



GMA's Transportation Funding Proposal

Adjust the Rate of Local Sales Taxes to Offset Removal of Motor Fuel from the Sales Tax Base

- Establish a taxation rate for all future LOSTs and SPLOSTs which make local governments whole;
- An adjusted rate which makes local governments whole will also allow for a continuation of property tax rollbacks and reduce the need for future property tax increases; and
- An adjusted local sales tax rate will be aimed at making local governments revenue neutral, while allowing for continued flexibility in local investment priorities.

These actions would be revenue neutral for local governments in the aggregate.

Amend the Transportation Investment Act (TIA) to Provide Regional Flexibility and Generate New Revenue for Transportation Purposes

- Allow TIA roundtables to initiate another attempt at crafting a viable regional project list without state legislative action.
- Allow roundtables to determine the length of the term of the tax.
- Allow regions to decide which election date is best to hold future referenda.
- Allow regional roundtables, by a supermajority vote, to select sub-regional configurations.
- Amend the local government “LARP factor” formula within the TIA so that lane miles of paved roads, rather than paved and unpaved centerline miles, are considered.

Side by Side Comparison of Local Tax Components
GMA Proposal vs. Current House Subcommittee Version (HB170)
February 11, 2015

House Subcommittee Version: Local Excise Gas Taxes	GMA Proposal: Adjustment in Sales Tax Rates
<ul style="list-style-type: none"> • Remove motor fuel from the sales tax base 	<ul style="list-style-type: none"> • Remove motor fuel from the sales tax base
<ul style="list-style-type: none"> • Allow up to 6cpg local excise gas tax increase by county ordinance 	<ul style="list-style-type: none"> • Statutorily adjust current local sales taxes to a rate which makes local governments whole (initial estimates are rates of approximately 1.15%)
<ul style="list-style-type: none"> • Revenues split by LMIG distribution as of January 1, 2015 	<ul style="list-style-type: none"> • Revenues split based on local agreements and voter determination
<ul style="list-style-type: none"> • Revenues may only be used for transportation purposes 	<ul style="list-style-type: none"> • Revenues used to keep property taxes low through local option sales tax (LOST) rollback provisions & to fund local priorities, including transportation
<ul style="list-style-type: none"> • Counties control the decision to raise local gas taxes, to refuse to impose tax, or to repeal any time 	<ul style="list-style-type: none"> • One-time statutory change; future SPLOST programs at voters discretion
<ul style="list-style-type: none"> • Creates varying motor fuel tax rates, high gas tax rates compared to border states and creates competition between GA counties 	<ul style="list-style-type: none"> • Tax rate remains stable