

House Bill 496

By: Representatives Callaway of the 81st, Davis of the 60th, Reese of the 85th, Burmeister of the 114th, Irvin of the 45th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,
2 relating to the imposition, rate, and computation of income tax, so as to provide for a credit
3 against Georgia income tax for individuals who reside in a permanent place of residence
4 located in this state for the entire calendar year; to provide for definitions; to provide for
5 procedures, conditions, and limitations; to provide for powers, duties, and authority of the
6 state revenue commissioner in connection with such credit; to provide for an effective date
7 and for applicability; to repeal conflicting laws; and for other purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

10 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the
11 imposition, rate, and computation of income tax, is amended by inserting a new Code section
12 to be designated Code Section 48-7-43 to read as follows:
13 "48-7-43.

14 (a) In this Code section the term 'qualified Georgia resident' means an individual who
15 resided in a permanent place of residence located in this state for the entire calendar year.
16 The question of whether an individual was a qualified Georgia resident shall be determined
17 separately for each tax year.

18 (b) For each tax year after the 2001 tax year that an individual is a qualified Georgia
19 resident, such individual shall be eligible for a credit against his or her Georgia income tax.
20 This credit shall be computed by multiplying the amount of the individual's Georgia
21 income tax for the tax year by 0.01 and multiplying the product from such calculation by
22 the number of years the individual has been a qualified Georgia resident since the end of
23 the 2001 tax year. In the case of a joint tax return, if either of the individuals is a qualified
24 Georgia resident for the tax year, the total Georgia income tax for the two individuals for
25 the tax year is used to compute the credit, and, if each individual has been a qualified
26 Georgia resident for one or more years, the greater number of years as a qualified Georgia

1 resident is used for the second multiplier. In the case of a joint tax return by two
2 individuals of which only one has been a qualified Georgia resident for one or more years,
3 the number of years as a qualified Georgia resident of such individual is used as the second
4 multiplier.

5 (c)(1) In no event shall the tax credit under this Code section granted to a taxpayer
6 exceed the product of the taxpayer's income tax liability multiplied by 0.20.

7 (2) In no event shall the total amount of the tax credit under this Code section for a
8 taxable year exceed the taxpayer's income tax liability.

9 (3) No unused tax credit shall be allowed the taxpayer against prior years' or succeeding
10 years' tax liability.

11 (d) The commissioner shall be authorized to promulgate any rules and regulations
12 necessary for the implementation and administration of this Code section."

13 **SECTION 2.**

14 This Act shall become effective on January 1, 2002, and shall apply to tax years beginning
15 on or after January 1, 2002.

16 **SECTION 3.**

17 All laws and parts of laws in conflict with this Act are repealed.