not exceed $35,000 for any single repair, maintenance, or retrofit event. Boat dealers performing such services will be required to annually report the following data elements to the Department of Revenue, and the chairpersons of the House Ways and Means and Senate Finance Committee:

- The number of full-time and part-time positions created by the seller during the preceding tax year;
- The average salary of individuals employed in the reported positions; and
- The total revenue generated and sales and use taxes collected from qualifying events during the preceding year.

HB 125 is effective July 1, 2017 and is automatically repealed on June 30, 2025.

HB 134. (O.C.G.A. §§ 48-8-260 through 264, -269.2, -269.5)
This legislation provides for the following:

- Single counties may levy an additional transportation special purpose local option sales and use tax if approved by referendum.
- On or after January 1, 2018, a referendum on a regional district transportation special purpose local option sales and use tax cannot be held at the same time as a single county referendum for a transportation special purpose local option sales and use tax. If the majority of the governing authorities of counties within a region have passed a resolution proposing a referendum on a transportation special purpose local option sales and use tax, any single county within that region must postpone their referendum until the regional referendum has been decided.
• Any single transportation special purpose local option sales and use tax may be in increments of 0.05%, not to exceed 1% at any time.

HB 134 is effective May 1, 2017.

HB 247 (O.C.G.A. § 48-8-3.2)

This legislation includes maintenance and replacement parts for machinery or equipment stationary or in transit used to mix, agitate, and transport freshly mixed concrete in a plastic or hardened state as an example of generally qualifying manufacturing machinery and equipment until July 1, 2020. Examples of such maintenance and replacement parts include but are not limited to mixers and components, engines and components, interior and exterior controls and components, hydraulics and components, all structural components, and all safety components. Motor fuel used as energy in a concrete mixer truck shall not be exempt.

HB 247 is effective July 1, 2017.

HB 265 (O.C.G.A. § 48-8-3)

The sales tax portion of this bill creates two sales and use tax exemptions:

• From July 1, 2018 until January 1, 2019, it exempts the sale or use of tangible personal property used for or in the renovation or expansion of a theatre located within a facility in this state that contains an art museum, a symphonic hall, and a theater that charges for admission and is owned or operated by an organization which is exempt from taxation under Section 501(C)(3) of the Internal Revenue Code, if such organization’s primary mission is to provide arts and education programming for the benefit of the citizens of this state.
  ▪ A qualifying organization must pay sales and use tax on all purchases and uses of tangible personal property and may obtain benefit of this exemption from state and local sales and use tax by claiming a refund for tax paid on qualifying items. Refunds of state sales and use tax will be limited to $750,000 for the specified period and all refunds will be made without interest.

• Until June 20, 2020, it exempts sales of tickets, fees, or charges for admissions to certain fine arts performances or exhibitions conducted within a facility in this state that is owned or operated by an organization which is exempt from taxation under Section 501(C)(3) of the Internal Revenue Code, or for admissions to a museum of cultural significance, if such organization’s or museum’s primary mission is to advance the arts in this state and to provide arts, educational, and culturally significant programming and exhibits for the benefit and enrichment of the citizens of this state.

HB 265 is effective April 25, 2017.

HB 342 (O.C.G.A. §§ 36-88-3, -4, -6, -8, -10)

This legislation provides for the following:

• An amendment to O.C.G.A. § 36-88-3 for definitions related to enterprise zones by defining “sales and use tax,” to mean sales and use taxes applicable to sales transactions within the boundaries of an area designated as an enterprise zone pursuant to O.C.G.A. § 36-88-6(g). Such definition excludes certain local sales and use taxes for education, public transportation, and water sewer projects;

• A sales and use tax exemption in enterprise zones created pursuant to O.C.G.A. § 36-88-6(g);

• The establishment of new eligibility criteria for the designation of an enterprise zone:
  ▪ Area shall be included in an urban redevelopment area as defined by O.C.G.A. § 36-61-2(23); and
  ▪ Contain within its borders the site for a redevelopment project having a minimum of $400 million in capital investment. The area must be certified by the commissioner to have been chronically underdeveloped for a period of 20 years or more.
By resolution or ordinance, authorizes the local governing body designating and creating an enterprise zone under this section to assess and collect annual enterprise zone fees from each retailer operating within the boundaries of the project in an amount not to exceed, in aggregate, the amount of sales and use tax on transactions of such retailer exempted pursuant to O.C.G.A. § 36-88-6.

HB 342 is effective July 1, 2017.

SB 156 (O.C.G.A. §§ 48-8-3, -109.5, -111)

This legislation outlines how the proceeds of a special purpose local option sales tax that was approved in connection with an equalized homestead option sales tax may be used. In addition, the legislation amends the sales and use tax exemption for food and food ingredients outlined in O.C.G.A. § 48-8-3(57).

SB 156 is effective May 8, 2017.