



Georgia Department of Revenue
Policy Bulletin SUT-2017-04, Revised March 1, 2019
Sales and Use Tax Exemption for Qualified Job Training Organizations

Purpose: This Policy Bulletin provides guidance on the sales and use tax exemption for qualified job training organizations.

Publication Date: March 14, 2017

Authority: O.C.G.A. § 48-8-3(98)

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 It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.

****2019 Update Regarding Effective Dates for Letters of Authorization****

2019 letters of authorization (LOAs) issued to qualified job training organizations will be valid from April 1, 2019 through June 30, 2020.

From July 1, 2017 through June 30, 2020, sales of certain tangible personal property and services to a qualified job training organization are exempt from state sales and use tax pursuant to O.C.G.A. § 48-8-3(98). The exemption does not apply to local sales and use tax.

A job training organization qualifies for the exemption if the organization:

- is located in Georgia;
- specializes in the retail sale of donated items;
- provides job training and employment services to individuals with workplace disadvantages and disabilities, including but not limited to reentry citizens who are persons released from incarceration, persons with disabilities, and veterans;
- is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code; and
- uses a majority of its revenues for job training and placement programs.

A qualified job training organization must present a valid LOA to the seller in order to make tax exempt purchases. To receive a tax refund, a qualified job training organization must hold an LOA that is valid for the period in which the purchase was made.

To obtain an LOA from the Department, job training organizations must apply online through the Georgia Tax Center (GTC). To successfully complete the application, a qualified applicant must provide all the requested information and upload an electronic copy of the applicant's IRS exemption determination letter.

The GTC application will require the following information for the calendar year prior to the period for which the applicant is applying: the total number of individuals trained in the program, the number of individuals employed by the organization after receiving such training, and the number of individuals employed in full-time positions outside the organization after such training. Therefore, an applicant applying for an LOA valid from July 1, 2017 through March 31, 2018, for example, must report information for the 2016 calendar year. No reporting is required for years prior to 2016.

Within 2 to 3 business days of application, the Department will mail the LOA to the applicant and make the LOA available for printing on the applicant's GTC account. Job training organizations must apply for an LOA annually.

Only one LOA will be issued for each organization, regardless of the number of locations operated by the organization. The LOA is not transferrable; thus, no entity other than the organization in whose name the LOA is issued is permitted to use the LOA to make exempt purchases.

The applicant must provide a copy of a valid LOA to each dealer from whom exempt purchases are made, and the dealer must retain the copy for audit purposes. Dealers are permitted to deliver property purchased with an LOA to any location operated by the organization.

How to apply

- Log into GTC (<https://gtc.dor.ga.gov/>).
- Under "I Want To," select "Request sales tax exemptions."
- Select "Qualified Job Training" and follow the prompts.
- If you intend to submit a claim for a refund of taxes paid in a year for which your organization did not have an LOA, select "yes" to the question "Are you applying for a previous year?" on the "Sales Tax Exemption" screen.
- On the "Application data" screen, please enter data and submit attachments as requested. Select "no" to the question "Do you have data to report for the calendar year 20__?" if your organization is a new entity with no data to report for the previous year.

**For more information, please contact the Department at 1-877-423-6711
from 8:00 a.m. to 4:30 p.m. ET, Monday through Friday, excluding holidays.
For forms and other information, visit the Department's website at dor.georgia.gov.**