

CHAPTER 45: RENTAL MOTOR VEHICLE EXCISE TAX

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45-101. Definitions.

For purposes of this article, the following terms shall have the following meanings respectively ascribed to them.

Month or monthly period shall mean the calendar months of any year.

Rental charge means the total value received by a rental motor vehicle concern for the rental or leave for 31 or fewer consecutive days of a rental motor vehicle, including the total cash and nonmonetary consideration for the rental or lease including, but not limited to, charges based on time or mileage and charges for insurance coverage or collision damage waiver, but excluding all charges for motor fuel taxes or sales taxes.

Rental motor vehicle means a motor vehicle designed to carry ten or fewer passengers and used primarily for the transportation of persons that is rented or leased without a driver regardless of whether such vehicle is licensed in the State of Georgia.

Rental motor vehicle concern means a person or legal entity which owns or leases five or more rental motor vehicles and which regularly rents or leases such vehicles to the public for value.

Tax, Excise tax or taxes shall mean the tax imposed by this article.

45-102. Authority; rules and regulations; records.

- (a) *Authority.* The City Clerk shall administer and enforce this article for the levy and collection of the tax.

- (b) *Rules and regulations.* The City Clerk shall have the power and authority to make and publish reasonable rules and regulations not inconsistent with this article or other laws of the city and the state or the constitution of this state or the United States for the administration and enforcement of this article and the collection of the tax under this article.
- (c) *Records required.* Every rental motor vehicle concern subject to this article shall keep such records, receipts, invoices and other pertinent papers in such form as the City Clerk may require.

45-103. Excise tax levied; collection.

- (a) There is hereby assessed and levied an excise tax upon each rental charge collected by any rental motor vehicle concern when such charge constitutes a taxable event for the purposes of the sales and use tax as provided for under O.C.G.A. ch. 8, art. I, as amended. The tax levied pursuant to this article shall be in the amount of **three** percent of the rental charge as defined herein. The tax levied pursuant to this article shall be imposed only at the time when and the place where a customer pays sales tax with respect to the rental charge. The customer who pays a rental charge that is subject to the tax levy as provided in this article shall be liable for the tax. The tax shall be paid by the customer to the rental motor vehicle concern. The tax shall be a debt of the customer to the rental motor vehicle concern until it is paid and shall be recoverable at law in the same manner as authorized for the recovery for other debts.
- (b) The rental motor vehicle concern collecting the tax shall remit the tax to the City Clerk of the City of Lawrenceville, Georgia and the tax thus remitted shall be a credit against the tax imposed by this article on the rental motor vehicle concern. Every rental motor vehicle concern subject to the tax levied by this article shall be liable for the tax at the rate of **three** percent upon the rental charges actually collected or the amount of taxes collected from the customers, whichever is greater.

45-104. Purposes for proceeds from tax.

The following projects and purposes for which the proceeds of the tax levied by this article are to be expended are specified as follows:

- (1) Promoting industry trade, commerce and tourism.
- (2) Maintenance and operation expenses or security and public safety expenses associated with subsection (2) of this section.

45-105. Exceptions.

No tax shall be imposed pursuant to this article on the rental charge associated with the rental or lease of a rental motor vehicle if either:

- (1) The customer picks up the rental motor vehicle outside the State of Georgia and returns it within the State of Georgia;
- (2) The customer picks up the rental motor vehicle in the State of Georgia and returns it outside the State of Georgia.

45-106. Amount of tax allowed to be retained for expenses.

Each rental motor vehicle concern collecting the tax imposed by this article shall be allowed to retain three percent of the tax due and collected and may retain that amount in the form of a deduction for expenses incurred in submitting, reporting and paying the amount of taxes due, if the amounts due are not delinquent at the time of payment.

45-107. Statement required showing gross rental charges and taxes.

- (a) On or before the last day of each month following the month of July 1999, the rental motor vehicle concern liable for the tax provided for herein shall transmit to the City Clerk for the City, a statement showing the gross rental charges and gross taxes collected by authority of this article for each preceding calendar month. Along with said statement, the rental motor vehicle concern shall submit to the City Clerk the net taxes due for that particular month.
- (b) Failure to remit taxes by the due date shall subject the rental motor vehicle concern to a penalty of five percent of the tax then due, and in addition to such penalty, interest thereon on the unpaid principal amount due, computed at the rate of one percent per month.

45-108. Records.

In order to aid in the administration and enforcement of the provisions of this article and to collect all the tax imposed, all rental motor vehicle concerns are hereby required to keep a record of all rental charges for rental motor vehicles and taxes collected which are related thereto. Said records shall be open for inspection and copying by any duly authorized agent of the City during regular business hours.

45-109. Deficiency determinations.

- (a) If the City Clerk is not satisfied with the return or returns of the excise tax provided for herein, or the amount of the tax required to be paid to the City by any rental motor vehicle concern he may compute and determine the amount required to be paid upon the

basis of any information within his possession or that may come into his possession. One or more deficiency determinations may be made of the amount due for the one or more monthly periods.

- (b) The amount of the determination made by the City Clerk shall bear interest at the rate of one percent per month or fraction thereof from the due date of the taxes found to be due by him.
- (c) The City Clerk or his designated representative shall give to the rental motor vehicle concern a written notice of any such determination. The notice may be served personally or by mail and if by mail the service shall be addressed to the operator or the owner of the rental motor vehicle concern at the address as the same appears in the records of the City Clerk as provided to him by each rental motor vehicle concern. Service by mail is complete when delivered by certified mail with a receipt signed by an addressee or agent of the addressee.
- (d) Except in cases of failure to make a return, every notice of deficiency determination shall be mailed within three years after the last day of the calendar month following the monthly period in which the amount proposed to be determined or within three years after the return is filed, whichever period shall expire last.

45-110. Failure to make a return.

- (a) If any rental motor vehicle concern fails to make a return, the City Clerk shall make an estimate of the excise tax due. The estimate shall be made for the period or periods in respect to which the rental motor vehicle concern has failed to make the return and shall be based upon such information which is or may come into the possession of the City Clerk. Written notice shall be given in the manner as prescribed above in Section 44-109.
- (b) The amount of the determination shall bear interest at the rate of one percent per month or fraction thereof from the last day of the month following the monthly period for which the amount of any portion thereof should have been returned until the date of payment.

45-111. Audit authority.

Duly authorized employees of the City upon exhibition of identification and during regular business hours may examine and copy the books, papers, records, financial reports equipment and other facilities if necessary of any rental motor vehicle concern in order to verify the accuracy of any return made pursuant to this article, or if no return is made by the rental motor vehicle concern, to ascertain or determine the amount of tax required to be paid.

45-112. Withholding tax on sale of business.

- (a) If any rental motor vehicle concern liable for any amount under this article transfers or sells its business or quits the business, its successors or assigns shall withhold sufficient amounts from the purchase price to cover the amount required to be paid pursuant to this article until the former owner or operator of the rental motor vehicle concern produces a receipt from the City Clerk or his designee showing that the indebtedness has been paid or a certificate stating that no amount is due.
- (b) If the purchaser of a business or rental motor vehicle concern fails to withhold from the purchase price as required herein such purchaser shall be personally liable for the payment of the amount of the outstanding tax required to be withheld by him to the extent of such purchase price.

45-113. Penalty for violation.

- (a) In addition to the interest charges and delinquent penalties specified in this article any person violating any provision of this article shall be deemed guilty of an offense and upon conviction thereof shall be punished by the municipal court for the City of Lawrenceville in accordance with the limits established by the City of Lawrenceville. Such persons shall be guilty of a separate offense for each and every day during which any violation of any provision of this article is committed, continued, or permitted by that person and shall be punished accordingly.
- (b) The tax levied by this article shall be effective on the first day of July 1999, and shall continue until its permissible existence shall expire as provided by law, or until otherwise terminated by the Georgia General Assembly or the Lawrenceville City Council.