

Senate Bill 65

By: Senators Harper of the 7th, Gooch of the 51st, Martin of the 9th, Anderson of the 24th, Ligon, Jr. of the 3rd and others

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Chapter 5C of Title 48 of the Official Code of Georgia Annotated, relating to
2 alternative ad valorem tax on motor vehicles, so as to provide that the transfer of a title from
3 one legal entity in which an individual holds an ownership interest of at least 50 percent to
4 another legal entity in which the same individual holds an ownership interest of at least 50
5 percent does not constitute a taxable event; to provide for related matters; to repeal
6 conflicting laws; and for other purposes.

7 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

8 **SECTION 1.**

9 Chapter 5C of Title 48 of the Official Code of Georgia Annotated, relating to alternative ad
10 valorem tax on motor vehicles, is amended by revising paragraph (15) of subsection (d) of
11 Code Section 48-5C-1, relating to definitions, exemption from taxation, allocation and
12 disbursement of proceeds collected by tag agents, fair market value of vehicle appealable,
13 and report, as follows:

14 "(15) There shall be no liability for any state or local title ad valorem tax fees in any of
15 the following title transactions:

16 (A) The addition or substitution of lienholders on a motor vehicle title so long as the
17 owner of the motor vehicle remains the same;

18 (B) The acquisition of a bonded title by a person or entity pursuant to Code
19 Section 40-3-28 if the title is to be issued in the name of such person or entity;

20 (C) The acquisition of a title to a motor vehicle by a person or entity as a result of the
21 foreclosure of a mechanic's lien pursuant to Code Section 40-3-54 if such title is to be
22 issued in the name of such lienholder;

23 (D) The acquisition of a title to an abandoned motor vehicle by a person or entity
24 pursuant to Chapter 11 of Title 40 if such person or entity is a manufacturer or dealer
25 of motor vehicles and the title is to be issued in the name of such person or entity;

- 26 (E) The obtaining of a title to a stolen motor vehicle by a person or entity pursuant to
 27 Code Section 40-3-43;
- 28 (F) The obtaining of a title by and in the name of a motor vehicle manufacturer,
 29 licensed distributor, licensed dealer, or licensed rebuilder for the purpose of sale or
 30 resale or to obtain a corrected title, provided that the manufacturer, distributor, dealer,
 31 or rebuilder shall submit an affidavit in a form promulgated by the commissioner
 32 attesting that the transfer of title is for the purpose of accomplishing a sale or resale or
 33 to correct a title only;
- 34 (G) The obtaining of a title by and in the name of the holder of a security interest when
 35 a motor vehicle has been repossessed after default in accordance with Part 6 of Article 9
 36 of Title 11 if such title is to be issued in the name of such security interest holder;
- 37 (H) The obtaining of a title by a person or entity for purposes of correcting a title,
 38 changing an odometer reading, or removing an odometer discrepancy legend, provided
 39 that, subject to subparagraph (F) of this paragraph, title is not being transferred to
 40 another person or entity;
- 41 (I) The obtaining of a title by a person who pays state and local title ad valorem tax
 42 fees on a motor vehicle and subsequently moves out of this state but returns and applies
 43 to retitle such vehicle in this state;
- 44 (J) The obtaining of a replacement title on a vehicle that is not less than 15 years old
 45 upon sufficient proof provided to the commissioner that such title no longer exists;
- 46 (K) The transfer of a title made as a result of a business reorganization when the
 47 owners, partners, members, or stockholders of the business being reorganized maintain
 48 the same proportionate interest or share in the newly formed business reorganization;
- 49 (L) The transfer of a title from a company to an owner of the company for the purpose
 50 of such individual obtaining a prestige or special license plate for the motor vehicle;
- 51 ~~and~~
- 52 (M) The transfer of a title from an owner of a company to the company; and
- 53 (N) The transfer of a title from one legal entity in which an individual holds an
 54 ownership interest of at least 50 percent to another legal entity in which the same
 55 individual holds an ownership interest of at least 50 percent, provided that the
 56 alternative ad valorem tax imposed by this chapter has been levied on such motor
 57 vehicle and has been paid by the transferring entity or such individual."

58 SECTION 2.

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