



**Georgia Department of Revenue
Informational Bulletin SUT 2014-03-26
Zoological Institution Exemption**

- 1) **Purpose/Subject:** This informational bulletin explains the Georgia sales and use tax exemption for sales of tangible personal property used for and in the renovation or expansion of a zoological institution. This exemption is available to zoological institutions, as well as contractors and subcontractors (“contractors”) that purchase tangible personal property used for and in the renovation or expansion of a zoological institution.
- 2) **Effective Date:** July 1, 2013.
- 3) **Supersedes:** All previous documents and any oral directives in conflict herewith.
- 4) **Authority:** O.C.G.A. § 48-8-3(87), O.C.G.A. § 48-8-63.
- 5) **Scope:** An informational bulletin is intended to provide guidance to the public and to Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers. An informational bulletin does not have the force or effect of law, and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or advisory opinion.
- 6) **Issue:**

How will the sales and use tax (“tax”) exemption provided by O.C.G.A. § 48-8-3(87) for zoological institutions be administered by the Department?

7) **Discussion of Issue:**

The zoological institution tax exemption contained in O.C.G.A. § 48-8-3(87) provides as follows:

(A) Notwithstanding any provision of Code Section 48-8-63 to the contrary, from July 1, 2013, until June 30, 2015, [the tax does not apply to] sales of tangible personal property used for and in the renovation or expansion of a zoological institution.

(B) As used in this Code section, the term “zoological institution” means a nonprofit wildlife park, terrestrial institution, or facility which is:

- (i) Open to the public, that exhibits and cares for a collection consisting primarily of animals other than fish, and has received accreditation from the Association of Zoos and Aquariums; and
- (ii) Located in this state and owned or operated by an organization which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

Zoological Institutions

Any zoological institution that does not meet the definition provided in the statute quoted above will not qualify for the exemption.

Notwithstanding O.C.G.A. § 48-8-63

Typically, contractors are end users of all tangible personal property purchased or used to fulfill contracts and are liable for payment of the tax. However, the zoological institution exemption is qualified with the phrase “notwithstanding any provision of Code Section 48-8-63 to the contrary.” Therefore, the exemption is available to zoological institutions, and contractors who purchase tangible personal property to be used for and in the renovation or expansion of a zoological institution.

Application Process for Zoological Institutions

Zoological institutions seeking this exemption must apply for a letter of authorization by submitting a letter application. The letter application must contain the following information:

1. Name of the zoological institution;
2. Location address;
3. Mailing address;
4. Name and telephone number of contact person;
5. Federal Employer Identification Number or Social Security Number;
6. Georgia withholding registration number;
7. Georgia sales and use tax registration number(s);
8. List of owner(s), partners, managing members, or officers.
9. Copy of institution’s 501(C)(3) determination letter as issued by the Internal Revenue Service (IRS).
10. General description of items of tangible personal property to be purchased; and anticipated cost of purchases.

Application Process for Contractors

Contractors seeking this exemption must apply for a letter of authorization by submitting a letter application. The letter application must contain the following information:

1. Name of contractor;
2. Name of the zoological institution;
3. Principle location of contractor;
4. Contractor’s Mailing address;
5. Name and telephone number of contact person for contractor;
6. Contractor’s Federal Employer Identification Number or Social Security Number;
7. Contractor’s Georgia withholding registration number;
8. Contractor’s Georgia sales and use tax registration number;
9. List of owner(s), partners, managing members, or officers of contractor;
10. General description of items of tangible personal property to be purchased and anticipated cost of purchases to be made by the contractor.

Where to Submit Letter Applications

Applicants must submit the letter application and supporting documentation to:

Sales and Use Tax Exemptions Analyst
Legal Affairs & Tax Policy
Georgia Department of Revenue
1800 Century Blvd., N.E., Ste. 15107
Atlanta, GA 30345

Telephone: (404) 417-6649
FAX: (404) 417-2293

Letter of Authorization

The Department will administer the zoological institution exemption through the issuance of a letter of authorization. Any dealer making a sale of tangible personal property to a qualifying zoological institution or contractor, must collect the tax imposed on the sale unless the purchaser furnishes a letter of authorization issued by the commissioner certifying that the purchaser is entitled to purchase the tangible personal property without payment of tax.

Letter of Authorization Limitations

1. When making purchases without payment of the tax, qualifying purchasers must provide each dealer with a copy of the purchaser's letter of authorization. The dealer must maintain a copy of the letter of authorization presented for audit purposes.
2. Letters of authorization are non-transferable. Only the specific entity listed on the letter of authorization is entitled to the exemption.
3. Letters of authorization will not be valid after June 30, 2015.
4. The sales and use tax retainage requirement in O.C.G.A. § 48-8-63 will not apply to any contractor who is issued a letter of authorization to purchase items of tangible personal property without payment of the tax for an eligible zoological institution renovation or expansion project.
5. The nonresident registration and bonding requirements contained in O.C.G.A. §§ 48-13-31 and 48-13-32 are not affected by this exemption.

FOR MORE INFORMATION

For more information on this subject, contact the Taxpayer Services Division at 404-417-4300, from 8:00 am to 4:30 pm EST, Monday through Friday, excluding holidays.

Persons with hearing or speech impairments may call our TDD number at 404-417-4302.

For forms and other information, visit our website (www.dor.ga.gov).
