

House Bill 806

By: Representatives Boddie of the 62<sup>nd</sup>, Dreyer of the 59<sup>th</sup>, and Schofield of the 60<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 4 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to water and sewer projects and costs tax (MOST), so as to redefine the term  
3 "municipality"; to provide for audits of such tax by the state auditor under certain conditions;  
4 to provide for related matters; to provide for an effective date; to repeal conflicting laws; and  
5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 4 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to  
9 water and sewer projects and costs tax (MOST), is amended in Code Section 48-8-200,  
10 relating to definitions regarding water and sewer projects and costs tax (MOST), by revising  
11 paragraph (3) as follows:

12 "(3) 'Municipality' means:

13 (A) A a municipality in which the average waste-water flow of such municipality is not  
14 less than 85 million gallons per day; or

15 (B) A municipality that operates a waste-water system that interconnects with the  
16 waste-water system of a municipality that has an average waste-water flow that is not  
17 less than 85 million gallons per day."

18 **SECTION 2.**

19 Said article is further amended by revising subsection (b) of Code Section 48-8-212, relating  
20 to utilization of tax proceeds by municipality, record keeping, use for general obligation debt,  
21 as follows:

22 "(b)(1) The governing authority of the municipality shall maintain a record of each and  
23 every water and sewer project and cost for which the proceeds of the tax are used. In each  
24 annual audit a schedule shall be included which shows for each ongoing such project the

25 original estimated cost, the current estimated cost if it is not the original estimated cost,  
26 amounts expended in prior years, and amounts expended in the current year. The auditor  
27 shall verify and test expenditures sufficient to provide assurances that the schedule is fairly  
28 presented in relation to the financial statements. The auditor's report on the financial  
29 statements shall include an opinion, or disclaimer of opinion, as to whether the schedule is  
30 presented fairly in all material respects in relation to the financial statements taken as a  
31 whole.

32 (2) The Governor, the Speaker of the House of Representatives, or the Lieutenant  
33 Governor may order, up to once each year, an independent and comprehensive audit of  
34 the tax imposed by this article to be conducted by the state auditor in a timely manner.  
35 The taxing jurisdiction under audit shall fully cooperate with the state auditor and provide  
36 all requested documents, records, or other relevant information. The results of such audit,  
37 regardless of who ordered the audit, shall be distributed to the Governor, the Speaker of  
38 the House of Representatives, the Lieutenant Governor, and the municipality imposing  
39 the tax."

40 **SECTION 3.**

41 This Act shall become effective upon its approval by the Governor or upon its becoming law  
42 without such approval.

43 **SECTION 4.**

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