



---

**Georgia Department of Revenue**  
**Policy Bulletin SUT-2015-01, Revised December 31, 2015**  
**Sales and Use Tax Exemption for the**  
**Construction of Buildings at a Private College**

---

**Purpose:** This Policy Bulletin provides guidance related to the sales and use tax exemption for the sale or use of construction materials used for or in the construction of buildings at a qualifying private college.

**Effective Date:** July 1, 2015.

**Authority:** O.C.G.A. §§ 48-2-7, 48-2-35, 48-2-35.1, 48-8-3(96), and 48-8-52.

**Scope:** A Policy 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, superseding all conflicting documents and oral directives previously issued by the Department. A Policy 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 It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.

**Issues:**

1. What is the scope of the exemption?
2. Which private colleges qualify for the exemption?
3. What is the time period for the exemption?
4. How will the exemption be administered?
5. What is the refund process?
6. Will interest be paid on refunds of tax?

## **Discussion of Issues:**

### **1. What is the scope of the exemption?**

O.C.G.A. § 48-8-3(96) provides a sales and use tax exemption for the sale or use of construction materials used for or in the construction of buildings at a qualifying private college located in Georgia. Items qualifying for the exemption include (i) construction materials that become incorporated into the real property structures of the college and (ii) construction materials that retain their identity as tangible personal property and remain at and are owned by the college after completion of construction. The exemption specifically excludes all construction materials that remain in the possession of a contractor after the completion of construction.

### **2. Which private colleges qualify for the exemption?**

A qualifying private college (“college”) must:

- be an accredited, postsecondary institution of higher learning named on an Integrated Postsecondary Education Data System profile,
- be located in Georgia,
- be operated by an organization that is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code, and
- have an enrollment of between 1,000 and 3,000 students.

Enrollment must be determined by one of the following methodologies:

- The 12-month full-time equivalent enrollment of all students (both undergraduate and graduate) for the 2014-2015 academic year, as reported to the Integrated Postsecondary Education Data System maintained by the National Center for Education Statistics.
- The 12-month unduplicated headcount of all students (both undergraduate and graduate) for the 2014-2015 academic year, as reported to the Integrated Postsecondary Education Data System maintained by the National Center for Education Statistics.

If a college reports a 12-month enrollment number that is subsequently corrected, the corrected number will be used to determine the college’s eligibility for the exemption.

### **3. What is the time period for the exemption?**

This exemption will apply to state sales and use tax from July 1, 2015 through June 30, 2016, or until the amount of state sales and use tax refunded pursuant to this exemption exceeds \$350,000.00, whichever occurs first.

This exemption will apply to local sales and use tax from July 1, 2015 through June 30, 2016 with no dollar amount limitation.

### **4. How will the exemption be administered?**

A certificate of exemption will not be issued for this exemption. This exemption will be administered by refund only. To take advantage of the exemption, a college must first notify the Department of its intent to file a refund claim by writing to Legal Affairs & Tax Policy, 1800 Century Blvd., N.E., Suite 15107, Atlanta, GA 30345. After notifying the Department of its intent, the college may file a claim for refund of tax that it or its contractor paid on qualifying construction materials.

Only the college has standing to seek a refund of tax paid on construction materials covered by this exemption. Contractors cannot avail themselves of this exemption at any time.

### **5. What is the refund process?**

Subject to the limitations in 3 above, the college may make a claim for refund of tax paid on construction materials at any time within three years following the date the tax was paid. The claim for refund may be made by mail or online through the Georgia Tax Center (GTC).

*To make a claim for refund by mail:*

- Complete Form ST-12, Claim for Refund.
- Secure a completed Form ST-12A, Waiver of Vendor's Rights, from each vendor to whom sales and use tax was paid.
- Mail copies of invoices and other documentation showing the sales and use tax that was charged and paid on the items included in the refund claim along with the completed Forms ST-12 and each ST-12A to the address at the top of Form ST-12.

Sales and use tax refund forms are available on the Department's website at [http://dor.georgia.gov/documents/forms?field\\_form\\_type\\_tid=3001](http://dor.georgia.gov/documents/forms?field_form_type_tid=3001)

*To make a claim for refund on the GTC website:*

- Log in to GTC at <https://gtc.dor.ga.gov>

- Navigate to the sales tax account by clicking the sales tax number hyperlink under Account ID.
- Click the **Request Refund** hyperlink under the **I Want To...** menu in the top-right corner of the screen.
- Complete the **Refund Information** screen and click the **Next** button.
- Complete the **Refund Reason** screen and then click the **Next** button.
  - Aquarium Construction, Zoological Construction, and Private College Construction will be available in the drop-down menu.
  - Additional information can be submitted with the request by using the **Add Attachment** tab.
- Click the **Submit** button.

The Department will begin processing refund claims for this exemption on January 4, 2016. Claims submitted before that date will not be considered. The Department will process claims in the order received and will not process incomplete claims.

#### **6. Will interest be paid on refunds of tax?**

Refunds for this exemption will not include interest.

**For more information, please contact the Department at 1-877-423-6711  
from 8:00 a.m. to 4:30 p.m. EST, Monday through Friday, excluding holidays.  
Taxpayers with hearing or speech impairments may call our TDD number at 404-417-4302.  
For forms and other information, visit the Department's website at [dor.georgia.gov](http://dor.georgia.gov).**