

The House Committee on Rules offers the following substitute to HB 170:

A BILL TO BE ENTITLED
AN ACT

1 To amend various provisions of the Official Code of Georgia Annotated so as to provide for
2 additional revenue necessary for funding transportation purposes in this state; to amend
3 Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and
4 secondary education, so as to define education transportation purposes; to amend Title 40 of
5 the Official Code of Georgia Annotated, relating to motor vehicles and traffic, so as to levy
6 a registration fee on alternative fueled vehicles; to amend Chapter 12 of Title 45 of the
7 Official Code of Georgia Annotated, relating to the Governor, so as to limit the Governor's
8 power to suspend the collection of certain motor fuel taxes and require ratification by the
9 General Assembly; to amend Title 48 of the Official Code of Georgia Annotated, relating to
10 revenue and taxation, so as to reduce the state income tax credits for low-emission vehicles
11 to zero; to provide for the elimination of sales and use taxes with respect to certain sales of
12 motor fuels; to revise the exemption from sales and use taxes for jet fuel; to provide for
13 revised definitions of certain terms relating to prepaid motor fuel taxes; to provide for an
14 increase in the local cap on taxation; to change the rate and method of computation of the
15 excise tax on motor fuels; to repeal the second motor fuel tax; to provide for editorial
16 revision; to prohibit the levy of certain local sales and use taxes on motor fuel; to provide for
17 the use of proceeds from the special purpose local option sales tax for transportation
18 purposes; to define transportation purposes; to provide for the use of proceeds from the
19 education special purpose local option sales tax for education transportation purposes; to
20 define education transportation purposes; to amend Part 3 of Article 2 of Chapter 10 of Title
21 32 of the Official Code of Georgia Annotated, the "Georgia Transportation Infrastructure
22 Bank Act," so as to provide revised criteria for determination of eligible projects by the
23 Transportation Infrastructure Bank; to provide for a short title; to provide for related matters;
24 to provide for an effective date and applicability; to repeal conflicting laws; and for other
25 purposes.

26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

H. B. 170 (SUB)

27 **PART I**

28 **SECTION 1-1.**

29 This Act shall be known and may be cited as the "Transportation Funding Act of 2015."

30 **SECTION 1-2.**

31 Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to elementary and
32 secondary education, is amended by revising Code Section 20-2-411, relating to the use of
33 school funds, as follows:

34 "20-2-411.

35 (a) When the public school fund shall be received and receipted for, it shall be the duty of
36 the officers authorized by law to receive such fund and keep it separate and distinct from
37 other funds. The school funds shall be used for educational purposes and may be used to
38 pay the salaries of personnel and to pay for the utilization of school facilities, including
39 school buses, for extracurricular and interscholastic activities, including literary events,
40 music and athletic programs within individual schools and between schools in the same or
41 in different school systems when such activities are sponsored by local boards of education
42 as an integral part of the total school program, and for no other purpose. When taxes are
43 paid into the state treasury, the comptroller general shall in no case receipt a tax collector
44 for them until that part of the tax so paid in which was raised for school purposes is
45 separated in amount from the gross amount paid in. It shall be lawful to invest school
46 funds in securities of the states, United States, or municipalities of this state or in
47 certificates of deposit.

48 (b)(1) In addition to the proper uses of school funds contained in subsection (a) of this
49 Code section, it is the intention of the General Assembly, pursuant to the authority
50 granted by Article VIII, Section VI, Paragraph IV of the Constitution of Georgia, to
51 further define and implement by general law that education transportation purposes shall
52 constitute a proper expenditure of school funds derived from proceeds from the levy of
53 a sales tax for educational purposes.

54 (2) As used in this subsection, the term 'education transportation purposes' means, for
55 purposes of proceeds of a tax levied pursuant to Part 2 of Article 3 of Chapter 8 of Title
56 48, which proceeds are attributable to the sale of motor fuel as prepaid local tax as such
57 term is defined in Code Section 48-8-2, pursuant to the authority granted to the General
58 Assembly by Article VIII, Section VI, Paragraph IV of the Constitution of Georgia,
59 transportation necessary to move students to and from educational facilities in this state
60 and all accompanying infrastructure and support necessary to provide safe and efficient
61 access to and egress from these educational facilities."

PART II

SECTION 2-1.

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Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles and traffic, is amended by revising paragraph (7) of subsection (l) of Code Section 40-2-86.1, relating to certain special license plates, as follows:

"(7)(A) A special license plate to be issued for alternative fueled vehicles, which license plate shall be similar in design to the license plate issued to all other residents of ~~the~~ this state except that the commissioner shall place a distinctive logo or emblem on the license plate which shall distinguish the vehicle as an alternative fueled vehicle eligible to travel in travel lanes designated for such vehicles under paragraph (4) of subsection (a) of Code Section 32-9-4. The words 'alternative fueled vehicle' shall be imprinted on such special license plate in lieu of the county name decal. The funds raised by the sale of this license plate shall be deposited in the general fund.

(B) As used in this paragraph, the term:

(i) 'Alternative fuel' means ~~methanol, denatured ethanol, and other alcohols; mixtures containing 85 percent or more or such other percentage, but not less than 70 percent, as determined by the United States secretary of energy, by rule as it existed on January 1, 1997, to provide for requirements relating to cold start, safety, or vehicle functions, by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuels; natural gas, liquefied petroleum gas, hydrogen; coal derived liquid fuels; fuels other than alcohol derived from biological materials; electricity including electricity from solar energy; and any other fuel the United States secretary of energy determined by rule as it existed on January 1, 1997, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits~~ electricity, natural gas, and propane.

(ii) 'Alternative fueled vehicle' means: ~~(I) Any any vehicle fueled solely by alternative fuel as defined in division (i) of this subparagraph, bi-fuel, or dual fuel; or (II) A hybrid vehicle, which means a motor vehicle which draws propulsion energy from onboard sources of stored energy which include an internal combustion or heat engine using combustible fuel and a rechargeable energy storage system; and, in the case of a passenger automobile or light truck, means for any 2000 and later model, a vehicle which has received a certificate of conformity under the Clean Air Act, 42 U.S.C. Section 7401, et seq., and meets or exceeds the equivalent qualifying California low-emission vehicle standard under Section 243(e)(2) of the Clean Air Act, 42 U.S.C. Section 7583(c)(2), for that make and model year or, for any 2004 and later model, a vehicle which has received a certificate that such vehicle meets~~

98 or exceeds the Bin 5 Tier II emission level established in regulations prescribed by
 99 the administrator of the Environmental Protection Agency under Section 202(i) of
 100 the Clean Air Act, 42 U.S.C. Section 7521(i), for that make and model year vehicle
 101 and which achieves a composite label fuel economy greater than or equal to 1.5
 102 times the Model Year 2002 EPA composite class average for the same vehicle class
 103 and which is made by a manufacturer.

104 (C) Pursuant to paragraph (19) of subsection (a) of Code Section 40-2-151, the
 105 applicant for a special license plate for any alternative fueled vehicle shall provide
 106 proof that he or she has paid the registration fee prescribed therein prior to the issuance
 107 of any special license plate under this paragraph."

108 **SECTION 2-2.**

109 Said title is further amended by adding a new paragraph to subsection (a) of Code Section
 110 40-2-151, relating to the annual license fees for the operation of vehicles, to read as follows:

111 "(19)(A)(i) Upon registration of an alternative fueled vehicle not operated
 112 for commercial purposes 200.00

113 (ii) Upon registration of an alternative fueled vehicle operated for
 114 commercial purposes 300.00

115 (B)(i) As used in this paragraph, the term 'alternative fueled vehicle' shall have the
 116 same meaning as in division (1)(7)(B)(ii) of Code Section 40-2-86.1; provided,
 117 however, that the fees in this paragraph shall not be assessed on vehicles which
 118 operate primarily on compressed natural gas, liquefied natural gas, or liquefied
 119 petroleum gas.

120 (ii) The fees in this paragraph shall be in addition to any other fee imposed on the
 121 vehicle by this Code section.

122 (iii) The fees in this paragraph shall be automatically adjusted on an annual basis by
 123 multiplying the percentage of increase or decrease in a given year in highway
 124 construction costs as measured by the National Highway Construction Cost Index
 125 published by the Office of Highway Policy Information of the Federal Highway
 126 Administration by the current fee. The resulting calculation shall be added to the fees
 127 assessed by this paragraph. The first adjustment shall be calculated and implemented
 128 on July 1, 2016."

PART III
SECTION 3-1.

129 Chapter 12 of Title 45 of the Official Code of Georgia Annotated, relating to the Governor,
132 is amended by revising Code Section 45-12-22, relating to the Governor's authority to
133 suspend the collection of taxes, as follows:

134 "45-12-22.

135 (a) Except as provided in subsection (b) of this Code section, the ~~The~~ Governor may
136 suspend the collection of taxes, or any part thereof, due the state until the meeting of the
137 next General Assembly but no longer; but he or she shall not otherwise interfere with the
138 collection of taxes.

139 (b) Unless there has been a state of emergency declaration by the Governor, the Governor
140 shall not suspend or modify in any manner the collection of any rate of state motor fuel
141 under Code Section 48-9-3 as it applies to sales of motor fuel and aviation gasoline as such
142 terms are defined in Code Section 48-9-2. Any suspension or modification of any rate of
143 state motor fuel taxes under this subsection by the Governor shall be effective only until
144 the next meeting of the General Assembly which must ratify such suspension or
145 modification by a two-thirds' vote of both chambers. In the event the General Assembly
146 fails to ratify the Governor's actions, state motor fuel taxes under this subsection shall be
147 collected at the rate specified absent such suspension or modification and any amounts
148 unpaid due to such suspension or modification shall be collected using such rate."

PART IV
SECTION 4-1.

151 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
152 amended by revising subsection (b) of Code Section 48-7-40.16, relating to state income tax
153 credits for low-emission vehicles, as follows:

154 "(b)(1) A tax credit is allowed against the tax imposed under this article to a taxpayer for
155 the purchase or lease of a new low-emission vehicle or new zero emission vehicle that
156 is registered in the State of Georgia. The amount of the credit shall be:

157 ~~(1)(A)~~ For any new low-emission vehicle, 10 percent of the cost of such vehicle or
158 \$2,500.00, whichever is less; and

159 ~~(2)(B)~~ For any new zero emission vehicle, 20 percent of the cost of such vehicle or
160 \$5,000.00, whichever is less.

161 (2) For any new low-emission vehicle or new zero emission vehicle purchased or leased
162 on or after July 1, 2015, the amount of the credit shall be \$0.00."

163 **SECTION 4-2.**

164 Said title is further amended by revising paragraphs (23) and (24) of Code Section 48-8-2,
165 relating to definitions regarding state sales and use taxes, as follows:

166 "(23) 'Prepaid local tax' means any local sales and use tax which is levied on the sale or
167 use of motor fuel and imposed in an area consisting of less than the entire state, however
168 authorized, including, but not limited to, such taxes authorized by or pursuant to
169 constitutional amendment; by or pursuant to Section 25 of an Act approved March 10,
170 1965 (Ga. L. 1965, p. 2243), as amended, known as the 'Metropolitan Atlanta Rapid
171 Transit Authority Act of 1965'; or by or pursuant to Article 2, 2A, 3, or 4 of this chapter.
172 Such tax is based on the same average retail sales price ~~as set forth in subparagraph~~
173 ~~(b)(2)(B) of Code Section 48-9-14~~ as compiled by the Energy Information Agency of the
174 United States Department of Energy, the Oil Pricing Information Service, or a similar
175 reliable published index less taxes imposed under Code Section 48-9-3 and all local sales
176 and use or excise taxes levied on motor fuel. Such price shall be used to compute the
177 prepaid sales tax rate for local jurisdictions by multiplying such retail price by the
178 applicable rate imposed by the jurisdiction. The person collecting and reporting the
179 prepaid local tax for the local jurisdiction shall provide a schedule as to which jurisdiction
180 these collections relate. This determination shall be based upon the shipping papers of
181 the conveyance that delivered the motor fuel to the dealer or consumer in the local
182 jurisdiction. A seller may rely upon the representation made by the purchaser as to which
183 jurisdiction the shipment is bound and prepare shipping papers in accordance with those
184 instructions.

185 ~~(24) 'Prepaid state tax' means the tax levied under Code Section 48-8-30 in conjunction~~
186 ~~with Code Section 48-8-3.1 and Code Section 48-9-14 on the retail sale of motor fuels~~
187 ~~for highway use and collected prior to that retail sale. This tax is based upon the average~~
188 ~~retail sales price as set forth in Code Section 48-9-14~~ Reserved."

189 **SECTION 4-2A.**

190 Said title is further amended by revising paragraph (33.1) of Code Section 48-8-3, relating
191 to exemptions from state sales and use taxes, as follows:

192 "(33.1)(A) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport,
193 to the extent provided in subparagraphs (B) and (C) of this paragraph.

194 ~~(B)(i) For the period of time beginning July 1, 2011, and ending June 30, 2012, the~~
195 ~~sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall be~~
196 ~~exempt from state sales and use tax until the aggregate state sales and use tax liability~~
197 ~~of the taxpayer during such period with respect to jet fuel exceeds \$20 million,~~
198 ~~computed as if the exemption provided in this division was not in effect during such~~

199 ~~period. Thereafter during such period, the exemption provided by this division shall~~
 200 ~~not apply to the sale or use of jet fuel to or by the qualifying airline. For purposes of~~
 201 ~~this division, the terms 'qualifying airline' and 'qualifying airport' shall have the same~~
 202 ~~meanings as those terms were defined under the prior provisions of this paragraph as~~
 203 ~~it existed immediately prior to July 1, 2012.~~

204 (ii) For the period of time beginning July 1, 2012, and ending on June 30, 2015, the
 205 sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall be
 206 exempt from 1 percent of the 4 percent state sales and use tax.

207 (C) The sale or use of jet fuel to or by a qualifying airline at a qualifying airport shall
 208 be exempt at all times from the sales or use tax levied and imposed as authorized
 209 pursuant to Part 1 of Article 3 of this chapter. As used in this subparagraph, the term
 210 'qualifying airport' means any airport in this state that has had more than 750,000
 211 takeoffs and landings during a calendar year, and the term 'qualifying airline' shall have
 212 the same meaning as set forth in subparagraph (E) of this paragraph.

213 (D) Except as provided for in subparagraph (C) of this paragraph, this exemption shall
 214 not apply to any other local sales and use tax levied or imposed at any time in any area
 215 consisting of less than the entire state, however authorized, not to exceed the rate at
 216 which such taxes were levied as of January 1, 2014, including, but not limited to, such
 217 taxes authorized by or pursuant to Section 25 of an Act approved March 10, 1965 (Ga.
 218 L. 1965, p. 2243), as amended, the 'Metropolitan Atlanta Rapid Transit Authority Act
 219 of 1965,' or such taxes as authorized by or pursuant to Part 2 of Article 3 or Article 2,
 220 2A, or 4 of this chapter.

221 (E) For purposes ~~of division (ii)~~ of subparagraph (B) of this paragraph and paragraph
 222 (2) of subsection (d) of Code Section 48-8-241, a 'qualifying airline' shall mean any
 223 person which is authorized by the Federal Aviation Administration or appropriate
 224 agency of the United States to operate as an air carrier under an air carrier operating
 225 certificate and which provides regularly scheduled flights for the transportation of
 226 passengers or cargo for hire.

227 (F) For purposes ~~of division (ii)~~ of subparagraph (B) of this paragraph and paragraph
 228 (2) of subsection (d) of Code Section 48-8-241, the term 'qualifying airport' means a
 229 certificated air carrier airport in Georgia.

230 (G) On or after July 1, 2017, revenue derived from the levy of sales and use taxes on
 231 jet fuel shall be used for a state aviation program or airport related purposes to the
 232 extent required to comply with 49 U.S.C. Sections 47107(b) and 47113. Any portion
 233 of such revenue so derived which is in excess of the amount required for purposes of
 234 such compliance with federal law may be appropriated by the General Assembly for
 235 other purposes.

236 ~~(G)~~(H) The commissioner shall adopt rules and regulations to carry out the provisions
237 of this paragraph;"

238 **SECTION 4-3.**

239 Said title is further amended by revising subsections (a) and (b) of Code Section 48-8-3.1,
240 relating to sales tax exemptions as applied to motor fuels, as follows:

241 "(a) Except as provided in subsection (b) of this Code section, sales of motor fuels as
242 defined in paragraph (9) of Code Section 48-9-2 shall be exempt from the ~~first 3 percent~~
243 ~~of the state~~ sales and use taxes levied or imposed by this article ~~and shall be subject to the~~
244 ~~remaining 1 percent of the sales and use taxes levied or imposed by this article.~~

245 (b) Sales of motor fuel, other than gasoline, ~~which motor fuel other than gasoline is~~
246 purchased for purposes other than propelling motor vehicles on public highways as defined
247 in Article 1 of Chapter 9 of this title shall be fully subject to the ~~4 percent~~ state sales and
248 use taxes levied or imposed by this article unless otherwise specifically exempted by this
249 article."

250 **SECTION 4-4.**

251 Said title is further amended by revising the introductory language of subsection (a) of Code
252 Section 48-8-6, relating to the ceiling on local sales and use taxes, as follows:

253 "(a) There shall not be imposed in any jurisdiction in this state or on any transaction in this
254 state local sales taxes, local use taxes, or local sales and use taxes in excess of ~~2~~ 2.5
255 percent. For purposes of this prohibition, the taxes affected are any sales tax, use tax, or
256 sales and use tax which is levied in an area consisting of less than the entire state, however
257 authorized, including such taxes authorized by or pursuant to constitutional amendment,
258 except that the following taxes shall not count toward or be subject to such ~~2~~ 2.5 percent
259 limitation:"

260 **SECTION 4-5.**

261 Said title is further amended by revising subsection (k) of Code Section 48-8-30, relating to
262 the imposition, rate, and collection of state sales tax, as follows:

263 "(k) The prepaid local tax shall be imposed at the time tax is imposed ~~under subparagraph~~
264 ~~(b)(2)(B) of Code Section 48-9-14~~ under Code Section 48-9-3."

265 **SECTION 4-6.**

266 Said title is further amended by revising paragraph (2) of subsection (b) of Code Section
267 48-8-49, relating to dealers' returns as gross proceeds of sales and purchases, as follows:

268 "(2) If the tax liability of a dealer in the preceding calendar year was greater than
 269 \$60,000.00 excluding local sales taxes, the dealer shall file a return and remit to the
 270 commissioner not less than 50 percent of the estimated tax liability for the taxable period
 271 on or before the twentieth day of the period. The amount of the payment of the estimated
 272 tax liability shall be credited against the amount to be due on the return required under
 273 subsection (a) of this Code section. ~~This subsection shall not apply to any dealer whose
 274 primary business is the sale of motor fuels who is remitting prepaid state tax under
 275 paragraph (2) of subsection (b) of Code Section 48-9-14."~~

276 **SECTION 4-7.**

277 Said title is further amended by revising paragraphs (2), (3), and (4) of subsection (b) of
 278 Code Section 48-8-50, relating to compensation of dealers for reporting and paying tax, as
 279 follows:

280 "(2) With respect to each certificate of registration number on such return, a deduction
 281 of one-half of 1 percent of that portion exceeding \$3,000.00 of the combined total amount
 282 of all sales and use taxes reported due on such return for each location other than the
 283 taxes specified in paragraph (3) of this subsection; and

284 (3) With respect to each certificate of registration number on such return, a deduction of
 285 3 percent of the combined total amount due of all sales and use taxes on motor fuel as
 286 defined under paragraph (9) of Code Section 48-9-2, which are imposed under any
 287 provision of this title, including, but not limited to, sales and use taxes on motor fuel
 288 imposed under any of the provisions described in subsection (f) of this Code section, ~~but
 289 not including Code Section 48-9-14; and~~

290 ~~(4) A deduction with respect to Code Section 48-9-14, as defined in Code Section
 291 48-8-2, shall be at the rate of one-half of 1 percent of the total amount due of the prepaid
 292 state tax reported due on such return, so long as the return and payment are timely,
 293 regardless of the classification of tax return upon which the remittance is made."~~

294 **SECTION 4-8.**

295 Said title is further amended by revising Code Section 48-8-82, relating to authorization of
 296 counties and municipalities to impose a joint sales and use tax, as follows:

297 "48-8-82.

298 (a) When the imposition of a joint county and municipal sales and use tax is authorized
 299 according to the procedures provided in this article within a special district, the county
 300 whose geographical boundary is conterminous with that of the special district and each
 301 qualified municipality located wholly or partially within the special district shall levy a
 302 joint sales and use tax at the rate of 1 percent. Except as to rate, the joint tax shall

303 correspond to the tax imposed and administered by Article 1 of this chapter. No item or
 304 transaction which is not subject to taxation by Article 1 of this chapter shall be subject to
 305 the tax levied pursuant to this article, except that the joint tax provided in this article shall
 306 be applicable to ~~sales of motor fuels as prepaid local tax as that term is defined in Code~~
 307 ~~Section 48-8-2 and shall be applicable to~~ the sale of food and food ingredients and
 308 alcoholic beverages only to the extent provided for in paragraph (57) of Code Section
 309 48-8-3.

310 (b) The joint sales and use tax provided for in this article in a special district shall be
 311 applicable to sales of motor fuels as prepaid local tax as such term is defined in Code
 312 Section 48-8-2 through June 30, 2016. On or after July 1, 2016, such joint sales and use
 313 tax shall not be applicable to sales of motor fuels as defined in Code Section 48-9-2.

314 (c) On or after July 1, 2016, such joint sales and use tax shall be levied at the rate of 1.25
 315 percent."

316 **SECTION 4-9.**

317 Said title is further amended by adding a new subsection to Code Section 48-8-96, relating
 318 to taxation of property in consolidated governments, to read as follows:

319 "(j) Any consolidated government which, pursuant to the provisions of this Code section,
 320 is levying a tax under this article at the rate of 2 percent shall levy such tax at 2.5 percent
 321 on or after July 1, 2016."

322 **SECTION 4-10.**

323 Said title is further amended by revising subsection (b) of Code Section 48-8-102, relating
 324 to the creation of special districts and use of proceeds of the homestead option sales and use
 325 tax, as follows:

326 "(b)(1) When the imposition of a local sales and use tax is authorized according to the
 327 procedures provided in this article within a special district, the county whose
 328 geographical boundary is conterminous with that of the special district shall levy a local
 329 sales and use tax at the rate of 1 percent. Except as to rate, the local sales and use tax
 330 shall correspond to the tax imposed and administered by Article 1 of this chapter. No
 331 item or transaction which is not subject to taxation by Article 1 of this chapter shall be
 332 subject to the sales and use tax levied pursuant to this article, except that the sales and use
 333 tax provided in this article shall be applicable to ~~sales of motor fuels as prepaid local tax~~
 334 ~~as that term is defined in Code Section 48-8-2 and shall be applicable to~~ the sale of food
 335 and food ingredients and alcoholic beverages only to the extent provided for in paragraph
 336 (57) of Code Section 48-8-3.

337 (2) The sales and use tax provided for in this article in a special district shall be
 338 applicable to sales of motor fuels as prepaid local tax as such term is defined in Code
 339 Section 48-8-2 through June 30, 2016. On or after July 1, 2016, such sales and use tax
 340 shall not be applicable to sales of motor fuels as defined in Code Section 48-9-2.

341 (3) On or after July 1, 2016, such sales and use tax shall be levied at the rate of 1.25
 342 percent."

343 **SECTION 4-11.**

344 Said title is further amended by adding a new paragraph to Code Section 48-8-110, relating
 345 to definitions regarding the county special purpose local option sales tax, to read as follows:

346 "(5)(A) 'Transportation purposes' means and includes roads, bridges, public transit,
 347 rails, airports, buses, seaports, including without limitation road, street, and bridge
 348 purposes pursuant to paragraph (1) of subsection (b) of Code Section 48-8-121, and all
 349 accompanying infrastructure and services necessary to provide access to these
 350 transportation facilities, including general obligation debt and other multiyear
 351 obligations issued to finance such purposes.

352 (B) 'Education transportation purposes' means, for purposes of proceeds of a tax levied
 353 pursuant to Part 2 of this article, which proceeds are attributable to the sale of motor
 354 fuel as prepaid local tax as such term is defined in Code Section 48-8-2, pursuant to the
 355 authority granted to the General Assembly by Article VIII, Section VI, Paragraph IV
 356 of the Constitution of Georgia, transportation necessary to move students to and from
 357 educational facilities in this state and all accompanying infrastructure and support
 358 necessary to provide safe and efficient access to and egress from these educational
 359 facilities."

360 **SECTION 4-12.**

361 Said title is further amended by revising subsection (c) of and by adding a new subsection
 362 to Code Section 48-8-110.1, relating to the authorization for a county special purpose local
 363 option sales tax, to read as follows:

364 "(c) Any tax imposed under this part shall be at the rate of 1 percent. Except as to rate, a
 365 tax imposed under this part shall correspond to the tax imposed by Article 1 of this chapter.
 366 No item or transaction which is not subject to taxation under Article 1 of this chapter shall
 367 be subject to a tax imposed under this part, except that a tax imposed under this part shall
 368 apply to sales of motor fuels as prepaid local tax as that term is defined in Code Section
 369 48-8-2 and shall be applicable to the sale of food and food ingredients and alcoholic
 370 beverages as provided for in Code Section 48-8-3.

371 (d) On or after July 1, 2015, following the expiration in a special district of the
 372 authorization for the levy of the tax authorized in this part, any renewal or continuation of
 373 a levy of the tax authorized in this part shall include a provision authorizing the expenditure
 374 for transportation purposes of at least the amount collected, as determined by an average
 375 of the previous three calendar years, on the sales of motor fuels as prepaid local tax as such
 376 term is defined in Code Section 48-8-2 in the special district. Such provision shall be
 377 included in the referendum required by this part and list the specific transportation purposes
 378 to be authorized as required under this part."

379 **SECTION 4-13.**

380 Said title is further amended by revising subparagraph (a)(1)(A) of Code Section 48-8-111,
 381 relating to the procedure for the implementation of the county special purpose local option
 382 sales tax, as follows:

383 "(A) A ~~capital outlay~~ project consisting of road, street, and bridge purposes, which
 384 purposes may include sidewalks and bicycle paths transportation purposes;"

385 **SECTION 4-14.**

386 Said title is further amended by revising Code Section 48-8-143, relating to distribution of
 387 the sales tax for educational purposes, as follows:

388 "48-8-143.

389 (a) The net proceeds of the sales tax for educational purposes shall be distributed in the
 390 manner provided under Article VIII, Section VI, Paragraph IV(g) of the Constitution unless
 391 another distribution formula is provided for by the enactment of a local Act. Any such
 392 local Act providing for an alternate distribution formula shall not be amended during the
 393 time period for which the tax was imposed.

394 (b)(1) It is the intention of the General Assembly, pursuant to the authority granted by
 395 Article VIII, Section VI, Paragraph IV of the Constitution of Georgia, to further define
 396 and implement by general law that education transportation purposes shall constitute a
 397 proper expenditure of proceeds from the levy of a sales tax for educational purposes.

398 (2) As used in this subsection, the term 'education transportation purposes' means, for
 399 purposes of a tax levied pursuant to this part which proceeds are attributable to the sale
 400 of motor fuel as prepaid local tax as such term is defined in Code Section 48-8-2,
 401 pursuant to the authority granted to the General Assembly by Article VIII, Section VI,
 402 Paragraph IV of the Constitution of Georgia, transportation necessary to move students
 403 to and from educational facilities in this state and all accompanying infrastructure and
 404 support necessary to provide safe and efficient access to and egress from these
 405 educational facilities."

406

SECTION 4-15.

407 Said title is further amended by revising subsection (c) of and adding a new subsection to
 408 Code Section 48-8-201, relating to the intergovernmental agreement for the distribution of
 409 tax proceeds from the water and sewer projects sales tax, as follows:

410 "(c) In the event a tax imposed under this article is imposed only by the municipality:

411 (1) No item or transaction which is not subject to taxation under Article 1 of this chapter
 412 shall be subject to a tax imposed under this article, except that a tax imposed under this
 413 article shall apply to:

414 (A) Sales of motor fuels as prepaid local tax as that term is defined in Code Section
 415 48-8-2 until the expiration of the current authorization for the tax in such municipality.

416 On or after the date immediately following such expiration, such tax shall not be
 417 applicable to sales of motor fuels as defined in Code Section 48-9-2;

418 (B) The sale of food and food ingredients and alcoholic beverages as provided for in
 419 Code Section 48-8-3;

420 (C) The sale of natural or artificial gas used directly in the production of electricity
 421 which is subsequently sold, notwithstanding paragraph (70) of Code Section 48-8-3;
 422 and

423 (D) The furnishing for value to the public of any room or rooms, lodgings, or
 424 accommodations which is subject to taxation under Article 3 of Chapter 13 of this title;
 425 and

426 (2) A tax imposed under this article shall not apply to the sale of motor vehicles."

427 "(e) After the expiration of the current authorization for any tax imposed under this article,
 428 any reauthorization for the levy of a tax imposed under this article shall be at the rate of
 429 1.25 percent."

430

SECTION 4-16.

431 Said title is further amended by revising Code Section 48-9-3, relating to an excise tax on
 432 motor fuel, as follows:

433 "48-9-3.

434 (a)(1) An excise tax is imposed at the rate of ~~7 1/2¢~~ 29.2¢ per gallon on distributors who
 435 sell or use motor fuel, other than diesel fuel, within this state. An excise tax is imposed
 436 at the rate of 33¢ per gallon on distributors who sell or use diesel fuel within this state.

437 It is the intention of the General Assembly that the legal incidence of the tax be imposed
 438 upon the distributor.

439 (1.1)(A) Beginning on July 1, 2016, and annually thereafter, the amount of this excise
 440 tax per gallon on distributors shall be automatically adjusted on an annual basis in
 441 accordance with this paragraph.

442 (B) Using 2014 as a base year, the department shall determine the average miles per
 443 gallon of all new vehicles registered in this state pursuant to Code Section 48-5C-1
 444 using the average of combined miles per gallon published in the United States
 445 Department of Energy Fuel Economy Guide. Beginning on July 1, 2016, and each year
 446 thereafter, the department shall calculate the average miles per gallon of all new
 447 vehicles registered in this state in the previous year. The excise tax rate shall be
 448 multiplied by the percentage increase or decrease in fuel efficiency from the previous
 449 year, and the resulting increase or decrease shall be added to the excise tax rate to
 450 determine the preliminary excise tax rate.

451 (C) Once the preliminary excise tax rate is established, it shall be multiplied by the
 452 annual percentage of increase or decrease in highway construction costs as measured
 453 by the National Highway Construction Cost Index published by the Office of Highway
 454 Policy Information of the Federal Highway Administration. The resulting calculation
 455 shall be added to the preliminary excise tax rate, and the result of such calculation shall
 456 be the new excise tax rate for motor fuels for the next calendar year.

457 (2) In the event any motor fuels which are not commonly sold or measured by the gallon
 458 are used in any motor vehicles on the public highways of this state, the commissioner
 459 may assess, levy, and collect a tax upon such fuels, under such regulations as the
 460 commissioner may promulgate, in accordance with and measured by the nearest power
 461 potential equivalent to that of one gallon of regular grade gasoline. Any determination
 462 by the commissioner of the power potential equivalent of such motor fuels shall be
 463 prima-facie correct. Upon each such quantity of such fuels used upon the public
 464 highways of this state, a tax at the same rate per gallon imposed on motor fuel under
 465 paragraph (1) of this subsection shall be assessed and collected.

466 (3) No county, municipality, or other political subdivision of this state shall levy any fee,
 467 license, or other excise tax on a gallonage basis upon the sale, purchase, storage, receipt,
 468 distribution, use, consumption, or other disposition of motor fuel. Nothing contained in
 469 this article shall be construed to prevent a county, municipality, or other political
 470 subdivision of this state from levying license fees or taxes upon any business selling
 471 motor fuel.

472 (4)(A) For purposes of this subsection, and notwithstanding the provisions of
 473 paragraph (2) of this subsection and any provision contained in the National Bureau of
 474 Standards Handbook or any other national standard that may be adopted by law or
 475 regulation, the gallon equivalent of compressed natural gas shall be not less than
 476 110,000 British thermal units and the gallon equivalent of liquefied natural gas shall not
 477 be less than 6.06 pounds.

478 (B) As used in this paragraph, the term:

479 (i) 'Compressed natural gas' means a mixture of hydrocarbon gases and vapors,
480 consisting principally of methane in gaseous form, that has been compressed for use
481 as a motor fuel.

482 (ii) 'Liquefied natural gas' means methane or natural gas in the form of a cryogenic
483 or refrigerated liquid for use as a motor fuel.

484 (b) No tax is imposed by this article upon or with respect to the following sales by duly
485 licensed distributors:

486 (1) Bulk sales to a duly licensed distributor;

487 (2) Sales of motor fuel for export from this state when exempted by any provisions of
488 the Constitutions of the United States or this state;

489 (3) Sales of motor fuel to a licensed distributor for export from this state;

490 (4) Sales of motor fuel to the United States for the exclusive use of the United States
491 when the motor fuel is purchased and paid for by the United States;

492 (5) Sales of aviation gasoline to a duly licensed aviation gasoline dealer, except for 1¢
493 per gallon of the tax imposed by paragraph (1) of subsection (a) of this Code section ~~and~~
494 ~~all of the tax imposed by Code Section 48-9-14;~~

495 (6) Bulk sales of compressed petroleum gas or special fuel to a duly licensed consumer
496 distributor;

497 (7)(A) Sales of compressed petroleum gas or special fuel to a consumer who has no
498 highway use of the fuel at the time of the sale and does not resell the fuel. Consumers
499 of compressed petroleum gas or special fuel who have both highway and nonhighway
500 use of the fuel and resellers of such fuel must be licensed as distributors in order for
501 sales of the fuel to be tax exempt. Each type of motor fuel is to be considered
502 separately under this exemption.

503 (B)(i) In instances where a sale of compressed petroleum gas has been made to an
504 ultimate consumer who has both highway and nonhighway use of that type of motor
505 fuel and no tax has been paid by the distributor on the sale, the consumer shall
506 become licensed as a consumer distributor of that type of motor fuel. After the
507 consumer is licensed as a consumer distributor and if it is demonstrated to the
508 satisfaction of the commissioner that the motor fuel purchased prior to the licensee's
509 becoming licensed as a consumer distributor was used for nonhighway purposes, such
510 sales shall be exempt from the tax imposed by this article; provided, however, that,
511 if at the time of demonstration the ultimate consumer does not have both highway and
512 nonhighway use of such fuel but it can be demonstrated by the distributor to the
513 satisfaction of the commissioner that the motor fuel was used for nonhighway
514 purposes, the sales shall be exempt from the tax imposed by this article; and

515 (ii)(I) Any special fuel sold by a distributor to a purchaser who has a storage
 516 receptacle which has a connection to a withdrawal outlet that may be used for
 517 highway use, as defined in paragraph (8) of Code Section 48-9-2, is not exempt
 518 from the motor fuel and road taxes imposed by this article unless: (1) the purchaser
 519 is at the time of sale a valid licensed distributor of that type of motor fuel, or (2) an
 520 exemption certificate has been obtained from the purchaser on forms furnished by
 521 the Department of Revenue showing that the purchaser has no highway use of such
 522 fuels and is not a reseller of such fuels. Each exemption certificate shall be valid
 523 for a period of not more than three years and shall be kept by the distributor as one
 524 of the records specified in Code Section 48-9-8. It shall be the responsibility of the
 525 purchaser to notify the distributor when the purchaser is no longer qualified for the
 526 nonhighway exemption. All applicable taxes must be charged the purchaser until
 527 the purchaser is granted a valid distributor's license for that type of motor fuel.

528 (II) Any such purchaser granted an exemption under subdivision (I) of this division
 529 who falsely claims the exemption or fails to rescind the purchaser's exemption
 530 certificate to the distributor in writing when he or she is no longer eligible for the
 531 exemption shall be deemed a distributor for purposes of taxation and is subject to
 532 all provisions of this article relating to distributors. This division in no way shall
 533 restrict the option of the purchaser to become licensed as a distributor. If the
 534 distributor sells special fuel to a purchaser who has a storage receptacle which has
 535 a connection to a withdrawal outlet that may be used for highway use, as defined in
 536 paragraph (8) of Code Section 48-9-2, and the purchaser is not a valid licensed
 537 distributor and has not executed a valid signed exemption certificate, the taxes
 538 imposed by this article are due from the distributor and not the purchaser on all sales
 539 of that type of fuel to that purchaser;

540 (8) Sales of fuel oils, compressed petroleum gas, or special fuel directly to an ultimate
 541 consumer to be used for heating purposes only. The delivery of fuel oils, compressed
 542 petroleum gas, or special fuel directly to an ultimate consumer to be used for heating
 543 purposes only shall be made directly into the storage receptacle of the heating unit of the
 544 consumer by the licensed distributor. To qualify for this exemption, sales must be
 545 delivered into storage receptacles that are not equipped with any secondary withdrawal
 546 outlets for the motor fuel;

547 (9) Sales of dyed fuel oils to a consumer for other than highway use as defined in
 548 paragraph (8) of Code Section 48-9-2;

549 (10)(A) During the period of July 1, 2012, through June 30, 2015, sales of motor fuel,
 550 as defined in paragraph (9) of Code Section 48-9-2, for public mass transit vehicles
 551 which are owned by public transportation systems which receive or are eligible to

552 receive funds pursuant to 49 U.S.C. Sections 5307 and 5311 for which passenger fares
 553 are routinely charged and which vehicles are used exclusively for revenue generating
 554 purposes which motor fuel sales occur at bulk purchase facilities approved by the
 555 department.

556 (B) During the period of July 1, 2012, through June 30, 2015, sales of motor fuel, as
 557 defined in paragraph (9) of Code Section 48-9-2, for vehicles operated by a public
 558 campus transportation system, provided that such system has a policy which provides
 559 for free transfer of passengers from the public transportation system operated by the
 560 jurisdiction in which the campus is located; makes the general public aware of such free
 561 transfer policy; and receives no state or federal funding to assist in the operation of such
 562 public campus transportation system and which motor fuel sales occur at bulk purchase
 563 facilities approved by the department.

564 (C) For purposes of this paragraph, the term 'vehicle' or 'vehicles' means buses, vans,
 565 minibuses, or other vehicles which have the capacity to transport seven or more
 566 passengers; or

567 (11) For the period of time beginning July 1, 2013, and ending June 30, 2015, sales of
 568 motor fuel to public school systems in this state for the exclusive use of the school system
 569 in operating school buses when the motor fuel is purchased and paid for by the school
 570 system.

571 (c) Fuel oils, compressed petroleum gas, or special fuel used by a duly licensed distributor
 572 for nonhighway purposes is exempt from the tax imposed by this article.

573 (d) No export from this state shall be recognized as being exempt from tax under
 574 paragraphs (2) and (3) of subsection (b) of this Code section unless the exporter informs
 575 the seller and the terminal operator of the intention to export and causes to be set out the
 576 minimum information specified in subsection (e) of Code Section 48-9-17 on the bill of
 577 lading or equivalent documentation under which the motor fuel is transported. In the event
 578 that the motor fuel is delivered to any point other than that which is set out on the bill of
 579 lading or equivalent documentation, the legal incidence of the tax shall continue to be
 580 imposed exclusively upon the exporter who caused the export documentation to be issued
 581 and no exemption shall be recognized until suitable proof of exportation has been provided
 582 to the commissioner."

583 **SECTION 4-17.**

584 Said title is further amended by repealing in its entirety Code Section 48-9-14, relating to the
 585 second motor fuel tax, and designating said Code section as reserved.

586

PART V

587

SECTION 5-1.

588 Said title is further amended by revising paragraphs (3.1), (4.1), and (5.1) of subsection (a)
 589 and subparagraph (b)(7)(A) of Code Section 48-13-51, relating to the excise tax on rooms,
 590 lodgings, and accommodations, as follows:

591 "(3.1) Notwithstanding any other provision of this subsection, a county (within the
 592 territorial limits of the special district located within the county) and the municipalities
 593 within a county in which a trade and convention center authority has been created by
 594 intergovernmental contract between a county and one or more municipalities located
 595 therein, and which trade and convention center authority is in existence on or before
 596 March 21, 1988, and which trade and convention center authority has not constructed or
 597 operated any facility before March 21, 1988, may levy a tax under this Code section at
 598 a rate of 6 percent. A county or municipality levying a tax pursuant to this paragraph
 599 shall expend (in each fiscal year during which the tax is collected under this paragraph)
 600 an amount equal to at least 62 1/2 percent of the total taxes collected at the rate of 6
 601 percent for the purpose of: (A) promoting tourism, conventions, and trade shows; (B)
 602 funding, supporting, acquiring, constructing, renovating, improving, and equipping
 603 buildings, structures, and facilities, including, but not limited to, a trade and convention
 604 center, exhibit hall, conference center, performing arts center, accommodations facilities,
 605 including food service, or any combination thereof, for convention, trade show, athletic,
 606 musical, theatrical, cultural, civic, and performing arts purposes and other events and
 607 activities for similar and related purposes, acquiring the necessary property therefor, both
 608 real and personal, and funding all expenses incident thereto, and supporting, maintaining,
 609 and promoting such facilities owned, operated, or leased by or to the local trade and
 610 convention center authority; or (C) for some combination of such purposes; provided,
 611 however, that at least 50 percent of the total taxes collected at the rate of 6 percent shall
 612 be expended for the purposes specified in subparagraph (B) of this paragraph. Amounts
 613 so expended shall be expended only through a contract or contracts with the state, a
 614 department of state government, a state authority, a convention and visitors bureau
 615 authority created by local Act of the General Assembly for a municipality, a local
 616 building authority created by local constitutional amendment, and a trade and convention
 617 center authority created by intergovernmental contract between a county and one or more
 618 municipalities located therein, or a private sector nonprofit organization or through a
 619 contract or contracts with some combination of such entities. The aggregate amount of
 620 all excise taxes imposed under this paragraph and all sales and use taxes, and other taxes
 621 imposed by a county or municipality, or both, shall not exceed ~~13~~ 13.5 percent. Any tax

622 levied pursuant to this paragraph shall terminate not later than December 31, 2029,
 623 provided that during any period during which there remains outstanding any obligation
 624 issued to fund a facility as contemplated by this paragraph, secured in whole or in part
 625 by a pledge of a tax authorized under this Code section, the powers of the counties and
 626 municipalities to impose and distribute the tax imposed by this paragraph shall not be
 627 diminished or impaired by the state, and no county or municipality levying the tax
 628 imposed by this paragraph shall cease to levy the tax in any manner that will impair the
 629 interests and rights of the holder of any such obligation. This proviso shall be for the
 630 benefit of the holder of any such obligation and, upon the issuance of any such obligation
 631 by a building authority created by local constitutional amendment, shall constitute a
 632 contract with the holder of such obligation. Notwithstanding any other provision of this
 633 Code section to the contrary, as used in this paragraph, the term: 'fund' or 'funding' shall
 634 include the cost and expense of all things deemed necessary by a building authority
 635 created by local constitutional amendment for the construction and operation of a facility
 636 or facilities, including, but not limited to, the study, operation, marketing, acquisition,
 637 construction, financing, including the payment of principal and interest on any obligation
 638 of the building authority created by local constitutional amendment and any obligation
 639 of the building authority created by local constitutional amendment to refund any prior
 640 obligation of the building authority created by local constitutional amendment,
 641 development, extension, enlargement, or improvement of land, waters, property, streets,
 642 highways, buildings, structures, equipment, or facilities, and the repayment of any
 643 obligation incurred by an authority in connection therewith; 'obligation' shall include
 644 bonds, notes, or any instrument creating an obligation to pay or reserve moneys and
 645 having an initial term of not more than 37 years; and 'facility' or 'facilities' ~~shall mean~~
 646 means any of the buildings, structures, and facilities described in subparagraph (B) of this
 647 paragraph and any associated parking areas or improvements originally owned or
 648 operated incident to the ownership or operation of such facility used for any purpose or
 649 purposes specified in subparagraph (B) of this paragraph by a building authority created
 650 by local constitutional amendment."

651 "(4.1) Notwithstanding any other provision of this subsection, a county (within the
 652 territorial limits of the special district located within the county) or municipality within
 653 a county in which a coliseum authority has been created by local Act of the General
 654 Assembly and which authority is in existence on or before July 1, 1963, for the purpose
 655 of owning or operating a facility, may levy a tax under this Code section at a rate of 7
 656 percent. A county or municipality levying a tax pursuant to this paragraph shall expend
 657 (in each fiscal year during which the tax is collected under this paragraph) an amount
 658 equal to at least 62 1/2 percent of the total taxes collected at the rate of 7 percent for the

659 purpose of: (A) promoting tourism, conventions, and trade shows; (B) funding and
 660 supporting a facility owned or operated by such coliseum authority; or (C) for some
 661 combination of such purposes. Amounts so expended shall be expended only through a
 662 contract or contracts with the state, a department of state government, a state authority,
 663 a convention and visitors bureau authority created by local Act of the General Assembly
 664 for a municipality, a local coliseum authority, or a private sector nonprofit organization,
 665 or through a contract or contracts with some combination of such entities, except that
 666 amounts expended for purpose (B) may be so expended in any otherwise lawful manner
 667 without the necessity of a contract. The aggregate amount of all excise taxes imposed
 668 under this paragraph and all sales and use taxes, and other taxes imposed by a county or
 669 municipality, or both, shall not exceed ~~12~~ 12.5 percent. Any tax levied pursuant to this
 670 paragraph shall terminate not later than December 31, 2028, provided that during any
 671 period during which there remains outstanding any obligation which is incurred prior to
 672 January 1, 1995, issued to fund a facility as contemplated by this paragraph, and secured
 673 in whole or in part by a pledge of a tax authorized under this Code section, the powers
 674 of the counties and municipalities to impose and distribute the tax imposed by this
 675 paragraph shall not be diminished or impaired by the state, and no county or municipality
 676 levying the tax imposed by this paragraph shall cease to levy the tax in any manner that
 677 will impair the interest and rights of the holders of any such obligation. This proviso
 678 shall be for the benefit of the holder of any such obligation and, upon the issuance of any
 679 such obligation by a coliseum and exhibit hall authority, shall constitute a contract with
 680 the holder of such obligations. Notwithstanding any other provision of this Code section
 681 to the contrary, as used in this paragraph, the term: 'fund' ~~and~~ or 'funding' shall include
 682 the cost and expense of all things deemed necessary by a local coliseum authority for the
 683 construction, renovation, and operation of a facility, including, but not limited to, the
 684 study, operation, marketing, acquisition, construction, finance, development, extension,
 685 enlargement, or improvement of land, waters, property, streets, highways, buildings,
 686 structures, equipment, or facilities, and the repayment of any obligation incurred by a
 687 local coliseum authority in connection therewith; 'obligation' shall include bonds, notes,
 688 or any instrument creating an obligation to pay or reserve moneys incurred prior to
 689 January 1, 1995, and having an initial term of not more than 30 years; and 'facility' ~~shall~~
 690 ~~mean~~ means a coliseum or other facility and any associated parking areas or
 691 improvements originally owned or operated incident to the ownership or operation of a
 692 facility used for convention and trade show purposes or amusement purposes, educational
 693 purposes, or a combination thereof and for fairs, expositions, or exhibitions in connection
 694 therewith by a local coliseum authority."

695 “(5.1) Notwithstanding any other provision of this subsection, a county (within the
696 territorial limits of the special district located within the county) and the municipalities
697 within a county in which a coliseum and exhibit hall authority has been created by local
698 Act of the General Assembly for a county and one or more municipalities therein, and
699 which local coliseum and exhibit hall authority is in existence on or before January 1,
700 1991, and which local coliseum and exhibit hall authority has not constructed or operated
701 any facility before January 1, 1991, may levy a tax under this Code section at a rate of 8
702 percent. A county or municipality levying a tax pursuant to this paragraph shall expend
703 (in each fiscal year during which the tax is collected under this paragraph) an amount
704 equal to at least 62 1/2 percent of the total taxes collected at the rate of 8 percent for the
705 purpose of: (A) promoting tourism, conventions, and trade shows; (B) funding,
706 supporting, acquiring, constructing, renovating, improving, and equipping buildings,
707 structures, and facilities, including, but not limited to, a coliseum, exhibit hall, conference
708 center, performing arts center, or any combination thereof, for convention, trade show,
709 athletic, musical, theatrical, cultural, civic, and performing arts purposes and other events
710 and activities for similar and related purposes, acquiring the necessary property therefor,
711 both real and personal, and funding all expenses incident thereto, and supporting,
712 maintaining, and promoting such facilities owned, operated, or leased by or to the local
713 coliseum and exhibit hall authority or a downtown development authority; or (C) for
714 some combination of such purposes; provided, however, that at least 50 percent of the
715 total taxes collected at the rate of 8 percent shall be expended for the purposes specified
716 in subparagraph (B) of this paragraph. Amounts so expended shall be expended only
717 through a contract or contracts with the state, a department of state government, a state
718 authority, a convention and visitors bureau authority created by local Act of the General
719 Assembly for a municipality, a local coliseum and exhibit hall authority, a downtown
720 development authority, or a private sector nonprofit organization or through a contract
721 or contracts with some combination of such entities, notwithstanding any provision of
722 paragraph (8) of this subsection to the contrary. The aggregate amount of all excise taxes
723 imposed under this paragraph and all sales and use taxes, and other taxes imposed by a
724 county or municipality, or both, shall not exceed ~~13~~ 13.5 percent; provided, however, that
725 any sales tax for educational purposes which is imposed pursuant to Article VIII, Section
726 VI, Paragraph IV of the Constitution shall not be included in calculating such limitation.
727 Any tax levied pursuant to this paragraph shall terminate not later than December 31,
728 2028, provided that during any period during which there remains outstanding any
729 obligation issued to fund a facility as contemplated by this paragraph, secured in whole
730 or in part by a pledge of a tax authorized under this Code section, the powers of the
731 counties and municipalities to impose and distribute the tax imposed by this paragraph

732 shall not be diminished or impaired by the state, and no county or municipality levying
 733 the tax imposed by this paragraph shall cease to levy the tax in any manner that will
 734 impair the interests and rights of the holder of any such obligation. This proviso shall be
 735 for the benefit of the holder of any such obligation and, upon the issuance of any such
 736 obligation by a local coliseum and exhibit hall authority or a downtown development
 737 authority, shall constitute a contract with the holder of such obligation. Notwithstanding
 738 any other provision of this Code section to the contrary, as used in this paragraph, the
 739 term: 'fund' or 'funding' shall include the cost and expense of all things deemed necessary
 740 by a local coliseum and exhibit hall authority or a downtown development authority for
 741 the construction and operation of a facility or facilities, including, but not limited to, the
 742 study, operation, marketing, acquisition, construction, financing, including the payment
 743 of principal and interest on any obligation of the local coliseum and exhibit hall authority
 744 or the downtown development authority and any obligation of the local coliseum and
 745 exhibit hall authority or the downtown development authority to refund any prior
 746 obligation of the local coliseum and exhibit hall authority or the downtown development
 747 authority, development, extension, enlargement, or improvement of land, waters,
 748 property, streets, highways, buildings, structures, equipment, or facilities, and the
 749 repayment of any obligation incurred by an authority in connection therewith; 'obligation'
 750 shall include bonds, notes, or any instrument creating an obligation to pay or reserve
 751 moneys and having an initial term of not more than 37 years; 'facility' or 'facilities' shall
 752 ~~mean~~ means any of the buildings, structures, and facilities described in subparagraph (B)
 753 of this paragraph and any associated parking areas or improvements originally owned or
 754 operated incident to the ownership or operation of such facility used for any purpose or
 755 purposes specified in subparagraph (B) of this paragraph by a local coliseum and exhibit
 756 hall authority or a downtown development authority; and 'downtown development
 757 authority' ~~shall mean~~ means a downtown development authority created by local Act of
 758 the General Assembly for a municipality pursuant to a local constitutional amendment."

759 "(7)(A) Any municipality which is levying an excise tax under paragraph (5) of
 760 subsection (a) of this Code section, so long as any obligation as described in division
 761 (a)(5)(A)(ii) or subparagraph (a)(5)(B) of this Code section remains outstanding, shall
 762 leave such excise tax in effect at the rate of 7 percent and may levy up to an additional
 763 1 percent excise tax under this paragraph so long as the combined rate does not exceed
 764 8.5 percent."

765

PART VI

766

SECTION 6-1.

767 Part 3 of Article 2 of Chapter 10 of Title 32 of the Official Code of Georgia Annotated, the
 768 "Georgia Transportation Infrastructure Bank Act," is amended by revising subsection (b) of
 769 Code Section 32-10-127, relating to loans and other financial assistance and the
 770 determination of eligible projects, as follows:

771 "(b)(1) The board shall determine which projects are eligible projects and then select
 772 from among the eligible projects qualified projects. When determining eligibility, the
 773 board shall make every effort to balance any loans or other financial assistance among
 774 all regions of this state.

775 (2) Preference for loans may be given to eligible projects which have local financial
 776 support in tier 1 and tier 2 counties, as defined in Code Section 48-7-40 and by the
 777 Department of Community Affairs.

778 (3) Preference for grants and other financial assistance may be given to eligible projects
 779 which have local financial support."

780

PART VII

781

SECTION 7-1.

782 (a) This Act shall become effective on July 1, 2015.

783 (b) Tax, penalty, and interest liabilities and refund eligibility for prior taxable years shall not
 784 be affected by the passage of this Act and shall continue to be governed by the provisions of
 785 Title 48 of the Official Code of Georgia Annotated as it existed immediately prior to the
 786 effective date of this Act.

787

SECTION 7-2.

788 All laws and parts of laws in conflict with this Act are repealed.