

# HALL COUNTY GOVERNMENT BOARD OF COMMISSIONERS



POST OFFICE DRAWER 1435  
GAINESVILLE, GEORGIA 30503  
(770) 535-8288  
FAX (770) 531-3972

TOM OLIVER  
CHAIRMAN

BOBBY BANKS, DISTRICT 1  
BILLY POWELL, DISTRICT 2  
STEVE GAILEY, DISTRICT 3  
ASHLEY BELL, DISTRICT 4

CHARLEY NIX  
COUNTY ADMINISTRATOR

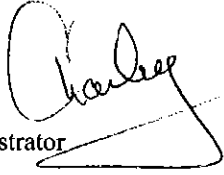
PHIL SUTTON  
ASSISTANT COUNTY  
ADMINISTRATOR

HEATHER BENNETT  
COMMISSION CLERK

JESSICA YORK  
EXECUTIVE ASSISTANT

## MEMORANDUM

To: Hall County Board of Commissioners  
Hall County School Board  
City of Gainesville School Board  
Gainesville City Council  
Braselton City Council  
Buford City Council  
Clermont City Council  
Gillsville City Council  
Flowery Branch City Council  
Lula City Council  
Oakwood City Council

From: Charley Nix, County Administrator 

Cc: Phil Sutton, Assistant County Administrator  
Heather Bennett, Commission Clerk

Date: January 12, 2010

Re: Proposed Legislation regarding Sales Tax Collections – Meeting at the  
Gainesville Civic Center at 9:00 a.m. on Thursday, January 21, 2010

You may be aware that Hall County and its cities has been participating in a pilot study for the last five months to ensure that the County, its school boards and municipalities are receiving the proper amount of sales tax collected from local businesses. Through this assessment we have identified a number of potential opportunities to improve sales tax collections, which have been well received by the Georgia Department of Revenue. However, we believe that sales tax revenue can be significantly improved if we use our own county staff or a private contractor to conduct sales tax collections.

### **Proposed Action:**

The Hall County Board of Commissioners would like to meet with all of the local governments within Hall County to discuss your support for proposing legislation that would allow the County to collect sales tax directly from local businesses or to hire a collections firm to conduct collection efforts on behalf of local governments. Similar legislation was passed in the state of Alabama and through that effort Alabama has experienced a 15% increase in the sales tax collected when it allowed counties to handle their own sales tax collections. The collection efforts would be paid for with the 1% of collections that are now designated for administration and collection activities.

### **Meeting Schedule and Location:**

We would like to invite you for breakfast at the Gainesville Civic Center (Chattahoochee Room) on Thursday, January 21<sup>st</sup> at 8:30 a.m. followed by a meeting at 9:00 a.m. to discuss the attached resolution. If we are in agreement we will then sign the resolution and forward it to the State Legislature to begin the process of conducting sales tax collections locally.

Please call me or Phil Sutton if you have any questions or concerns.

**RESOLUTION**

**JOINT RESOLUTION OF HALL COUNTY, GEORGIA, CITY OF GAINESVILLE, GEORGIA, CITY OF OAKWOOD, GEORGIA, CITY OF FLOWERY BRANCH, GEORGIA, CITY OF LULA, GEORGIA, CITY OF CLERMONT, GEORGIA, CITY OF GILLSVILLE, GEORGIA, CITY OF BUFORD, GEORGIA, CITY OF BRASELTON, GEORGIA, THE HALL COUNTY BOARD OF EDUCATION, AND CITY OF GAINESVILLE SCHOOL DISTRICT**

**WHEREAS**, Hall County is currently participating in a study jointly with three other counties and the Georgia Department of Revenue for the purpose of determining whether counties are receiving the correct amount of sales tax collected by the State from businesses located in their respective counties; and

**WHEREAS**, a comparison of the list of businesses located in Hall County to which Hall County Business Licenses have been issued to that list maintained by the Georgia Department of Revenue of active Hall County sales tax collectors reveals substantial discrepancies; and

**WHEREAS**, sales tax is the single most important funding mechanism for local governments; and

**WHEREAS**, the reporting method for existing state and local sales and use tax is unnecessarily complex and burdensome; and

**WHEREAS**, such complexity encourages remote sellers to conduct business through the mail by use of catalogs, by telephone and pursuant to the internet, the majority of which sales do not result in the collection of sales and or use taxes; and

**WHEREAS**, the undersigned County, Cities and Boards of Education seek to encourage the legislative delegation to act during the 2010 session of the General Assembly to amend

Georgia's tax laws to conform to the National Streamline Sales Tax Project as adopted by 15 states to date; and

**WHEREAS**, for reference the State of Alabama recently increased its collections by more than 15% by allowing each county to handle sales tax collections or employ private companies to collect such taxes on its behalf; and

**WHEREAS**, the Georgia State Revenue Department readily admits that it is without sufficient resources to maximize sales and use tax collections; and

**WHEREAS**, collections of the state gasoline tax increased by 26% when the State of Georgia changed its collection of the gasoline tax from the retail level to the wholesale level.

**NOW, THEREFORE**, the undersigned are jointly resolved to recommend to the Hall County legislative delegation that specific enabling legislation be introduced and passed during 2010 allowing local governments, if so desired, to collect sales tax independently and to allow the 1 percent collection fee now authorized the state to be used by local governments and school boards for collection activities including the payment of county, municipal and school board staffs and/or audit activities required pursuant to such collections. Additionally such legislation should allow each county, municipality and school board to hire an independent collection firm to conduct the actual collection of sales taxes on their behalf if so desired.

This \_\_\_ day of \_\_\_\_\_, 2010.

**HALL COUNTY, GEORGIA**

By: \_\_\_\_\_  
Chairman, Board of Commissioners  
of Hall County

Attest: \_\_\_\_\_  
Clerk, Board of Commissioners of  
Hall County

(SEAL)

**CITY OF CLERMONT, GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

(SEAL)

**CITY OF FLOWERY BRANCH,  
GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_

**CITY OF GAINESVILLE, GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

(SEAL)

**CITY OF GILLSVILLE, GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

(SEAL)

**CITY OF LULA, GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

(SEAL)

**CITY OF OAKWOOD, GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

(SEAL)

**CITY OF BUFORD, GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

(SEAL)

**CITY OF BRASELTON, GEORGIA**

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

(SEAL)

**HALL COUNTY BOARD OF  
EDUCATION**

By: \_\_\_\_\_

Attest: \_\_\_\_\_

(SEAL)

**CITY OF GAINESVILLE SCHOOL  
DISTRICT**

By: \_\_\_\_\_  
Chairman, Board of Education, City  
of Gainesville

Attest: \_\_\_\_\_

(SEAL)

252863-1  
20052.102  
1/12/10