

**RULES OF
THE GEORGIA DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**CHAPTER 159-3-1
COMPETITIVE PROJECTS OF REGIONAL SIGNIFICANCE**

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159-3-1-.01 Sales and Use Tax Exemption for Competitive Projects of Regional Significance

- (1) Purpose. This rule provides guidance concerning the eligibility criteria for the sales and use tax exemption on construction materials for competitive projects of regional significance under O.C.G.A. § 48-8-3(93).
- (2) Cross-Reference. This rule shall be construed in harmony with the Rules of the Georgia Department of Revenue, Sales and Use Tax Division, Chapter 560-12-2, Substantive Rules and Regulations, Rule 560-12-2-.20, entitled Competitive Projects of Regional Significance.

Authority: O.C.G.A. § 48-8-3(93)(D)

159-3-1-.02 Definitions

- (1) ‘Business Enterprise’ means any business or the headquarters of any such business which is engaged in manufacturing, including, but not limited to, the manufacturing of alternative energy products for use in solar, wind, battery, bioenergy, biofuel, and electric vehicle enterprises, warehousing and distribution, processing, telecommunications, broadcasting, research and development industries, biomedical manufacturing, and services for the elderly and persons with disabilities. Such term shall not include retail businesses.
- (2) ‘Competitive Project of Regional Significance’ means the location or expansion of some or all of a Business Enterprise’s operations in this state where the Commissioner of Economic Development determines that the project would have a significant regional impact.

Authority: O.C.G.A. § 48-8-3(93)(D)

159-3-1-.03 Eligible Projects

- (1) Every project certified must be a ‘competitive project,’ which requires that:
 - (a) The project considered for this exemption would otherwise locate outside of the state of Georgia without this incentive; and
 - (b) The taxpayer provides a letter attesting to the competitiveness of the project.
- (2) The project must be ‘regionally significant.’ A determination of regional significance will be made by the Commissioner of Economic Development and be based on factors including but not limited to:
 - (a) The projects geographic location within the State of Georgia;
 - (b) The number of jobs created by the project;
 - (c) The amount of private investment created by the project;
 - (d) The average wage of the jobs created by the project;
 - (e) The Commissioner’s determination that the project would have a significant regional impact; and
 - (f) Any other factors considered important by the Commissioner.
- (3) The following development types shall not be eligible for the exemption provided for in O.C.G.A. § 48-8-3(93):
 - (a) Commercial developments;
 - (b) Retail developments;
 - (c) Residential developments;
 - (d) Speculative industrial developments.

Authority: O.C.G.A. § 48-8-3(93)(D)

159-3-1-.04 Eligible Projects. This chapter shall be applicable to taxable years beginning on or after January 1, 2021. Taxable years beginning before January 1, 2021.

Authority: O.C.G.A. § 48-8-3(93)(D)