



# CAPITAL RETAIL REPORT



December 26, 2008

IN THIS ISSUE: **ALERT! ALERT! ALERT!**

**THIS IS A CRITICAL ISSUE** - LOCAL SALES TAX STUDY COMMITTEE TO MEET

**PREVIOUSLY REPORTED PRE-FILED LEGISLATION  
QUOTE TO PONDER**

### Local Sales Tax Study Committee to Meet

On Monday of this week House Majority Leader Jerry Keen told GRA Board Chair Anthony Waters that the House may support an effort which is building in the state Senate to have sales tax collections and audits performed by each of Georgia's 150 counties.

The Senate Study Committee chaired by Chip Rogers will meet on Monday January 5, at 10:00 AM in room 450 of the Capitol.

This will be our last and only chance to provide testimony to the committee prior to them submitting a report to the Senate.

It means that control of tax collections will be done locally at each county, and perhaps each city level. It will greatly increase your chances of having your business operations interrupted by a local audit of your operations; it will force you to supply county, and perhaps, store-by-store tax reports and checks.

As a retailer you do not want this legislation to pass!!!!

Please plan on coming to the Capitol on Monday, January 5 and let the Senators know how you feel about this. The counties and cities have been out in mass to support this effort.

Please don't allow the busy Christmas shopping season to deter you from speaking up against this bill.

If you cannot attend please let the following Senators know that you strongly oppose this idea.

Chip Rogers	<a href="mailto:chiprogers2@comcast.net">chiprogers2@comcast.net</a>	404-463-2535 (fax)
Mitch Seabaugh	<a href="mailto:mail@mitchseabaugh.com">mail@mitchseabaugh.com</a>	404-651-6768 (fax)
John Wiles	<a href="mailto:john@johnwiles.com">john@johnwiles.com</a>	404-657-0459 (fax)
Tim Golden	<a href="mailto:tim.golden@seante.ga.gov">tim.golden@seante.ga.gov</a>	404-463-4226(fax)
Emanuel Jones	<a href="mailto:emanj@mindspring.com">emanj@mindspring.com</a>	404-657-7853(fax)



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## Previously Reported, Pre-Filed Legislation

**SB 7 - Truth in Testimony Act**, sponsored by Senator Ed Tarver, would allow committee and subcommittee chairmen to require a person providing testimony before the committee to take an oath before testifying. Curiously, the bill would not apply to legislators. A similar bill introduced in 2008 did not make it out of the Senate.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/sb7.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/sb7.htm)

**SB 9 – Removing the Requirement that Concealed Weapons Must Be Kept in a Holster**, sponsored by Senator John Douglas, Republican 17<sup>th</sup>, would allow individuals to conceal a weapon in a person's clothing, handbag, purse, attaché case, briefcase, or other closed container, as well as a holster.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/sb9.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/sb9.htm)

**SB 10 - Single Dose Pseudoephedrine (60 Milligram Or Less) From Controlled Substances**, sponsored by Senator John Douglas, Republican 17<sup>th</sup>, would remove the exception for pseudoephedrine in a single dose unit of 60 milligrams or less, when a single dosage unit is 60 mg. or less or when manufactured in an extended release form with a dosage unit of 240 mg or less from the list of controlled substances, thereby making it available by prescription only.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/sb10.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/sb10.htm)

**HR 1 – Cap on Assessments**, Representative Edward Lindsey, a Republican from Atlanta, along with House Majority Leader Jerry Keen as cosponsor, have sponsored a resolution calling for a constitutional amendment to cap the rate of property tax reassessment at the lesser of 3 percent or the rate of inflation.

[http://www.legis.ga.gov/legis/2009\\_10/sum/hr1.htm](http://www.legis.ga.gov/legis/2009_10/sum/hr1.htm)

**HR 3 – Provided for an Immediate Consideration of Gubernatorial Vetoes**, sponsored by Kevin Levitas, an Atlanta Democrat, would call for an immediate consideration of a vote to override a veto by the other Chamber of the General Assembly. (During the 2008 session, the House voted to override 12 vetoes by Governor Sonny Perdue, but Senate allowed one to come to a vote.)

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/hr3.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/hr3.htm)

**HB 4 - Income Tax Credit for ad Valorem Taxes**, sponsored by Representative Kevin Levitas, a Democrat from Atlanta, would allow a credit against qualified ad valorem tax expenses in an amount not to exceed the actual amount expended. The tax credit, as proposed by Levitas, could not exceed the taxpayer's income tax liability, nor could the amount of unused tax credit be used against succeeding years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability. The qualifier is that in any tax year in which the commissioner determines that the aggregate amount of state reserve funds is less than \$500 million, no tax credit shall be claimed or allowed under this Code section for that tax year.

[http://www.legis.ga.gov/legis/2009\\_10/versions/hb4\\_LC\\_18\\_7682\\_pf\\_2.htm](http://www.legis.ga.gov/legis/2009_10/versions/hb4_LC_18_7682_pf_2.htm)

**HB 5 - Income Tax Credit for Qualified Ad Valorem Tax Expenses**, sponsored by Representative Kevin Levitas, a Democrat from Atlanta, would provide a credit for ad Valorem taxes on real property and personal property used for business or commercial purposes. This bill also contain the qualifier that in any tax year in which the commissioner determines that the aggregate amount of state reserve funds is less than \$500 million, no tax credit shall be claimed or allowed under this Code section for that tax year.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/hb5.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/hb5.htm)



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**HB 6 - Sales and use tax for energy or water efficient products:** sponsored by Representative Kevin Levitas, a Democrat from Atlanta, would provide for an exemption from sales and use tax with respect to certain sales of certain energy efficient products or water efficient product; with a sales price of \$1,500.00 or less per product purchased for noncommercial home or personal use from 12:01 A.M. on October 1, 2009, and concluding at 12:00 Midnight on October 4, 2009.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/hb6.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/hb6.htm)

**HB 17 – Elimination of Corporate Income Taxes,** sponsored by Tim Bearden, a Republican from Villa Rica, entitled the Small Business and Jobs Protection Act of 2009," would eliminate corporate income taxes, beginning January 1, 2010.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/hb17.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/hb17.htm)

**HB 18 – Elimination of ad Valorem Inventory Taxes,** was also pre-filed by Representative Tim Bearden, a Republican from Villa Rica. The bill "Small Business and Jobs Protection Act of 2010," would exempt the inventory of a business from ad Valorem taxes.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/hb18.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/hb18.htm)

**HB 19 – Use of Cell Phones While Driving,** sponsored by Mary Margaret Oliver, a Democrat from Decatur, would amend Title 40 of the Official Code of Georgia to make it a misdemeanor, subject to one point, for the use of wireless communication device while driving.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/hb19.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/hb19.htm)

**HB 23 – Prohibiting Cell Phone Use by Teens While Driving,** sponsored by Matt Ramsey, Republican 72nd, Tom Rice, Republican 51st, Edward Lindsey, Republican 54th would amend Title 40 of the Official Code of Georgia to make it a misdemeanor, subject to one point, for the use of wireless communication device while driving.

[http://www.legis.ga.gov/legis/2009\\_10/versions/hb23\\_LC\\_34\\_1947\\_pf\\_2.htm](http://www.legis.ga.gov/legis/2009_10/versions/hb23_LC_34_1947_pf_2.htm)

**HB 25 – Estimated Tax Liability Sales and Use Tax Returns,** sponsored by Martin Scott, Republican 2<sup>nd</sup>, would remove the requirement for a merchant to file a return and remit to the revenue commissioner for estimated sales and use tax liability.

[http://www.legis.ga.gov/legis/2009\\_10/fulltext/hb25.htm](http://www.legis.ga.gov/legis/2009_10/fulltext/hb25.htm)

## Quote to Ponder

"Politics is the art of looking for trouble, finding it whether it exists or not, diagnosing it incorrectly, and applying the wrong remedy." **Ernest Benn**

Thank you,

John C. Heavener, MSM, CAE  
President, Georgia Retail Association

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**About GRA:** The Georgia Retail Association, with membership that comprises all retail formats and channels of distribution including department, specialty, discount, catalog, Internet, independent stores, and grocery stores has been serving the state's business community since 1961. The Georgia Retail Association represents an industry with more than 71,300 retail establishments, and more than 715,000 employees - about one in five of Georgia's workers – with annual sales of more than \$115 billion.