



Bart L. Graham
Commissioner

State of Georgia
Department of Revenue

Suite 15300
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Atlanta, Georgia 30345
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October 2, 2008

Mr. John M. Allan
Jones Day
1420 Peachtree Street, N.E., Suite 800
Atlanta, Georgia 30309-3053

Dear Mr. Allan:

Reference is made to the Department's letter of April 13, 2004 responding to the unverified facts set forth in your letter of September 29, 2003 in which you sought, on behalf of one or more of your clients, the Department's position on the applicability of Georgia sales tax to unnamed "travel related service companies" which "facilitate the booking of guests at Hotels."

The Department has increasingly become aware of facts at odds with the unverified facts you presented or that were undisclosed therein, and through the current court cases such as the decision of the Muscogee Superior Court in Columbus, Georgia v. Expedia, Inc., Civil Action No. 2006CV001794. Consequently, the Department is withdrawing its April 13, 2004 letter to you regarding the sales and use tax treatment of transactions involving hotel/motel accommodations in Georgia booked through internet companies.

If you or any taxpayer wishes to obtain a declaratory ruling with respect to any of these issues that is binding on the Department, you will need to follow the procedural requirements of the Administrative Procedure Act (APA) in O.C.G.A. § 50-13-11, as implemented by Department rule. The Department's rule requires that petitions for declaratory rulings under the APA must state all of the facts in the petition, "including the names of those parties involved in the fact situation". Ga. Comp. R. & Reg. § 560-1-1-.10. The Department accordingly will require that the companies' names and executed contracts governing the relationships between the parties be submitted, along with invoices and any other relevant documentation and facts, in order to validate the facts upon which the ruling will be based. In 2007, a summary of the declaratory ruling process was issued and is available on the Department's website at www.ntax.dor.ga.gov/TaxLawandPolicy/TLP_Policy_Statement_SUT_2007-11-14.pdf.

Sincerely,

Bart L. Graham

BLG:mb

cc: Honorable Thurbert E. Baker

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