



GEORGIA DEPARTMENT OF REVENUE

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FOR IMMEDIATE RELEASE

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Sales Tax Exemption for Sale of Bibles, Korans, Testaments, Religious Papers, Similar Items Rescinded

ATLANTA—A federal court has ruled that the sale of Bibles, Korans, Testaments, religious papers, and similar items are not exempt from Georgia's state and local sales and use tax. Based on the ruling, the Georgia Department of Revenue is required to begin the process of notifying businesses that they must start collecting the tax on such sales immediately.

This action is a result of a court order issued on Feb. 6 by Judge Richard W. Story, United States District Judge for the Northern District of Georgia, that declared the sales tax exemption for such sales was unconstitutional. The Revenue Department has asked the Attorney General's office to appeal the ruling.

Individuals or business representatives who have questions regarding this issue can contact the Georgia Department of Revenue at 404-417-2100.

Additional information is available on the Department's website at www.dor.ga.gov.

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See next page for additional details.

By order dated February 6, 2005 in the case of Thomas Budlong, et al. v. Bart L. Graham, State Revenue Commissioner, Civil Action No. 1:05-CV-2910-RWS (N.D. Ga.), United States District Judge Richard W. Story held the following Georgia sales and use tax exemptions unconstitutional and enjoined their further enforcement:

O.C.G.A. § 48-8-3(15)(A), which exempts sales of “any religious paper in this state when the paper is owned and operated by religious institutions or denominations and no part of the net profit from the operation of the institution or denomination inures to the benefit of any private person”; and

O.C.G.A. § 48-8-3(16), which exempts sales of “Holy Bibles, testaments, and similar books commonly recognized as being Holy Scripture regardless of by or to whom sold”).

The Attorney General’s Office is carefully studying the judge’s order and considering our legal options.