

The House Committee on Transportation 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.**

149 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) No sales and use taxes realized pursuant to the provisions of this paragraph shall  
 231 be used for a purpose that would result in the loss of any federal funding.

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

234 **SECTION 4-3.**

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

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

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

246 **SECTION 4-4.**

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

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

256 **SECTION 4-5.**

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

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

261 **SECTION 4-6.**

262 Said title is further amended by revising paragraph (2) of subsection (b) of Code Section  
263 48-8-49, relating to dealers' returns as gross proceeds of sales and purchases, as follows:

264 "(2) If the tax liability of a dealer in the preceding calendar year was greater than  
265 \$60,000.00 excluding local sales taxes, the dealer shall file a return and remit to the  
266 commissioner not less than 50 percent of the estimated tax liability for the taxable period  
267 on or before the twentieth day of the period. The amount of the payment of the estimated

268 tax liability shall be credited against the amount to be due on the return required under  
 269 subsection (a) of this Code section. ~~This subsection shall not apply to any dealer whose~~  
 270 ~~primary business is the sale of motor fuels who is remitting prepaid state tax under~~  
 271 ~~paragraph (2) of subsection (b) of Code Section 48-9-14."~~

272 **SECTION 4-7.**

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

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

280 (3) With respect to each certificate of registration number on such return, a deduction of  
 281 3 percent of the combined total amount due of all sales and use taxes on motor fuel as  
 282 defined under paragraph (9) of Code Section 48-9-2, which are imposed under any  
 283 provision of this title, including, but not limited to, sales and use taxes on motor fuel  
 284 imposed under any of the provisions described in subsection (f) of this Code section, ~~but~~  
 285 ~~not including Code Section 48-9-14; and~~

286 ~~(4) A deduction with respect to Code Section 48-9-14, as defined in Code Section~~  
 287 ~~48-8-2, shall be at the rate of one-half of 1 percent of the total amount due of the prepaid~~  
 288 ~~state tax reported due on such return, so long as the return and payment are timely,~~  
 289 ~~regardless of the classification of tax return upon which the remittance is made."~~

290 **SECTION 4-8.**

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

293 "48-8-82.

294 (a) When the imposition of a joint county and municipal sales and use tax is authorized  
 295 according to the procedures provided in this article within a special district, the county  
 296 whose geographical boundary is conterminous with that of the special district and each  
 297 qualified municipality located wholly or partially within the special district shall levy a  
 298 joint sales and use tax at the rate of 1 percent. Except as to rate, the joint tax shall  
 299 correspond to the tax imposed and administered by Article 1 of this chapter. No item or  
 300 transaction which is not subject to taxation by Article 1 of this chapter shall be subject to  
 301 the tax levied pursuant to this article, except that the joint tax provided in this article shall  
 302 be applicable to ~~sales of motor fuels as prepaid local tax as that term is defined in Code~~

303 ~~Section 48-8-2 and shall be applicable to the sale of food and food ingredients and~~  
 304 ~~alcoholic beverages only to the extent provided for in paragraph (57) of Code Section~~  
 305 ~~48-8-3.~~

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

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

312 **SECTION 4-9.**

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

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

318 **SECTION 4-10.**

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

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

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

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

339 **SECTION 4-11.**

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

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

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

356 **SECTION 4-12.**

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

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

367 (d) On or after July 1, 2015, following the expiration in a special district of the  
 368 authorization for the levy of the tax authorized in this part, any renewal or continuation of  
 369 a levy of the tax authorized in this part shall include a provision authorizing the expenditure  
 370 for transportation purposes of at least the amount collected, as determined by an average  
 371 of the previous three calendar years, on the sales of motor fuels as prepaid local tax as such

372 term is defined in Code Section 48-8-2 in the special district. Such provision shall be  
 373 included in the referendum required by this part and list the specific transportation purposes  
 374 to be authorized as required under this part."

375 **SECTION 4-13.**

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

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

381 **SECTION 4-14.**

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

384 "48-8-143.

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

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

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

402 **SECTION 4-15.**

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

406 "(c) In the event a tax imposed under this article is imposed only by the municipality:  
 407 (1) No item or transaction which is not subject to taxation under Article 1 of this chapter  
 408 shall be subject to a tax imposed under this article, except that a tax imposed under this  
 409 article shall apply to:

410 (A) Sales of motor fuels as prepaid local tax as that term is defined in Code Section  
 411 48-8-2 until the expiration of the current authorization for the tax in such municipality.  
 412 On or after the date immediately following such expiration, such tax shall not be  
 413 applicable to sales of motor fuels as defined in Code Section 48-9-2;

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

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

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

422 (2) A tax imposed under this article shall not apply to the sale of motor vehicles."  
 423 "(e) After the expiration of the current authorization for any tax imposed under this article,  
 424 any reauthorization for the levy of a tax imposed under this article shall be at the rate of  
 425 1.25 percent."

#### 426 SECTION 4-16.

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

429 "48-9-3.

430 (a)(1) An excise tax is imposed at the rate of ~~7 1/2¢~~ 29.2¢ per gallon on distributors who  
 431 sell or use motor fuel, other than diesel fuel, within this state. An excise tax is imposed  
 432 at the rate of 33¢ per gallon on distributors who sell or use diesel fuel within this state.  
 433 It is the intention of the General Assembly that the legal incidence of the tax be imposed  
 434 upon the distributor.

435 (1.1)(A) Beginning on July 1, 2016, and annually thereafter, the amount of this excise  
 436 tax per gallon on distributors shall be automatically adjusted on an annual basis in  
 437 accordance with this paragraph.

438 (B) Using 2014 as a base year, the department shall determine the average miles per  
 439 gallon of all new vehicles registered in this state pursuant to Code Section 48-5C-1  
 440 using the average of combined miles per gallon published in the United States  
 441 Department of Energy Fuel Economy Guide. Beginning on July 1, 2016, and each year

442 thereafter, the department shall calculate the average miles per gallon of all new  
 443 vehicles registered in this state in the previous year. The excise tax rate shall be  
 444 multiplied by the percentage increase or decrease in fuel efficiency from the previous  
 445 year, and the resulting increase or decrease shall be added to the excise tax rate to  
 446 determine the preliminary excise tax rate.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

511 (ii)(I) Any special fuel sold by a distributor to a purchaser who has a storage  
512 receptacle which has a connection to a withdrawal outlet that may be used for  
513 highway use, as defined in paragraph (8) of Code Section 48-9-2, is not exempt  
514 from the motor fuel and road taxes imposed by this article unless: (1) the purchaser

515 is at the time of sale a valid licensed distributor of that type of motor fuel, or (2) an  
 516 exemption certificate has been obtained from the purchaser on forms furnished by  
 517 the Department of Revenue showing that the purchaser has no highway use of such  
 518 fuels and is not a reseller of such fuels. Each exemption certificate shall be valid  
 519 for a period of not more than three years and shall be kept by the distributor as one  
 520 of the records specified in Code Section 48-9-8. It shall be the responsibility of the  
 521 purchaser to notify the distributor when the purchaser is no longer qualified for the  
 522 nonhighway exemption. All applicable taxes must be charged the purchaser until  
 523 the purchaser is granted a valid distributor's license for that type of motor fuel.

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

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

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

545 (10)(A) During the period of July 1, 2012, through June 30, 2015, sales of motor fuel,  
 546 as defined in paragraph (9) of Code Section 48-9-2, for public mass transit vehicles  
 547 which are owned by public transportation systems which receive or are eligible to  
 548 receive funds pursuant to 49 U.S.C. Sections 5307 and 5311 for which passenger fares  
 549 are routinely charged and which vehicles are used exclusively for revenue generating  
 550 purposes which motor fuel sales occur at bulk purchase facilities approved by the  
 551 department.

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

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

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

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

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

579 **SECTION 4-17.**

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

582

**PART V**

583

**SECTION 5-1.**

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

587 "(3.1) Notwithstanding any other provision of this subsection, a county (within the  
 588 territorial limits of the special district located within the county) and the municipalities  
 589 within a county in which a trade and convention center authority has been created by  
 590 intergovernmental contract between a county and one or more municipalities located  
 591 therein, and which trade and convention center authority is in existence on or before  
 592 March 21, 1988, and which trade and convention center authority has not constructed or  
 593 operated any facility before March 21, 1988, may levy a tax under this Code section at  
 594 a rate of 6 percent. A county or municipality levying a tax pursuant to this paragraph  
 595 shall expend (in each fiscal year during which the tax is collected under this paragraph)  
 596 an amount equal to at least 62 1/2 percent of the total taxes collected at the rate of 6  
 597 percent for the purpose of: (A) promoting tourism, conventions, and trade shows; (B)  
 598 funding, supporting, acquiring, constructing, renovating, improving, and equipping  
 599 buildings, structures, and facilities, including, but not limited to, a trade and convention  
 600 center, exhibit hall, conference center, performing arts center, accommodations facilities,  
 601 including food service, or any combination thereof, for convention, trade show, athletic,  
 602 musical, theatrical, cultural, civic, and performing arts purposes and other events and  
 603 activities for similar and related purposes, acquiring the necessary property therefor, both  
 604 real and personal, and funding all expenses incident thereto, and supporting, maintaining,  
 605 and promoting such facilities owned, operated, or leased by or to the local trade and  
 606 convention center authority; or (C) for some combination of such purposes; provided,  
 607 however, that at least 50 percent of the total taxes collected at the rate of 6 percent shall  
 608 be expended for the purposes specified in subparagraph (B) of this paragraph. Amounts  
 609 so expended shall be expended only through a contract or contracts with the state, a  
 610 department of state government, a state authority, a convention and visitors bureau  
 611 authority created by local Act of the General Assembly for a municipality, a local  
 612 building authority created by local constitutional amendment, and a trade and convention  
 613 center authority created by intergovernmental contract between a county and one or more  
 614 municipalities located therein, or a private sector nonprofit organization or through a  
 615 contract or contracts with some combination of such entities. The aggregate amount of  
 616 all excise taxes imposed under this paragraph and all sales and use taxes, and other taxes  
 617 imposed by a county or municipality, or both, shall not exceed ~~13~~ 13.5 percent. Any tax

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

647 "(4.1) Notwithstanding any other provision of this subsection, a county (within the  
 648 territorial limits of the special district located within the county) or municipality within  
 649 a county in which a coliseum authority has been created by local Act of the General  
 650 Assembly and which authority is in existence on or before July 1, 1963, for the purpose  
 651 of owning or operating a facility, may levy a tax under this Code section at a rate of 7  
 652 percent. A county or municipality levying a tax pursuant to this paragraph shall expend  
 653 (in each fiscal year during which the tax is collected under this paragraph) an amount  
 654 equal to at least 62 1/2 percent of the total taxes collected at the rate of 7 percent for the

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

691 "(5.1) Notwithstanding any other provision of this subsection, a county (within the  
692 territorial limits of the special district located within the county) and the municipalities  
693 within a county in which a coliseum and exhibit hall authority has been created by local  
694 Act of the General Assembly for a county and one or more municipalities therein, and  
695 which local coliseum and exhibit hall authority is in existence on or before January 1,  
696 1991, and which local coliseum and exhibit hall authority has not constructed or operated  
697 any facility before January 1, 1991, may levy a tax under this Code section at a rate of 8  
698 percent. A county or municipality levying a tax pursuant to this paragraph shall expend  
699 (in each fiscal year during which the tax is collected under this paragraph) an amount  
700 equal to at least 62 1/2 percent of the total taxes collected at the rate of 8 percent for the  
701 purpose of: (A) promoting tourism, conventions, and trade shows; (B) funding,  
702 supporting, acquiring, constructing, renovating, improving, and equipping buildings,  
703 structures, and facilities, including, but not limited to, a coliseum, exhibit hall, conference  
704 center, performing arts center, or any combination thereof, for convention, trade show,  
705 athletic, musical, theatrical, cultural, civic, and performing arts purposes and other events  
706 and activities for similar and related purposes, acquiring the necessary property therefor,  
707 both real and personal, and funding all expenses incident thereto, and supporting,  
708 maintaining, and promoting such facilities owned, operated, or leased by or to the local  
709 coliseum and exhibit hall authority or a downtown development authority; or (C) for  
710 some combination of such purposes; provided, however, that at least 50 percent of the  
711 total taxes collected at the rate of 8 percent shall be expended for the purposes specified  
712 in subparagraph (B) of this paragraph. Amounts so expended shall be expended only  
713 through a contract or contracts with the state, a department of state government, a state  
714 authority, a convention and visitors bureau authority created by local Act of the General  
715 Assembly for a municipality, a local coliseum and exhibit hall authority, a downtown  
716 development authority, or a private sector nonprofit organization or through a contract  
717 or contracts with some combination of such entities, notwithstanding any provision of  
718 paragraph (8) of this subsection to the contrary. The aggregate amount of all excise taxes  
719 imposed under this paragraph and all sales and use taxes, and other taxes imposed by a  
720 county or municipality, or both, shall not exceed ~~13~~ 13.5 percent; provided, however, that  
721 any sales tax for educational purposes which is imposed pursuant to Article VIII, Section  
722 VI, Paragraph IV of the Constitution shall not be included in calculating such limitation.  
723 Any tax levied pursuant to this paragraph shall terminate not later than December 31,  
724 2028, provided that during any period during which there remains outstanding any  
725 obligation issued to fund a facility as contemplated by this paragraph, secured in whole  
726 or in part by a pledge of a tax authorized under this Code section, the powers of the  
727 counties and municipalities to impose and distribute the tax imposed by this paragraph

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

755 "(7)(A) Any municipality which is levying an excise tax under paragraph (5) of  
 756 subsection (a) of this Code section, so long as any obligation as described in division  
 757 (a)(5)(A)(ii) or subparagraph (a)(5)(B) of this Code section remains outstanding, shall  
 758 leave such excise tax in effect at the rate of 7 percent and may levy up to an additional  
 759 1 percent excise tax under this paragraph so long as the combined rate does not exceed  
 760 ~~8~~ 8.5 percent."

761

**PART VI**

762

**SECTION 6-1.**

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

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

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

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

776

**PART VII**

777

**SECTION 7-1.**

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

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

783

**SECTION 7-2.**

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