



Georgia Department of Revenue
Policy Bulletin SUT-2018-01
New DeKalb County Local Sales and Use Taxes

Purpose: This Policy Bulletin provides guidance on new DeKalb County local sales and use taxes.

Publication Date: February 22, 2018.

Authority: O.C.G.A. §§ 48-2-7, 48-8-3; O.C.G.A. Title 48, Chapter 8, Article 2A, Part 2.

Scope: A Policy Bulletin is intended to provide guidance to the public and to Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers, superseding all conflicting documents and oral directives previously issued by the Department. A Policy Bulletin does not have the force or effect of law and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.

Summary of New Taxes

On November 7, 2017, the electorate of DeKalb County voted, pursuant to O.C.G.A. Title 48, Chapter 8, Article 2A, Part 2, to suspend the Homestead Option Sales Tax (HOST)¹ and levy an Equalized Homestead Option Sales Tax (EHOST) and a Special Purpose Local Option Sales Tax (SPLOST) effective April 1, 2018.

Beginning April 1, 2018, the EHOST will be levied throughout DeKalb County. The SPLOST will be levied only in those parts of DeKalb County that lie outside the City of Atlanta.

As a result, the total sales and use tax rate in DeKalb County outside the City of Atlanta will change from 7 percent to 8 percent on April 1, 2018. The new DeKalb County rate (outside the City of Atlanta) will be comprised of the 4 percent state sales and use tax and the following local sales and use taxes:

- 1 percent Educational Special Purpose Sales Tax (ESPLOST)
- 1 percent MARTA sales tax (MARTA)
- 1 percent EHOST
- 1 percent SPLOST

¹ HOST has been levied at a rate of 1 percent in DeKalb County since July 1, 1997.

The sales tax and use tax rate in DeKalb County inside the City of Atlanta will remain at 8.9 percent. This rate will be comprised of the 4 percent state sales and use tax and the following local sales and use taxes:

- 1 percent ESPLOST
- 1 percent MARTA
- 1 percent EHOST
- 1 percent Water and Sewer Projects and Cost Tax (commonly known as Municipal Option Sales Tax or MOST)
- 0.5 percent Atlanta MARTA Sales Tax (Atlanta MARTA)
- 0.4 percent Atlanta Transportation Special Purpose Local Option Sales Tax (Atlanta TSPLOST)

The total sales and use tax rate applies to the sale or use of most taxable tangible personal property² and the sale of most taxable services sourced to a taxing jurisdiction. Generally, sales sourced to a taxing jurisdiction include all sales of tangible personal property in which the property is delivered to the purchaser inside the jurisdiction and sales of services that are performed inside the jurisdiction. Please refer to O.C.G.A. § 48-8-77 for specific sourcing rules.

Dealers that file on a monthly basis will begin reporting and remitting the DeKalb EHOST and SPLOST to the Department on the sales and use tax return due May 20, 2018.

The Application of Sales and Use Taxes to Food and Food Ingredients

Currently sales in DeKalb County of “food and food ingredients,” as defined in O.C.G.A. § 48-8-3(57) and Ga. Comp. R. & Regs. r. 560-12-2-.104, are exempt from state sales and use taxes and subject to all local sales and use taxes. Thus, the current sales and use tax rate on “food and food ingredients” in DeKalb County outside Atlanta is 3 percent and inside Atlanta is 4.9 percent.

“Food and food ingredients” will be exempt from the new SPLOST, which takes effect beginning April 1, 2018 and which will be imposed only in the area of DeKalb County that lies outside the City of Atlanta. “Food and food ingredients” will be subject to the new EHOST, which will be imposed on April 1, 2018 in all of DeKalb County. Therefore, the total rate on “food and food ingredients” in DeKalb County inside and outside the City of Atlanta will not change.

² The MOST does not apply to the sale or use of motor vehicles in the City of Atlanta.

The Atlanta TSPLOST does not apply to the sale or use of any type of fuel used for off-road heavy-duty equipment, off-road farm or agricultural equipment, or locomotives; the sale or use of jet fuel to or by a qualifying airline at a qualifying airport; the sale or use of fuel that is used for propulsion of motor vehicles on the public highways; the sale or use of energy used in the manufacturing or processing of tangible goods primarily for resale; the sale or use of motor fuel as defined under paragraph (9) of O.C.G.A. § 48-9-2 for public mass transit; or the purchase or lease of any motor vehicle that is subject to Title Ad Valorem Tax.

The DeKalb SPLOST does not apply to the sale of “food and food ingredients” as that term is defined in O.C.G.A. § 48-8-3(57) and Ga. Comp. R. & Regs. r. 560-12-2-.104.

The Streamlined Sales Tax Simplified Electronic Return (SER) cannot accommodate the proper DeKalb County rate for exempt food. Therefore, taxpayers selling food in Georgia are not permitted to use the SER to report sales and use taxes.

City of Atlanta Boundaries

The Department encourages dealers to verify the appropriate sales and use tax rate by determining whether the address to which a sale or use is sourced is located within the City of Atlanta. Dealers may do so by using the Municipal Option Sales Tax Locator at <http://gis.atlantaga.gov/apps/most/>.

**For more information, please contact the Department at 1-877-423-6711
from 8:00 a.m. to 4:30 p.m. ET, Monday through Friday, excluding holidays.
For forms and other information, visit the Department's website at dor.georgia.gov.**