

New 1% Sales Tax Effective Jan. 1, 2013

In November 2012, voters in 46 Georgia counties approved the special 1% sales tax, the proceeds of which are earmarked for transportation projects. Effective January 1, 2013, the 1% special district transportation sales tax must be collected on sales in the 46 counties. The additional sales tax expires in 10 years.

In 2010, the Georgia General Assembly passed the Transportation Investment Act. The Act created twelve special districts. Voters in each district were allowed to vote on the creation of a one percent special district transportation sales and use tax (which is known as TSPLOST). Voters in three districts approved the TSPLOST.

The Litwin Law Firm and Atlanta Tax Attorney Richard Litwin understands the importance of keeping clients informed of changes in the often complicated business of taxation. Sellers must begin collecting the TSPLOST on January 1, 2013. With some exceptions, those sales subject to the state 4% sales tax are also subject to the TSPLOST. Most fuel transactions (auto fuel sales, jet fuel sales and off-road heavy duty equipment fuel sales) are not subject to the new 1% tax. Also, the TSPLOST is imposed on the first \$5,000 of a transaction involving the sale or lease of a car. To learn more about the TSPLOST, including a list of the 46 counties affected by the TSPLOST, you can find Georgia Department of Revenue Informational Bulletin SUT 2012-2-10 at link, "https://etax.dor.ga.gov/salestax/bulletins/TSPLOST_IB_2012-12-10_-_updated.pdf".