

#22

1301400

3297

<p align="center">13-0-1400</p> <p align="center">(Do Not Write Above This Line)</p>	<p align="center">First Reading</p> <p>Committee _____</p> <p>Date _____</p> <p>Chair _____</p> <p>Referred To _____</p>		<p align="center">FINAL COUNCIL ACTION</p> <p><input type="checkbox"/> 2nd <input type="checkbox"/> 1st & 2nd <input type="checkbox"/> 3rd</p> <p align="center">Readings</p> <p><input checked="" type="checkbox"/> Consent <input type="checkbox"/> V Vote <input checked="" type="checkbox"/> RC Vote</p>
<p>AN ORDINANCE <i>Joyce Shepherd</i></p> <p>BY COUNCILMEMBER JOYCE SHEPERD</p> <p>AN ORDINANCE TO AMEND CHAPTER 146, ARTICLE II, DIVISION ONE OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA TO CREATE A NEW SECTION 146-39 SO AS TO AUTHORIZE A 100% FREEPORT TAX EXEMPTION FOR MANUFACTURED AND PRODUCED GOODS AND INVENTORY IN THE CITY OF ATLANTA; TO FIX AN EFFECTIVE DATE OF JANUARY 1, 2015; TO DIRECT THE MUNICIPAL CLERK TO TRANSMIT THIS ORDINANCE TO THE STATE REVENUE COMMISSIONER; TO REPEAL CONFLICTING ORDINANCES AND RESOLUTIONS; AND FOR OTHER PURPOSES.</p> <p align="center">ADOPTED BY</p> <p align="center">DEC 02 2013</p> <p align="center">COUNCIL</p>	<p><i>F/E</i> Committee _____</p> <p>Date <i>11/25/13</i> _____</p> <p>Chair <i>[Signature]</i> _____</p> <p>Action _____</p> <p>Fav, Adv, Hold (see rev. side) _____</p> <p>Other _____</p> <p>Members _____</p> <p><i>U. Acubly</i> _____</p> <p><i>[Signature]</i> _____</p> <p><i>[Signature]</i> _____</p> <p><i>[Signature]</i> _____</p> <p><i>[Signature]</i> _____</p> <p>Refer To _____</p>	<p>Committee _____</p> <p>Date _____</p> <p>Chair _____</p> <p>Action _____</p> <p>Fav, Adv, Hold (see rev. side) _____</p> <p>Other _____</p> <p>Members _____</p> <p>Refer To _____</p>	<p align="center">CERTIFIED</p> <p align="center">DEC 02 2013</p> <p align="center">ATLANTA CITY COUNCIL PRESIDENT</p> <p><i>[Signature]</i></p> <p align="center">CERTIFIED</p> <p align="center">DEC 02 2013</p> <p align="center"><i>Rhonda Daughlin Johnson</i></p> <p align="center">MUNICIPAL CLERK</p>
<p><input type="checkbox"/> CONSENT REFER</p> <p><input type="checkbox"/> REGULAR REPORT REFER</p> <p><input type="checkbox"/> ADVERTISE & REFER</p> <p><input type="checkbox"/> 1st ADOPT 2nd READ & REFER</p> <p><input checked="" type="checkbox"/> PERSONAL PAPER REFER</p>	<p>Committee _____</p> <p>Date _____</p> <p>Chair _____</p> <p>Action _____</p> <p>Fav, Adv, Hold (see rev. side) _____</p> <p>Other _____</p> <p>Members _____</p> <p>Refer To _____</p>	<p>Committee _____</p> <p>Date _____</p> <p>Chair _____</p> <p>Action _____</p> <p>Fav, Adv, Hold (see rev. side) _____</p> <p>Other _____</p> <p>Members _____</p> <p>Refer To _____</p>	<p align="center">MAYOR'S ACTION</p> <p align="center">APPROVED</p> <p align="center">DEC 17 2013</p> <p align="center">WITHOUT SIGNATURE BY OPERATION OF LAW</p>
<p>Date Referred <i>11/18/13</i></p> <p>Referred To: <i>Fin/Exec</i></p> <p>Date Referred _____</p> <p>Referred To: _____</p> <p>Date Referred _____</p> <p>Referred To: _____</p>			



AN ORDINANCE

BY COUNCIL MEMBER(S) JOYCE SHEPERD

AN ORDINANCE TO AMEND CHAPTER 146, ARTICLE II, DIVISION ONE OF THE CODE OF ORDINANCES OF THE CITY OF ATLANTA TO CREATE A NEW SECTION 146-39 SO AS TO AUTHORIZE A 100% FREEPORT TAX EXEMPTION FOR MANUFACTURED AND PRODUCED GOODS AND INVENTORY IN THE CITY OF ATLANTA; TO FIX AN EFFECTIVE DATE OF JANUARY 1, 2015; TO DIRECT THE MUNICIPAL CLERK TO TRANSMIT THIS ORDINANCE TO THE STATE REVENUE COMMISSIONER; TO REPEAL CONFLICTING ORDINANCES AND RESOLUTIONS; AND FOR OTHER PURPOSES.

WHEREAS, in 1976 the Georgia General Assembly enacted a statute to authorize cities and counties to exempt certain business inventories from ad valorem taxation, known as a "Freeport Exemption;" and

WHEREAS, in accordance with state law, the City of Atlanta held a voter referendum on November 7, 1978, at which a majority of the municipal voters approved a Level 1 Freeport Exemption; and

WHEREAS, the City has previously granted a 20% Freeport Exemption in accordance with Georgia law; and

WHEREAS, the jurisdictions surrounding Atlanta, including Fulton County, DeKalb County, Cobb County, as well as the municipalities of Alpharetta, East Point, Fairburn, Roswell and Union City have all granted a 100% exemption, thus putting the City of Atlanta at a competitive disadvantage; and

WHEREAS, the City wishes to engender a competitive business environment for manufacturers to remain, relocate or expand their operations in the City of Atlanta; and

WHEREAS, the City therefore wishes to increase the Level 1 Freeport Exemption to the 100% exemption level authorized by O.C.G.A. §48-5-48.2.



NOW THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA as follows:

Section One:That Chapter 146, Article II, Division One of the Code of Ordinances be amended by creating a new Section 146-39 to read as follows:

Section 146-39 Level 1 Freeport exemptions.

- (a) In accordance with O.C.G.A. §48-5-48.2, as it may be amended from time to time, all the following types of tangible personal property are exempted from ad valorem taxation, as provided in subsection (b) of this section, including all such taxes levied for educational purposes and for state purposes, within the city:
- (1) Inventory of goods in the process of manufacture or production which shall include all partly finished goods and raw materials held for direct use or consumption in the ordinary course of the taxpayer's manufacturing or production business in the State of Georgia. The exemption provided for herein shall apply only to tangible personal property which is substantially modified, altered or changed in the ordinary course of the taxpayer's manufacturing, processing, or production operations in this state.
 - (2) Inventory of finished goods manufactured or produced within the State of Georgia in the ordinary course of the taxpayer's manufacturing or production business when held by the original manufacturer or producer of such finished goods. The exemption provided for herein shall be for a period not exceeding 12 months from the date the property is produced or manufactured.
 - (3) Inventory of finished goods which, on January 1, are stored in a warehouse, dock, or wharf, whether public or private, and which are destined for shipment to a final destination outside the State of Georgia and inventory of finished goods which are shipped into the State of Georgia from outside this state and stored for transshipment to a final destination outside this state. The exemption provided for herein shall be for a period not exceeding 12 months from the date the property is stored in this state. All property that is claimed to be exempt under the provisions of this subsection shall be designated as being in transit upon the official books and records of the warehouse, dock, or wharf, whether public or private, where this property is being stored. All official books and records shall contain a full, true, and accurate inventory of all such property, including the date of the receipt of the property, the date of the withdrawal of the property, the point of origin of the property, and the



point of final destination of the same, if known. The official books and records of any warehouse, dock, or wharf, whether public or private, pertaining to any in transit property, shall be at all times open to the inspection of all taxing authorities of this state, the city, and the county.

(4) As used in this section, the following words, terms and phrases are defined as follows:

- a. *Destined for shipment to a final destination outside this state* means, for purposes of this Level 1 Freeport Exemption, that portion or percentage of an inventory of finished goods which the taxpayer can establish, through a historical sales or shipment analysis, either of which utilizes information from the preceding calendar year, or other reasonable, documented method, is reasonably anticipated to be shipped to a final destination outside this state. Such other reasonable, documented method may only be utilized in the case of a new business, in the case of a substantial change in scope of an existing business, or in other unusual situations where a historical sales or shipment analysis does not adequately reflect future anticipated shipments to a final destination outside this state. It is not necessary that the actual final destination be known as of January 1 in order to qualify for the exemption.
- b. *Finished goods* means, for purposes of this Level 1 Freeport Exemption, goods, wares, and merchandise of every character and kind, but shall not include unrecovered, unextracted, or unsevered natural resources, or raw materials, or goods in the process of manufacture or production, or the stock-in-trade of a retailer.
- c. *Foreign merchandise in transit* means, for purposes of a Level 1 Freeport Exemption, any goods which are in international commerce where the title has passed to a foreign purchaser and the goods are temporarily stored in this state while awaiting shipment overseas.
- d. *Raw materials* means, for purposes of this Level 1 Freeport Exemption, any material whether crude or processed that can be converted by manufacture, processing, or combination into a new



and useful product, but shall not include unrecovered, unextracted, or unsevered natural resources.

- (b) All types of tangible personal property as stated in subsection (a) of this section shall be exempted at 100 percent of the value of such property.
- (c) Taxpayers desiring to make application for this exemption must do so on forms provided for this purpose by the Finance Department and must supply any additional information that may be requested which is necessary to determine the qualification for and amount of said exemption

Section Two: This ordinance shall become effective as of January 1, 2015.

Section Three: The Municipal Clerk is directed to transmit a copy of this ordinance to the State Revenue Commissioner.

Section Four: All ordinances or resolutions or parts of ordinances or resolutions in conflict herewith are hereby repealed to the extent of the conflict.

A true copy,


Deputy Clerk

ADOPTED by the Atlanta City Council
APPROVED as per City Charter Section 2-403

DEC 02, 2013
DEC 11, 2013

RCS# 3178
12/02/13
3:26 PM

Atlanta City Council

CONSENT I

CONSENT AGENDA SECTION I:EXCEPT
13-O-1333,1334,1264,1395,13-R-3783,3785
ADOPT

YEAS: 14
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 1

Y Smith	Y Archibong	Y Moore	Y Bond
B Hall	Y Wan	Y Martin	Y Watson
Y Young	Y Shook	Y Bottoms	Y Willis
Y Winslow	Y Adrean	Y Sheperd	NV Mitchell

CONSENT I

+

		12-02-13
ITEMS ADOPTED ON CONSENT	ITEMS ADOPTED ON CONSENT	ITEMS ADVERSED ON CONSENT
1. 13-O-1100	41. 13-R-3792	79. 13-R-3806
2. 13-O-1398	42. 13-R-3850	80. 13-R-3807
3. 13-O-1386	43. 13-R-3851	81. 13-R-3808
4. 13-O-1387	44. 13-R-3852	82. 13-R-3809
5. 13-O-1400	45. 13-R-3853	83. 13-R-3810
6. 13-O-1401	46. 13-R-3854	84. 13-R-3811
7. 13-O-1402	47. 13-R-3855	85. 13-R-3812
8. 13-O-1403	48. 13-R-3856	86. 13-R-3813
9. 13-O-1404	49. 13-R-3857	87. 13-R-3814
10. 13-O-1405	50. 13-R-3858	88. 13-R-3815
11. 13-O-1406	51. 13-R-3859	89. 13-R-3816
12. 13-O-1407	52. 13-R-3869	90. 13-R-3817
13. 13-O-1408	53. 13-R-3786	91. 13-R-3818
14. 13-O-1411	54. 13-R-3846	92. 13-R-3819
15. 13-O-1412	55. 13-R-3849	93. 13-R-3820
16. 13-O-1413	56. 13-R-3871	94. 13-R-3821
17. 13-O-1415	57. 13-R-3872	95. 13-R-3822
18. 13-O-1389	58. 13-R-3795	96. 13-R-3823
19. 13-O-1390	59. 13-R-3796	97. 13-R-3824
20. 13-O-1391	60. 13-R-3873	98. 13-R-3825
21. 13-O-1392	61. 13-R-3874	99. 13-R-3826
22. 13-O-1397	62. 13-R-3875	100. 13-R-3827
23. 13-O-1388	63. 13-R-3876	101. 13-R-3828
24. 13-O-1356	64. 13-R-3877	102. 13-R-3829
25. 13-O-1393	65. 13-R-3878	103. 13-R-3830
26. 13-O-1210	66. 13-R-3782	104. 13-R-3831
27. 13-O-1262	67. 13-R-3860	105. 13-R-3832
28. 13-O-1325	68. 13-R-3777	106. 13-R-3833
29. 13-O-1326	69. 13-R-3779	107. 13-R-3834
30. 13-R-3794	70. 13-R-3797	108. 13-R-3835
31. 13-R-3861	71. 13-R-3798	109. 13-R-3836
32. 13-R-3862	72. 13-R-3799	110. 13-R-3837
33. 13-R-3863	73. 13-R-3800	111. 13-R-3838
34. 13-R-3864	74. 13-R-3801	112. 13-R-3839
35. 13-R-3865	ITEMS ADVERSED ON	113. 13-R-3840
36. 13-R-3866	CONSENT	114. 13-R-3841
37. 13-R-3867	75. 13-R-3802	115. 13-R-3842
38. 13-R-3689	76. 13-R-3803	116. 13-R-3843
39. 13-R-3778	77. 13-R-3804	117. 13-R-3844
40. 13-R-3790	78. 13-R-3805	118. 13-R-3845