

## House Bill 215

By: Representatives Lewis of the 14<sup>th</sup>, Cash of the 108<sup>th</sup>, Burkhalter of the 41<sup>st</sup>, Ehrhart of the 36<sup>th</sup>, Hammontree of the 4<sup>th</sup> and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and  
2 taxation, so as to provide for a gradual reduction in the income tax rate for individuals over  
3 a period of years; to abolish the individual income tax and the income tax on fiduciaries and  
4 partnerships, effective for tax years beginning on and after January 1, 2013; to provide for  
5 the collection of individual income taxes until such abolishment; to repeal the provisions  
6 relating to a local income tax; to repeal provisions relating to setoff debt collection; to repeal  
7 laws relating to the individual income tax; to repeal certain provisions relating to nongame  
8 wildlife conservation and wildlife habitat acquisition programs; to repeal certain provisions  
9 relating to liens for taxes; to repeal certain provisions relating to the Home Delivered Meals,  
10 Transportation Services for the Elderly, and Preschool Children with Special Needs Fund;  
11 to conform other provisions of law; to amend other provisions of the Official Code of  
12 Georgia Annotated to change certain references; to change certain Georgia income tax  
13 references to federal income tax references; to provide for editorial revision; to provide for  
14 other matters relative to the foregoing; to provide for effective dates; to repeal conflicting  
15 laws; and for other purposes.

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

17 **PART 1**  
18 **SECTION 1.**

19 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is  
20 amended by striking in its entirety paragraph (1) of subsection (b) of Code Section 48-7-20,  
21 relating to the income tax rate for individuals, and inserting in lieu thereof a new paragraph  
22 (1) to read as follows:

23 "(b)(1) The tax imposed pursuant to subsection (a) of this Code section shall be  
24 computed in accordance with the following tables:

1 (A) For the taxable year beginning on or after January 1, 2001, and prior to January 1,  
2 2002:

3 SINGLE PERSON

4	If Georgia Taxable	The Tax Is:
5	Net Income Is:	
6	Not over \$750.00 . . . . .	1%
7	Over \$750.00 but not over \$2,250.00 . . . . .	\$7.50 plus 2% of amount over \$750.00
8	Over \$2,250.00 but not over \$3,750.00 . . . . .	\$37.50 plus 3% of amount over \$2,250.00
9	Over \$3,750.00 but not over \$5,250.00 . . . . .	\$82.50 plus 4% of amount over \$3,750.00
10	Over \$5,250.00 but not over \$7,000.00 . . . . .	\$142.50 plus 5% of amount over \$5,250.00
11	Over \$7,000.00 . . . . .	\$230.00 plus 6% of amount over \$7,000.00

12 MARRIED PERSON FILING A SEPARATE RETURN

13	If Georgia Taxable	The Tax Is:
14	Net Income Is:	
15	Not over \$500.00 . . . . .	1%
16	Over \$500.00 but not over \$1,500.00 . . . . .	\$5.00 plus 2% of amount over \$500.00
17	Over \$1,500.00 but not over \$2,500.00 . . . . .	\$25.00 plus 3% of amount over \$1,500.00
18	Over \$2,500.00 but not over \$3,500.00 . . . . .	\$55.00 plus 4% of amount over \$2,500.00
19	Over \$3,500.00 but not over \$5,000.00 . . . . .	\$95.00 plus 5% of amount over \$3,500.00
20	Over \$5,000.00 . . . . .	\$170.00 plus 6% of amount over \$5,000.00



1                    MARRIED PERSON FILING A SEPARATE RETURN

2                    If Georgia Taxable

The Tax Is:

3                    Net Income Is:

4	<u>Not over \$500.00 . . . . .</u>	<u>.5%</u>
5	<u>Over \$500.00 but not over \$1,500.00 . . . . .</u>	<u>\$5.00 plus 1.5% of amount over</u> <u>\$500.00</u>
6	<u>Over \$1,500.00 but not over \$2,500.00 . . . . .</u>	<u>\$25.00 plus 2.5% of amount over</u> <u>\$1,500.00</u>
7	<u>Over \$2,500.00 but not over \$3,500.00 . . . . .</u>	<u>\$55.00 plus 3.5% of amount over</u> <u>\$2,500.00</u>
8	<u>Over \$3,500.00 but not over \$5,000.00 . . . . .</u>	<u>\$95.00 plus 4.5% of amount over</u> <u>\$3,500.00</u>
9	<u>Over \$5,000.00 . . . . .</u>	<u>\$170.00 plus 5.5% of amount over</u> <u>\$5,000.00</u>

10                   HEAD OF HOUSEHOLD AND MARRIED PERSONS

11                   FILING A JOINT RETURN

12                   If Georgia Taxable

The Tax Is:

13                   Net Income Is:

14	<u>Not over \$1,000.00 . . . . .</u>	<u>.5%</u>
15	<u>Over \$1,000.00 but not over \$3,000.00 . . . . .</u>	<u>\$10.00 plus 1.5% of amount over</u> <u>\$1,000.00</u>
16	<u>Over \$3,000.00 but not over \$5,000.00 . . . . .</u>	<u>\$50.00 plus 2.5% of amount over</u> <u>\$3,000.00</u>
17	<u>Over \$5,000.00 but not over \$7,000.00 . . . . .</u>	<u>\$110.00 plus 3.5% of amount over</u> <u>\$5,000.00</u>
18	<u>Over \$7,000.00 but not over \$10,000.00 . . . . .</u>	<u>\$190.00 plus 4.5% of amount over</u> <u>\$7,000.00</u>
19	<u>Over \$10,000.00 . . . . .</u>	<u>\$340.00 plus 5.5% of amount over</u> <u>\$10,000.00</u>

20                   (C) For taxable years beginning on or after January 1, 2003, and prior to January 1,  
21                   2004:

22                   SINGLE PERSON

<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
<u>Net Income Is:</u>	
<u>Not over \$750.00 .....</u>	<u>0%</u>
<u>Over \$750.00 but not over \$2,250.00 .....</u>	<u>\$7.50 plus 1% of amount over \$750.00</u>
<u>Over \$2,250.00 but not over \$3,750.00 .....</u>	<u>\$37.50 plus 2% of amount over</u> <u>\$2,250.00</u>
<u>Over \$3,750.00 but not over \$5,250.00 .....</u>	<u>\$82.50 plus 3% of amount over</u> <u>\$3,750.00</u>
<u>Over \$5,250.00 but not over \$7,000.00 .....</u>	<u>\$142.50 plus 4% of amount over</u> <u>\$5,250.00</u>
<u>Over \$7,000.00 .....</u>	<u>\$230.00 plus 5% of amount over</u> <u>\$7,000.00</u>

MARRIED PERSON FILING A SEPARATE RETURN

<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
<u>Net Income Is:</u>	
<u>Not over \$500.00 .....</u>	<u>0%</u>
<u>Over \$500.00 but not over \$1,500.00 .....</u>	<u>\$5.00 plus 1% of amount over \$500.00</u>
<u>Over \$1,500.00 but not over \$2,500.00 .....</u>	<u>\$25.00 plus 2% of amount over</u> <u>\$1,500.00</u>
<u>Over \$2,500.00 but not over \$3,500.00 ...</u>	<u>\$55.00 plus 3% of amount over</u> <u>\$2,500.00</u>
<u>Over \$3,500.00 but not over \$5,000.00 .....</u>	<u>\$95.00 plus 4% of amount over</u> <u>\$3,500.00</u>
<u>Over \$5,000.00 .....</u>	<u>\$170.00 plus 5% of amount over</u> <u>\$5,000.00</u>

HEAD OF HOUSEHOLD AND MARRIED PERSONS  
FILING A JOINT RETURN

<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
<u>Net Income Is:</u>	
<u>Not over \$1,000.00 .....</u>	<u>0%</u>
<u>Over \$1,000.00 but not over \$3,000.00 .....</u>	<u>\$10.00 plus 1% of amount over</u> <u>\$1,000.00</u>

1	<u>Over \$3,000.00 but not over \$5,000.00 . . . . .</u>	<u>\$50.00 plus 2% of amount over</u>
		<u>\$3,000.00</u>
2	<u>Over \$5,000.00 but not over \$7,000.00 . . . . .</u>	<u>\$110.00 plus 3% of amount over</u>
		<u>\$5,000.00</u>
3	<u>Over \$7,000.00 but not over \$10,000.00 . . . . .</u>	<u>\$190.00 plus 4% of amount over</u>
		<u>\$7,000.00</u>
4	<u>Over \$10,000.00 . . . . .</u>	<u>\$340.00 plus 5% of amount over</u>
		<u>\$10,000.00</u>

5 (D) For taxable years beginning on or after January 1, 2004, and prior to January 1,  
6 2005:

7 SINGLE PERSON

8	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
9	<u>Net Income Is:</u>	
10	<u>Not over \$750.00 . . . . .</u>	<u>0%</u>
11	<u>Over \$750.00 but not over \$2,250.00 . . . . .</u>	<u>\$7.50 plus .5% of amount over \$750.00</u>
12	<u>Over \$2,250.00 but not over \$3,750.00 . . . . .</u>	<u>\$37.50 plus 1.5% of amount over</u>
		<u>\$2,250.00</u>
13	<u>Over \$3,750.00 but not over \$5,250.00 . . . . .</u>	<u>\$82.50 plus 2.5% of amount over</u>
		<u>\$3,750.00</u>
14	<u>Over \$5,250.00 but not over \$7,000.00 . . . . .</u>	<u>\$142.50 plus 3.5% of amount over</u>
		<u>\$5,250.00</u>
15	<u>Over \$7,000.00 . . . . .</u>	<u>\$230.00 plus 4.5% of amount over</u>
		<u>\$7,000.00</u>

16 MARRIED PERSON FILING A SEPARATE RETURN

17	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
18	<u>Net Income Is:</u>	
19	<u>Not over \$500.00 . . . . .</u>	<u>0%</u>
20	<u>Over \$500.00 but not over \$1,500.00 . . . . .</u>	<u>\$5.00 plus .5% of amount over \$500.00</u>
21	<u>Over \$1,500.00 but not over \$2,500.00 . . . . .</u>	<u>\$25.00 plus 1.5% of amount over</u>
		<u>\$1,500.00</u>

1	<u>Over \$2,500.00 but not over \$3,500.00 . . . . .</u>	<u>\$55.00 plus 2.5% of amount over</u> <u>\$2,500.00</u>
2	<u>Over \$3,500.00 but not over \$5,000.00 . . . . .</u>	<u>\$95.00 plus 3.5% of amount over</u> <u>\$3,500.00</u>
3	<u>Over \$5,000.00 . . . . .</u>	<u>\$170.00 plus 4.5% of amount over</u> <u>\$5,000.00</u>

4                    HEAD OF HOUSEHOLD AND MARRIED PERSONS  
5                                    FILING A JOINT RETURN

6	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
7	<u>Net Income Is:</u>	
8	<u>Not over \$1,000.00 . . . . .</u>	<u>0%</u>
9	<u>Over \$1,000.00 but not over \$3,000.00 . . . . .</u>	<u>\$10.00 plus .5% of amount over</u> <u>\$1,000.00</u>
10	<u>Over \$3,000.00 but not over \$5,000.00 . . . . .</u>	<u>\$50.00 plus 1.5% of amount over</u> <u>\$3,000.00</u>
11	<u>Over \$5,000.00 but not over \$7,000.00 . . . . .</u>	<u>\$110.00 plus 2.5% of amount over</u> <u>\$5,000.00</u>
12	<u>Over \$7,000.00 but not over \$10,000.00 . . . . .</u>	<u>\$190.00 plus 3.5% of amount over</u> <u>\$7,000.00</u>
13	<u>Over \$10,000.00 . . . . .</u>	<u>\$340.00 plus 4.5% of amount over</u> <u>\$10,000.00</u>

14 (E) For taxable years beginning on or after January 1, 2005, and prior to January 1,  
15 2006:

16                                    SINGLE PERSON

17	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
18	<u>Net Income Is:</u>	
19	<u>Not over \$2,250.00 . . . . .</u>	<u>0%</u>
20	<u>Over \$2,250.00 but not over \$3,750.00 . . . . .</u>	<u>\$37.50 plus 1% of amount over</u> <u>\$2,250.00</u>

1	<u>Over \$3,750.00 but not over \$5,250.00 . . . . .</u>	<u>\$82.50 plus 2% of amount over</u> <u>\$3,750.00</u>
2	<u>Over \$5,250.00 but not over \$7,000.00 . . . . .</u>	<u>\$142.50 plus 3% of amount over</u> <u>\$5,250.00</u>
3	<u>Over \$7,000.00 . . . . .</u>	<u>\$230.00 plus 4% of amount over</u> <u>\$7,000.00</u>

4                   MARRIED PERSON FILING A SEPARATE RETURN

5	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
6	<u>Net Income Is:</u>	
7	<u>Not over \$1,500.00 . . . . .</u>	<u>0%</u>
8	<u>Over \$1,500.00 but not over \$2,500.00 . . . . .</u>	<u>\$25.00 plus 1% of amount over</u> <u>\$1,500.00</u>
9	<u>Over \$2,500.00 but not over \$3,500.00 . . . . .</u>	<u>\$55.00 plus 2% of amount over</u> <u>\$2,500.00</u>
10	<u>Over \$3,500.00 but not over \$5,000.00 . . . . .</u>	<u>\$95.00 plus 3% of amount over</u> <u>\$3,500.00</u>
11	<u>Over \$5,000.00 . . . . .</u>	<u>\$170.00 plus 4% of amount over</u> <u>\$5,000.00</u>

12                   HEAD OF HOUSEHOLD AND MARRIED PERSONS  
13                                   FILING A JOINT RETURN

14	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
15	<u>Net Income Is:</u>	
16	<u>Not over \$3,000.00 . . . . .</u>	<u>0%</u>
17	<u>Over \$3,000.00 but not over \$5,000.00 . . . . .</u>	<u>\$50.00 plus 1% of amount over</u> <u>\$3,000.00</u>
18	<u>Over \$5,000.00 but not over \$7,000.00 . . . . .</u>	<u>\$110.00 plus 2% of amount over</u> <u>\$5,000.00</u>
19	<u>Over \$7,000.00 but not over \$10,000.00 . . . . .</u>	<u>\$190.00 plus 3% of amount over</u> <u>\$7,000.00</u>
20	<u>Over \$10,000.00 . . . . .</u>	<u>\$340.00 plus 4% of amount over</u> <u>\$10,000.00</u>

1 (F) For taxable years beginning on or after January 1, 2006, and prior to January 1,  
2 2007:

3 SINGLE PERSON

4 If Georgia Taxable

The Tax Is:

5 Net Income Is:

6	<u>Not over \$2,250.00 .....</u>	<u>0%</u>
7	<u>Over \$2,250.00 but not over \$3,750.00 .....</u>	<u>\$37.50 plus .5% of amount over</u> <u>\$2,250.00</u>
8	<u>Over \$3,750.00 but not over \$5,250.00 .....</u>	<u>\$82.50 plus 1.5% of amount over</u> <u>\$3,750.00</u>
9	<u>Over \$5,250.00 but not over \$7,000.00 .....</u>	<u>\$142.50 plus 2.5% of amount over</u> <u>\$5,250.00</u>
10	<u>Over \$7,000.00 .....</u>	<u>\$230.00 plus 3.5% of amount over</u> <u>\$7,000.00</u>

11 MARRIED PERSON FILING A SEPARATE RETURN

12 If Georgia Taxable

The Tax Is:

13 Net Income Is:

14	<u>Not over \$1,500.00 .....</u>	<u>0%</u>
15	<u>Over \$1,500.00 but not over \$2,500.00 .....</u>	<u>\$25.00 plus .5% of amount over</u> <u>\$1,500.00</u>
16	<u>Over \$2,500.00 but not over \$3,500.00 .....</u>	<u>\$55.00 plus 1.5% of amount over</u> <u>\$2,500.00</u>
17	<u>Over \$3,500.00 but not over \$5,000.00 .....</u>	<u>\$95.00 plus 2.5% of amount over</u> <u>\$3,500.00</u>
18	<u>Over \$5,000.00 .....</u>	<u>\$170.00 plus 3.5% of amount over</u> <u>\$5,000.00</u>

19 HEAD OF HOUSEHOLD AND MARRIED PERSONS

20 FILING A JOINT RETURN

21 If Georgia Taxable

The Tax Is:

22 Net Income Is:

1	<u>Not over \$3,000.00 . . . . .</u>	<u>0%</u>
2	<u>Over \$3,000.00 but not over \$5,000.00 . . . . .</u>	<u>\$50.00 plus .5% of amount over</u>
		<u>\$3,000.00</u>
3	<u>Over \$5,000.00 but not over \$7,000.00 . . . . .</u>	<u>\$110.00 plus 1.5% of amount over</u>
		<u>\$5,000.00</u>
4	<u>Over \$7,000.00 but not over \$10,000.00 . . . . .</u>	<u>\$190.00 plus 2.5% of amount over</u>
		<u>\$7,000.00</u>
5	<u>Over \$10,000.00 . . . . .</u>	<u>\$340.00 plus 3.5% of amount over</u>
		<u>\$10,000.00</u>

6 (G) For taxable years beginning on or after January 1, 2007, and prior to January 1,  
7 2008:

8 SINGLE PERSON

9	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
10	<u>Net Income Is:</u>	
11	<u>Not over \$3,750.00 . . . . .</u>	<u>0%</u>
12	<u>Over \$3,750.00 but not over \$5,250.00 . . . . .</u>	<u>\$82.50 plus 1% of amount over</u>
		<u>\$3,750.00</u>
13	<u>Over \$5,250.00 but not over \$7,000.00 . . . . .</u>	<u>\$142.50 plus 2% of amount over</u>
		<u>\$5,250.00</u>
14	<u>Over \$7,000.00 . . . . .</u>	<u>\$230.00 plus 3% of amount over</u>
		<u>\$7,000.00</u>

15 MARRIED PERSON FILING A SEPARATE RETURN

16	<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
17	<u>Net Income Is:</u>	
18	<u>Not over \$2,500.00 . . . . .</u>	<u>0%</u>
19	<u>Over \$2,500.00 but not over \$3,500.00 . . . . .</u>	<u>\$55.00 plus 1% of amount over</u>
		<u>\$2,500.00</u>
20	<u>Over \$3,500.00 but not over \$5,000.00 . . . . .</u>	<u>\$95.00 plus 2% of amount over</u>
		<u>\$3,500.00</u>
21	<u>Over \$5,000.00 . . . . .</u>	<u>\$170.00 plus 3% of amount over</u>
		<u>\$5,000.00</u>

1                   HEAD OF HOUSEHOLD AND MARRIED PERSONS

2                               FILING A JOINT RETURN

3                   If Georgia Taxable

The Tax Is:

4                               Net Income Is:

5	<u>Not over \$5,000.00 .....</u>	<u>0%</u>
6	<u>Over \$5,000.00 but not over \$7,000.00 .....</u>	<u>\$110.00 plus 1% of amount over</u>
7		<u>\$5,000.00</u>
8	<u>Over \$7,000.00 but not over \$10,000.00 .....</u>	<u>\$190.00 plus 2% of amount over</u>
9		<u>\$7,000.00</u>
10	<u>Over \$10,000.00 .....</u>	<u>\$340.00 plus 3% of amount over</u>
		<u>\$10,000.00</u>

11           (H) For taxable years beginning on or after January 1, 2008, and prior to January 1,  
 12           2009:

13                               SINGLE PERSON

14                   If Georgia Taxable

The Tax Is:

15                               Net Income Is:

16	<u>Not over \$3,750.00 .....</u>	<u>0%</u>
17	<u>Over \$3,750.00 but not over \$5,250.00 .....</u>	<u>\$82.50 plus .5% of amount over</u>
		<u>\$3,750.00</u>
18	<u>Over \$5,250.00 but not over \$7,000.00 .....</u>	<u>\$142.50 plus 1.5% of amount over</u>
19		<u>\$5,250.00</u>
20	<u>Over \$7,000.00 .....</u>	<u>\$230.00 plus 2.5% of amount over</u>
		<u>\$7,000.00</u>

21                   MARRIED PERSON FILING A SEPARATE RETURN

22                   If Georgia Taxable

The Tax Is:

23                               Net Income Is:

24	<u>Not over \$2,500.00 .....</u>	<u>0%</u>
25	<u>Over \$2,500.00 but not over \$3,500.00 .....</u>	<u>\$55.00 plus .5% of amount over</u>
26		<u>\$2,500.00</u>

1 Over \$3,500.00 but not over \$5,000.00 . . . . . \$95.00 plus 1.5% of amount over  
 2 \$3,500.00  
 3 Over \$5,000.00 . . . . . \$170.00 plus 2.5% of amount over  
\$5,000.00

4 HEAD OF HOUSEHOLD AND MARRIED PERSONS  
 5 FILING A JOINT RETURN

<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
<u>Net Income Is:</u>	
Not over \$5,000.00 . . . . .	<u>0%</u>
<u>Over \$5,000.00 but not over \$7,000.00 . . . . . \$110.00 plus .5% of amount over</u>	
<u>\$5,000.00</u>	
<u>Over \$7,000.00 but not over \$10,000.00 . . . . . \$190.00 plus 1.5% of amount over</u>	
<u>\$7,000.00</u>	
<u>Over \$10,000.00 . . . . . \$340.00 plus 2.5% of amount over</u>	
<u>\$10,000.00</u>	

14 (I) For taxable years beginning on or after January 1, 2009, and prior to January 1,  
 15 2010:

16 SINGLE PERSON

<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
<u>Net Income Is:</u>	
Not over \$5,250.00 . . . . .	<u>0%</u>
<u>Over \$5,250.00 but not over \$7,000.00 . . . . . \$142.50 plus 1% of amount over</u>	
<u>\$5,250.00</u>	
<u>Over \$7,000.00 . . . . . \$230.00 plus 2% of amount over</u>	
<u>\$7,000.00</u>	

23 MARRIED PERSON FILING A SEPARATE RETURN

<u>If Georgia Taxable</u>	<u>The Tax Is:</u>
<u>Net Income Is:</u>	
Not over \$3,500.00 . . . . .	<u>0%</u>

1 Over \$3,500.00 but not over \$5,000.00 . . . . . \$95.00 plus 1% of amount over  
\$3,500.00

2 Over \$5,000.00 . . . . . \$170.00 plus 2% of amount over  
\$5,000.00

3 HEAD OF HOUSEHOLD AND MARRIED PERSONS  
4 FILING A JOINT RETURN

5 If Georgia Taxable The Tax Is:  
6 Net Income Is:

7 Not over \$7,000.00 . . . . . 0%

8 Over \$7,000.00 but not over \$10,000.00 . . . . . \$190.00 plus 1% of amount over  
\$7,000.00

9 Over \$10,000.00 . . . . . \$340.00 plus 2% of amount over  
\$10,000.00

10 (J) For taxable years beginning on or after January 1, 2010, and prior to January 1,  
11 2011:

12 SINGLE PERSON

13 If Georgia Taxable The Tax Is:  
14 Net Income Is:

15 Not over \$5,250.00 . . . . . 0%

16 Over \$5,250.00 but not over \$7,000.00 . . . . . \$142.50 plus .5% of amount over  
\$5,250.00

17 Over \$7,000.00 . . . . . \$230.00 plus 1.5% of amount over  
\$7,000.00

18 MARRIED PERSON FILING A SEPARATE RETURN

19 If Georgia Taxable The Tax Is:  
20 Net Income Is:

21 Not over \$3,500.00 . . . . . 0%

22 Over \$3,500.00 but not over \$5,000.00 . . . . . \$95.00 plus .5% of amount over  
\$3,500.00

1 Over \$5,000.00 . . . . . \$170.00 plus 1.5% of amount over  
\$5,000.00

2 HEAD OF HOUSEHOLD AND MARRIED PERSONS  
3 FILING A JOINT RETURN

4 If Georgia Taxable The Tax Is:  
5 Net Income Is:

6 Not over \$7,000.00 . . . . . 0%  
7 Over \$7,000.00 but not over \$10,000.00 . . . . \$190.00 plus .5% of amount over  
\$7,000.00  
8 Over \$10,000.00 . . . . . \$340.00 plus 1.5% of amount over  
\$10,000.00

9 (K) For taxable years beginning on or after January 1, 2011, and prior to January 1,  
10 2012:

11 SINGLE PERSON

12 If Georgia Taxable The Tax Is:  
13 Net Income Is:

14 Not over \$7,000.00 . . . . . 0%  
15 Over \$7,000.00 . . . . . \$230.00 plus 1% of amount over  
\$7,000.00

16 MARRIED PERSON FILING A SEPARATE RETURN

17 If Georgia Taxable The Tax Is:  
18 Net Income Is:

19 Not over \$5,000.00 . . . . . 0%  
20 Over \$5,000.00 . . . . . \$170.00 plus 1% of amount over  
\$5,000.00

HEAD OF HOUSEHOLD AND MARRIED PERSONS

FILING A JOINT RETURN

If Georgia Taxable

The Tax Is:

Net Income Is:

Not over \$10,000.00 .....

0%

Over \$10,000.00 .....\$340.00 plus 1% of amount over  
\$10,000.00

(L) For taxable years beginning on or after January 1, 2012, and prior to January 1,  
2013:

SINGLE PERSON

If Georgia Taxable

The Tax Is:

Net Income Is:

Not over \$7,000.00 .....

0%

Over \$7,000.00 .....\$230.00 plus .5% of amount over  
\$7,000.00

MARRIED PERSON FILING A SEPARATE RETURN

If Georgia Taxable

The Tax Is:

Net Income Is:

Not over \$5,000.00 .....

0%

Over \$5,000.00 .....\$170.00 plus .5% of amount over  
\$5,000.00

HEAD OF HOUSEHOLD AND MARRIED PERSONS

FILING A JOINT RETURN

If Georgia Taxable

The Tax Is:

Net Income Is:

Not over \$10,000.00 .....

0%

Over \$10,000.00 .....\$340.00 plus .5% of amount over  
\$10,000.00

1 (M) For any taxable year beginning on or after January 1, 2013, and thereafter, there  
 2 shall not be an individual income tax and no individual returns are required."

3 **SECTION 2.**

4 Said title is further amended by adding at the beginning of Article 5 of Chapter 7, relating  
 5 to current income tax payment, a new Code Section 48-7-99 to read as follows:

6 "48-7-99.

7 The provisions of this article relating to the withholding of taxes or estimated taxes  
 8 applicable to individuals shall not apply to taxable years beginning on or after January 1,  
 9 2013."

10 **PART 2**

11 **SECTION 1.**

12 Said title is further amended by striking in its entirety Chapter 7, relating to income taxes,  
 13 and inserting in lieu thereof a new Chapter 7 to read as follows:

14 "CHAPTER 7

15 48-7-1.

16 Effective January 1, 2013, there shall not be an individual income tax or income tax on  
 17 fiduciaries or partnerships in this state for taxable years beginning on or after January 1,  
 18 2013.

19 48-7-2.

20 As used in this chapter, the term:

21 (1) 'Corporation' includes, but is not limited to, all associations, professional associations  
 22 organized pursuant to Chapter 10 of Title 14, and insurance companies.

23 (2) 'Deficiency' means the amount by which the tax imposed by this chapter or any prior  
 24 law exceeds the amount shown as the tax due by the corporation upon its return or, if no  
 25 amount is shown as the tax due by a corporation upon its return or if no return is made  
 26 by the corporation, the amount determined by the commissioner to be the correct amount  
 27 of the tax.

28 (3) 'Fiscal year' means an accounting period of 12 months ending on the last day of any  
 29 month other than December. In the case of any taxpayer who has elected a year consisting  
 30 of 52 to 53 weeks for federal income tax purposes, the term means the period so elected.

31 (4) 'Income tax day' means December 31 of each calendar year.

1 (5) 'Paid,' for the purpose of the deductions under this chapter, means 'paid or accrued'  
2 or 'paid or incurred.' The terms 'paid or accrued,' 'paid or incurred,' and 'incurred' shall be  
3 construed according to the method of accounting upon the basis of which the net income  
4 is computed under this chapter.

5 (6) 'Received,' for the purpose of the computation of the net income under this chapter,  
6 means 'received or accrued.' The term 'received or accrued' shall be construed according  
7 to the method of accounting upon the basis of which the net income is computed under  
8 this chapter.

9 (7) 'Taxable year' means the calendar year or the fiscal year ending during the calendar  
10 year upon the basis of which the net income is computed under this chapter.

11 (8) 'Taxpayer' means a corporation.

12 48-7-3.

13 (a) It shall be unlawful for any person who is required under this chapter to pay any tax,  
14 make any return, keep any records, supply any information, or exhibit any books or records  
15 for the purpose of computation, assessment, or collection of any tax imposed by this  
16 chapter to fail to:

17 (1) Pay the tax;

18 (2) Make the return;

19 (3) Keep the records; or

20 (4) When requested to do so by the commissioner:

21 (A) Supply the information; or

22 (B) Exhibit the books or records.

23 (b) In addition to other penalties provided by law, any person who violates subsection (a)  
24 of this Code section shall be guilty of a misdemeanor.

25 48-7-4.

26 (a) With respect to any matter arising under this chapter, it shall be unlawful for any  
27 person willfully to aid or assist in, or procure, counsel, or advise the preparation or  
28 presentation of, a false or fraudulent return, affidavit, claim, or document, whether or not  
29 the falsity or fraud is with the knowledge or consent of the person authorized or required  
30 to present the return, affidavit, claim, or document.

31 (b) Any person who violates subsection (a) of this Code section shall be guilty of a  
32 misdemeanor and, upon conviction thereof, shall be fined not more than \$1,000.00 or  
33 imprisoned for not more than six months, or both, and shall be required to pay the costs of  
34 prosecution.

1 48-7-5.

2 (a) It shall be unlawful for any person, with intent to evade the income tax imposed by this  
3 chapter, willfully to advise the preparation or presentation of a return with intentional  
4 disregard of rules and regulations of the commissioner.

5 (b) Any person who violates subsection (a) of this Code section shall be guilty of a  
6 misdemeanor and, upon conviction thereof, shall be fined not less than \$100.00 nor more  
7 than \$500.00 or imprisoned for not more than six months, or both.

8 48-7-6.

9 Any person who willfully evades or defeats or willfully attempts to evade or defeat, in any  
10 manner, any income tax, penalty, interest, or other amount in excess of \$3,000.00 imposed  
11 under this chapter, including but not limited to failure to file a return or report, shall, in  
12 addition to any other criminal or civil penalties provided by law, be guilty of a felony and,  
13 upon conviction thereof, shall be fined not more than \$500,000.00 in the case of a  
14 corporation or imprisoned not less than one nor more than five years, or both. Conduct  
15 proscribed by this Code section shall be subject to punishment under this Code section  
16 notwithstanding the applicability to such conduct of any other provision of law.

17 48-7-7.

18 (a) Every domestic corporation and every foreign corporation shall pay annually an  
19 income tax equivalent to 6 percent of its Georgia taxable net income. Georgia taxable net  
20 income of a corporation shall be the corporation's taxable income from property owned or  
21 from business done in this state. A corporation's taxable income from property owned or  
22 from business done in this state shall consist of the corporation's taxable income as defined  
23 in the Internal Revenue Code of 1986, with the adjustments provided for in subsection (b)  
24 of this Code section and allocated and apportioned as provided in Code Section 48-7-9.

25 (b)(1)(A) When interest income is derived from obligations of any state or political  
26 subdivision except this state and political subdivisions of this state, the interest income  
27 shall be added to taxable income to the extent that the interest income is not included  
28 in gross income for federal income tax purposes. Interest or dividends on obligations  
29 of any authority, commission, instrumentality, territory, or possession of the United  
30 States which by the laws of the United States are exempt from federal income tax but  
31 not from state income tax shall also be added to taxable income.

32 (B) There shall be subtracted from taxable income interest or dividends on obligations  
33 of the United States and its territories and possessions or of any authority, commission,  
34 or instrumentality of the United States to the extent such interest or dividends are  
35 includable in gross income for federal income tax purposes but exempt from state

1 income taxes under the laws of the United States. There shall also be subtracted from  
2 taxable income any income derived from the authorized activities of a domestic  
3 international banking facility operating pursuant to the provisions of Article 5A of  
4 Chapter 1 of Title 7, the 'Domestic International Banking Facility Act,' and any income  
5 arising from the conduct of a banking business with persons or entities located outside  
6 the United States, its territories, or possessions. Any amount subtracted pursuant to this  
7 subparagraph shall be reduced by any expenses directly attributable to the production  
8 of the interest or dividend income.

9 (2) There shall be added to taxable income any taxes on, or measured by, net income or  
10 net profits paid or accrued within the taxable year imposed by the authority of the United  
11 States or any foreign country, by any state except the State of Georgia, or by any  
12 territory, county, school district, municipality, or other tax subdivision of any state,  
13 territory, or foreign country to the extent such taxes are deducted in determining federal  
14 taxable income.

15 (3) No portion of any deductions or losses which occurred in a year in which the  
16 taxpayer was not subject to taxation in this state including, but not limited to, net  
17 operating losses may be deducted in any tax year. When the federal adjusted gross  
18 income or net income of a corporation includes such deductions or losses, an adjustment  
19 deleting them shall be made under rules established by the commissioner. The provisions  
20 of this subsection shall not prohibit the carry-over of any deductions or losses including,  
21 but not limited to, net operating losses of any taxpayer which were incurred in a year or  
22 years in which the taxpayer was subject to methods of taxation in this state other than the  
23 corporate income tax.

24 (4) Income, losses, and deductions previously used in computing Georgia taxable income  
25 shall not again be used in computing Georgia taxable income. The commissioner shall  
26 provide for needed adjustments by regulation.

27 (5) When on the sale or exchange of real or tangible personal property located in this  
28 state gain or loss is not recognized because the taxpayer receives or purchases similar  
29 property, the nonrecognition shall be allowed only when the property is replaced with  
30 property located in this state.

31 (6) This chapter shall not be construed to repeal any tax exemptions contained in other  
32 laws of this state not referred to in this chapter. Those exemptions and the exemptions  
33 provided for by federal law and treaty shall be deducted on forms provided by the  
34 commissioner.

35 (7) All elections made by corporate taxpayers under the Internal Revenue Code of 1954  
36 or the Internal Revenue Code of 1986 shall also apply under this chapter except elections

1 involving consolidated corporate returns and Subchapter 'S' elections which shall be  
2 treated as follows:

3 (A)(i) If two or more corporations file federal income tax returns on a consolidated  
4 basis and all of the corporations derive all of their income from sources within this  
5 state, the corporations must file consolidated returns for Georgia income tax purposes.  
6 Affiliated corporations which file a consolidated federal income tax return but which  
7 derive income from sources outside this state must file separate income tax returns  
8 with this state unless they have prior approval or have been requested to file a  
9 consolidated return by the department.

10 (ii) No depository financial institution shall be deprived of the benefit of any  
11 exemption, deduction, or credit authorized by this title as a consequence of its election  
12 to file otherwise lawful consolidated returns with its parent organization or any  
13 corporate subsidiaries with respect to any state or local tax levied against such  
14 depository financial institution as a result of this title. As used in this division, the  
15 term:

16 (I) 'Bank' means any financial institution chartered under the laws of this state or  
17 under the laws of the United States and domiciled in this state which is authorized  
18 to receive deposits in this state and which has a corporate structure authorizing the  
19 issuance of capital stock.

20 (II) 'Depository financial institution' means a 'bank' or a 'savings and loan  
21 association.'

22 (III) 'Savings and loan association' means any financial institution, other than a  
23 credit union, chartered under the laws of this state or under the laws of the United  
24 States and domiciled in this state which is authorized to receive deposits in this state  
25 and which has a mutual corporate form; and

26 (B) Subchapter 'S' elections apply only if all stockholders are subject to tax in this state  
27 on their portion of the corporate income. If all nonresident stockholders pay the  
28 Georgia income tax on their portion of the corporate income, the election shall be  
29 allowed.

30 (8) There shall be subtracted from taxable income dividends received by:

31 (A) A corporation from sources outside the United States as defined in the Internal  
32 Revenue Code of 1986. For purposes of this subparagraph, dividends received by a  
33 corporation from sources outside of the United States shall include amounts treated as  
34 a dividend and income deemed to have been received under provisions of the Internal  
35 Revenue Code of 1986 by such corporation if such amounts could have been subtracted  
36 from taxable income under this paragraph, had such amounts actually been received.

1 Amounts to be subtracted under this subparagraph shall include the following, as  
2 defined by the Internal Revenue Code of 1986:

3 (i) Qualified electing fund income;

4 (ii) Subpart F income; and

5 (iii) Income attributable to an increase in United States property by a controlled  
6 foreign corporation.

7 The amount subtracted under this subparagraph shall be reduced by any expenses  
8 directly attributable to the dividend income; and

9 (B) Corporations from affiliated corporations within the United States, when the  
10 corporation receiving the dividends is engaged in business in this state and is subject  
11 to the payment of taxes under the income tax laws of this state, to the extent that the  
12 dividends have been included in net income under this Code section. Dividends from  
13 affiliates shall be reduced by any expenses directly attributable to the dividend income.

14 (9) Where a corporation's salary and wage deductions are reduced in computing federal  
15 taxable income because the corporation has taken a federal jobs tax credit which required,  
16 as a condition to using the federal jobs tax credit, the elimination of salary and wage  
17 deductions, the eliminated salary and wage deductions shall be subtracted from taxable  
18 income.

19 (10) Reserved.

20 (11) There shall be subtracted from taxable income a portion of qualified payments to  
21 minority subcontractors, as provided in Code Section 48-7-14.

22 (12) Georgia taxable income shall, if the taxpayer so elects, be adjusted with respect to  
23 federal depreciation deductions as provided in Code Section 48-7-8.

24 48-7-8.

25 (a) With respect to property placed in service in taxable years ending prior to the effective  
26 date of this Code section, a taxpayer shall in such taxpayer's return for the first taxable year  
27 ending on or after January 1, 1987, elect to:

28 (1) Continue to depreciate or otherwise recover the cost of such property according to  
29 the same method used for Georgia income tax purposes for the taxable year in which the  
30 property was placed in service; or

31 (2) Depreciate or otherwise recover the cost of such property according to the method  
32 used for federal income tax purposes for the taxable year in which the property was  
33 placed in service.

34 The election required by this subsection shall be made for a taxpayer's first taxable year  
35 ending on or after January 1, 1987, in such manner as may be specified by the  
36 commissioner. If a return for such a taxable year has been filed without such an election

1 prior to or within 90 days after the effective date of this Code section, the taxpayer may file  
2 an amended return containing such an election.

3 (b) The election provided for in subsection (a) of this Code section shall apply to all  
4 property of the taxpayer uniformly and shall be irrevocable and applicable to all subsequent  
5 taxable years. Except as otherwise provided in the last sentence of subsection (a) of this  
6 Code section, if no such election is made, the taxpayer shall be deemed to have elected the  
7 option afforded by paragraph (2) of subsection (a) of this Code section. The General  
8 Assembly recognizes and intends that if a taxpayer elects the option afforded by paragraph  
9 (2) of subsection (a) of this Code section then in certain cases the taxpayer may never fully  
10 depreciate or recover the cost of certain property for Georgia income tax purposes and in  
11 certain cases the taxpayer may be allowed to depreciate or recover more than the full cost  
12 of certain property for Georgia income tax purposes. Taxpayers electing the option  
13 afforded by paragraph (1) of subsection (a) of this Code section shall in determining  
14 Georgia taxable income make such adjustments to federal taxable income as are required  
15 to reflect the effect of such election. Any such election shall apply both to determination  
16 of deductions for depreciation or cost recovery of affected property and also to  
17 determination of gain or loss on the sale or other disposition of such property. The  
18 commissioner shall specify the manner in which such adjustments shall be made.

19 48-7-9.

20 (a) The tax imposed by this chapter shall apply to the entire net income, as defined in this  
21 chapter, received by every foreign or domestic corporation owning property or doing  
22 business within this state. A corporation shall be deemed to be doing business within this  
23 state if it engages within this state in any activities or transactions for the purpose of  
24 financial profit or gain whether or not:

25 (1) The corporation qualifies to do business in this state;

26 (2) The corporation maintains an office or place of doing business within this state; or

27 (3) Any such activity or transaction is connected with interstate or foreign commerce.

28 (b)(1) If the entire business income of the corporation is derived from property owned  
29 or business done in this state, the tax shall be imposed on the entire business income.

30 (2) If the business income of the corporation is derived in part from property owned or  
31 business done in this state and in part from property owned or business done outside this  
32 state, the tax shall be imposed only on that portion of the business income which is  
33 reasonably attributable to the property owned and business done within this state, such  
34 portion to be determined as provided in subsections (c) and (d) of this Code section.

35 (c)(1) Interest received on bonds held for investment and income received from other  
36 intangible property held for investment are not subject to apportionment. All expenses

1 connected with such investment income shall be applied against the investment income.  
2 The net investment income from intangible property shall be allocated to this state if the  
3 situs of the corporation is in this state or if the intangible property was acquired as income  
4 from property held in this state or as a result of business done in this state.

5 (2) Rentals received from real estate held purely for investment purposes and not used  
6 in the operation of any business are not subject to apportionment. All expenses connected  
7 with such investment income shall be applied against the investment income. The net  
8 investment income from tangible property located in this state shall be allocated to this  
9 state.

10 (3) Gains from the sale of tangible or intangible property not held, owned, or used in  
11 connection with the trade or business of the corporation nor held for sale in the regular  
12 course of business shall be allocated to this state if the property sold is real or tangible  
13 personal property situated in this state or intangible property having an actual situs or a  
14 business situs within this state. Otherwise, the gains shall not be allocated to this state.

15 (d) Net income of the classes described in subsection (c) of this Code section having been  
16 separately allocated and deducted, the remainder of the net business income shall be  
17 apportioned as follows:

18 (1) For purposes of paragraphs (2) and (3) of this subsection, the commissioner may  
19 enter into an agreement with the taxpayer establishing the allocation and apportionment  
20 of the taxpayer's income for a limited period, provided that the following conditions are  
21 met:

22 (A) The taxpayer is planning a new facility in the State of Georgia or an expansion of  
23 an existing facility;

24 (B) The taxpayer submits a proposal asking the commissioner to enter into a contract  
25 under this paragraph requesting a different allocation and apportionment method and  
26 stating the reasons for such proposal; and

27 (C) Following the commissioner's referral of the proposal to a panel composed of the  
28 commissioner of community affairs, the commissioner of industry, trade, and tourism,  
29 and the director of the Office of Planning and Budget, said panel, after reviewing the  
30 proposal, certifies that:

31 (i) The new facility or expansion will have a significant beneficial economic effect  
32 on the region for which it is planned; and

33 (ii) The benefits to the public from the new facility or expansion exceed its costs to  
34 the public;

35 (2) Where the net business income of the corporation is derived principally from the  
36 manufacture, production, or sale of tangible personal property, the portion of the net

1 income therefrom attributable to property owned or business done within this state shall  
2 be taken to be the portion arrived at by application of the following formula:

3 (A) Property factor. The property factor is a fraction, the numerator of which is the  
4 average value of the taxpayer's real and tangible personal property owned or rented and  
5 used in this state during the tax period and the denominator of which is the average  
6 value of all the taxpayer's real and tangible personal property owned or rented and used  
7 during the tax period;

8 (i) Property owned by the taxpayer is valued at its original cost. Property rented by  
9 the taxpayer is valued at eight times the net annual rental rate. Net annual rental rate  
10 is the annual rental rate paid by the taxpayer less any annual rental rate received by  
11 the taxpayer from subrentals;

12 (ii) The average value of property shall be determined by averaging the values at the  
13 beginning and end of the tax period, except that the commissioner may require the  
14 averaging of monthly values during the tax period if such averaging is reasonably  
15 required to reflect properly the average value of the taxpayer's property;

16 (B) Payroll factor. The payroll factor is a fraction, the numerator of which is the total  
17 amount paid in this state during the tax period by the taxpayer for compensation and the  
18 denominator of which is the total compensation paid everywhere during the tax period.  
19 The term 'compensation' means wages, salaries, commissions, and any other form of  
20 remuneration paid to employees for personal services. Payments made to an  
21 independent contractor or any other person not properly classified as an employee are  
22 excluded. Compensation is paid in this state if:

23 (i) The employee's service is performed entirely within this state;

24 (ii) The employee's service is performed both within and outside this state and the  
25 service performed outside this state is incidental to the employee's service within this  
26 state; or

27 (iii) Some of the service is performed in this state and either the base of operations  
28 or the place from which the service is directed or controlled is in this state or the base  
29 of operations or the place from which the service is directed or controlled is not in any  
30 state in which some part of the service is performed but the employee's residence is  
31 in this state;

32 (C) Gross receipts factor. The gross receipts factor is a fraction, the numerator of which  
33 is the total gross receipts from business done within this state during the tax period and  
34 the denominator of which is the total gross receipts from business done everywhere  
35 during the tax period. For the purposes of this subparagraph, receipts shall be deemed  
36 to have been derived from business done within this state only if the receipts are  
37 received from products shipped to customers in this state or products delivered within

1 this state to customers. In determining the gross receipts within this state, receipts from  
2 sales negotiated or effected through offices of the taxpayer outside this state and  
3 delivered from storage in this state to customers outside this state shall be excluded;

4 (D) Apportionment formula. The property factor, the payroll factor, and the gross  
5 receipts factor shall be separately determined and an apportionment fraction shall be  
6 calculated using the following formula:

- 7 (i) The property factor shall represent 25 percent of the fraction;
- 8 (ii) The payroll factor shall represent 25 percent of the fraction; and
- 9 (iii) The gross receipts factor shall represent 50 percent of the fraction.

10 The net income of the corporation shall be apportioned to this state according to such  
11 fraction;

12 (3) Except as otherwise provided in paragraph (3.1) or (3.2) of this subsection, where the  
13 net business income is derived principally from business other than the manufacture,  
14 production, or sale of tangible personal property, the net business income of the  
15 corporation shall be arrived at by application of the following three factor formula:

16 (A) Property factor. The property factor is a fraction, the numerator of which is the  
17 average value of the taxpayer's real and tangible personal property owned or rented and  
18 used in this state during the tax period and the denominator of which is the average  
19 value of all the taxpayer's real and tangible personal property owned or rented and used  
20 during the tax period;

21 (i) Property owned by the taxpayer is valued at its original cost. Property rented by  
22 the taxpayer is valued at eight times the net annual rental rate. Net annual rental rate  
23 is the annual rental rate paid by the taxpayer less any annual rental rate received by  
24 the taxpayer from subrentals;

25 (ii) The average value of property shall be determined by averaging the values at the  
26 beginning and end of the tax period, except that the commissioner may require the  
27 averaging of monthly values during the tax period if such averaging is reasonably  
28 required to reflect properly the average value of the taxpayer's property;

29 (B) Payroll factor. The payroll factor is a fraction, the numerator of which is the total  
30 amount paid in this state during the tax period by the taxpayer for compensation and the  
31 denominator of which is the total compensation paid everywhere during the tax period.  
32 The term 'compensation' means wages, salaries, commissions, and any other form of  
33 remuneration paid to employees for personal services. Payments made to an  
34 independent contractor or any other person not properly classified as an employee are  
35 excluded. Compensation is paid in this state if:

- 36 (i) The employee's service is performed entirely within this state;

1 (ii) The employee's service is performed both within and outside this state and the  
2 service performed outside this state is incidental to the employee's service within this  
3 state; or

4 (iii) Some of the service is performed in this state and either the base of operations  
5 or the place from which the service is directed or controlled is in this state or the base  
6 of operations or the place from which the service is directed or controlled is not in any  
7 state in which some part of the service is performed but the employee's residence is  
8 in this state;

9 (C) Gross receipts factor. The gross receipts factor is a fraction, the numerator of which  
10 is the total gross receipts from business done within this state during the tax period and  
11 the denominator of which is the total gross receipts from business done everywhere  
12 during the tax period. Gross receipts are in this state if the receipts are derived from  
13 customers within this state or if the receipts are otherwise attributable to this state's  
14 marketplace;

15 (D) Apportionment formula. The property factor, payroll factor, and the gross receipts  
16 factor shall be separately determined and an apportionment fraction shall be calculated  
17 using the following formula:

18 (i) The property factor shall represent 25 percent of the fraction;

19 (ii) The payroll factor shall represent 25 percent of the fraction; and

20 (iii) The gross receipts factor shall represent 50 percent of the fraction.

21 The net income of the corporation shall be apportioned to this state according to such  
22 fraction;

23 (E) If the allocation and apportionment provisions provided for in this paragraph do not  
24 fairly represent the extent of the taxpayer's business activity in this state, the taxpayer  
25 may petition the commissioner for, or the commissioner may by regulation require,  
26 with respect to all or any part of the taxpayer's business activity, if reasonable:

27 (i) Separate accounting;

28 (ii) The exclusion of any one or more of the factors;

29 (iii) The inclusion of one or more additional factors that will fairly represent the  
30 taxpayer's business activity within this state; or

31 (iv) The employment of any other method to effectuate an equitable allocation and  
32 apportionment of the taxpayer's income.

33 The denial of a petition under this paragraph shall be appealable pursuant to either Code  
34 Section 48-2-59 or 50-13-12;

35 (3.1)(A) Except as otherwise provided in this paragraph, all terms used in this  
36 paragraph shall have the same meaning as such terms are defined in 49 U.S.C. Section  
37 1301 and the United States Department of Transportation's Uniform System of

1 Accounts and Reports for Large Certificated Air Carriers, 14 C.F.R. Part 241, as now  
2 or hereafter amended.

3 (B) Where the net business income of the corporation is derived principally from  
4 transporting passengers or cargo in revenue flight, the portion of the net income  
5 therefrom attributable to property owned or business done within this state shall be  
6 taken to be the portion arrived at by application of the following three factor formula:

7 (i) Revenue air miles factor. The revenue air miles factor is a fraction, the numerator  
8 of which shall be equal to the total, for each flight stage which originates or  
9 terminates in this state, of revenue passenger miles by aircraft type flown in this state  
10 and revenue cargo ton miles by aircraft type flown in this state and the denominator  
11 of which shall be equal to the total, for all flight stages flown everywhere, of total  
12 revenue passenger miles by aircraft type and total revenue cargo ton miles by aircraft  
13 type;

14 (ii) Tons handled factor. The tons handled factor is a fraction, the numerator of which  
15 shall be equal to the total of revenue passenger tons by aircraft type handled in this  
16 state and revenue cargo tons by aircraft type handled in this state and the denominator  
17 of which shall be equal to the total of revenue passenger tons by aircraft type flown  
18 everywhere and revenue cargo tons by aircraft type flown everywhere. For purposes  
19 of this division, the term 'handled' means the product of 60 percent multiplied by the  
20 revenue passenger tons flown on each flight stage which originates in this state or 60  
21 percent multiplied by the revenue cargo tons flown on each flight stage which  
22 originates in this state;

23 (iii) Originating revenue factor. The originating revenue factor is a fraction, the  
24 numerator of which shall be equal to the total of passenger and cargo revenue by  
25 aircraft type which is attributable to this state and the denominator of which shall be  
26 the total of passenger and cargo revenue by aircraft type everywhere. For purposes  
27 of this division, passenger or cargo revenue which is attributable to this state shall be  
28 equal to the product of passenger or cargo revenue everywhere by aircraft type  
29 multiplied by the ratio of revenue passenger miles or revenue cargo ton miles in this  
30 state to total revenue passenger miles everywhere or total revenue cargo ton miles  
31 everywhere for each aircraft type as separately determined in division (i) of this  
32 subparagraph. If records of total passenger revenue everywhere by aircraft type or  
33 total cargo revenue everywhere by aircraft type are not maintained, then for purposes  
34 of this division, total passenger revenue everywhere for all aircraft types or total cargo  
35 revenue everywhere for all aircraft types shall be allocated to each aircraft type based  
36 on the ratio of total revenue passenger miles everywhere for that aircraft type to all

1 aircraft types or total revenue cargo ton miles everywhere for that aircraft type to all  
2 aircraft types;

3 (iv) The revenue air miles factor, the tons handled factor, and the originating revenue  
4 factor shall be separately determined and an apportionment fraction shall be  
5 calculated using the following formula:

6 (I) The revenue air miles factor shall represent 25 percent of the fraction;

7 (II) The tons handled factor shall represent 25 percent of the fraction; and

8 (III) The originating revenue factor shall represent 50 percent of the fraction.

9 The net income of the corporation shall be apportioned to this state according to such  
10 average fraction;

11 (3.2)(A) As used in this paragraph, the term:

12 (i) 'Credit card data processing and related services' shall include, but not be limited  
13 to, the provision of infrastructure services for bank credit card and private label card  
14 issuers, such as new account application processing, international and domestic  
15 clearing, statement preparation, point-of-sale authorization processing, card  
16 embossing, and other related processing services for managing cardholder accounts.

17 (ii) 'Customer' means the banks and institutions to whom credit card data processing  
18 and related services are provided.

19 (iii) 'Gross receipts factor' means a fraction, the numerator of which is the total gross  
20 receipts from the taxpayer's customers during the tax period, if the principal office of  
21 the customer's credit card operation is in this state or if the principal office of the  
22 taxpayer's customer is in this state, and the denominator of which is the total gross  
23 receipts from all of the taxpayer's customers during the tax period.

24 (B) Where more than 60 percent of the total gross receipts of a corporation are derived  
25 from the provision of credit card data processing and related services to banks and other  
26 institutions, the portion of the net income attributable to business done in this state shall  
27 be determined by multiplying the corporation's net income by the gross receipts factor  
28 in division (iii) of subparagraph (A) of this paragraph;

29 (4) For the purposes of this subsection, the term 'sale' shall include, but not be limited to,  
30 an exchange, and the term 'manufacture' shall include, but not be limited to, the extraction  
31 and recovery of natural resources and all processes of fabricating and curing.

32 (e) The net income of a domestic or foreign corporation which is a subsidiary of another  
33 corporation or which is closely affiliated with another corporation by stock ownership shall  
34 be determined by eliminating all payments to the parent corporation or affiliated  
35 corporation in excess of fair value and by including fair compensation to the domestic  
36 business corporation for its commodities sold to or services performed for the parent  
37 corporation or affiliated corporation. For the purposes of determining net income as

1 provided in this subsection, the commissioner may equitably determine the net income by  
2 reasonable rules of apportionment of the combined income of the subsidiary, its parent, and  
3 affiliates, or any combination of the subsidiary, its parent, and any one or more of its  
4 affiliates.

5 48-7-10.

6 (a) When the business of any corporation engaged in the operation of a railroad, express  
7 service, telephone or telegraph business, or other form of public service is partly within and  
8 partly outside the state, the net income of the corporation for the purpose of this chapter  
9 shall be that amount ascertained by apportioning to the state the sum of the net income of  
10 the corporation including, but not limited to, dividend income that may legally be taxed by  
11 the state (exclusive of income from tax-exempt securities and without any deduction for  
12 federal and state income taxes), as shown by the corporation's records kept in accordance  
13 with the standard classification of accounts prescribed by the Interstate Commerce  
14 Commission when the standard classification of accounts includes in net income rents from  
15 all sources; and when the standard classification does not include all rents, then such rents  
16 shall be included in net income in the proportion that the total gross operating revenues  
17 from business done wholly within the state plus the equal mileage proportion within the  
18 state of all gross operating revenues from interstate business of the company, wherever  
19 done, bear to the total gross operating revenues from all business done by the company. If  
20 any such corporation keeps its records of operating revenues and operating expenses on a  
21 state basis in accordance with the standard classification of accounts prescribed by the  
22 Interstate Commerce Commission and in a manner which includes in net income for the  
23 state the effect of all intrastate and interstate business applicable to the state, the state  
24 records may be used by the taxpayer under the supervision of the commissioner in  
25 reporting the net taxable income within the state.

26 (b) All other corporations engaged in the business of operating a railroad, express service,  
27 telephone or telegraph business, or other form of public service, whether or not the  
28 corporation is required to make reports to the Interstate Commerce Commission, shall keep  
29 records according to the standard classifications of accounting of the Interstate Commerce  
30 Commission. The net income of the corporation including, but not limited to, dividend  
31 income that can legally be taxed by the state (exclusive of tax-exempt securities and  
32 without any deduction for federal and state income taxes) shall be determined in  
33 accordance with such records. If any such corporation keeps its records of operating  
34 revenues and operating expenses on a state basis in accordance with the standard  
35 classification of accounts prescribed by the Interstate Commerce Commission and in a  
36 manner which includes in net income for the state the effect of all intrastate and interstate

1 business applicable to the state, the state records may, with the consent of the  
2 commissioner, be used by the taxpayer in reporting the net taxable income within the state.

3 48-7-11.

4 (a) The net income shall be computed upon the basis of the taxpayer's annual accounting  
5 period in accordance with the method of accounting regularly employed in keeping the  
6 books of the taxpayer. If no such method of accounting has been so employed or if the  
7 method employed does not clearly reflect the income, the computation shall be made in  
8 accordance with the method which, in the opinion of the commissioner, clearly reflects the  
9 income. If the taxpayer's annual accounting period is other than a fiscal year or if the  
10 taxpayer has no annual accounting period or does not keep books, the net income shall be  
11 computed on the basis of the calendar year. A taxpayer utilizing a fiscal year may return  
12 such taxpayer's net income under this chapter on the basis of such taxpayer's fiscal year  
13 with the approval of the commissioner and subject to such rules and regulations as the  
14 commissioner may establish.

15 (b) With the approval of the commissioner and under such regulations as the commissioner  
16 may prescribe, a taxpayer may change his or her taxable year from fiscal year to calendar  
17 year or otherwise. In the case of any such change, the net income shall be computed upon  
18 the basis of the new taxable year when approval is obtained from the commissioner at least  
19 30 days prior to the close of the proposed taxable year.

20 (c) The amount of all items of gross income shall be included in the gross income for the  
21 taxable year in which received by the taxpayer unless, under methods of accounting  
22 permitted by this Code section, any amounts of gross income are to be properly accounted  
23 for as of a different period.

24 (d) The deductions and credits provided for in this chapter shall be taken for the taxable  
25 year in which 'paid or accrued' or 'paid or incurred' depending upon the method of  
26 accounting on the basis of which the net income is computed unless, in order to clearly  
27 reflect the income, the deductions or credits should be taken as of a different period.

28 (e) Whenever in the opinion of the commissioner it is necessary in order to determine  
29 clearly the income of any taxpayer, inventories shall be taken by the taxpayer on the basis  
30 prescribed by the commissioner. Each such basis shall conform as nearly as possible to the  
31 best accounting practice in the particular trade or business which most clearly reflects the  
32 income.

33 (f) If a return has been filed within the three years immediately preceding the date of the  
34 taxpayer's death, income and expenses of a taxpayer who dies during the taxable year shall  
35 be computed on the same method of accounting, whether cash or accrual, as was used by  
36 the taxpayer in the preparation of the last income tax return filed by the taxpayer with the

1 commissioner. If no return has been filed within the three-year period, the return of a  
2 deceased taxpayer shall be prepared on the cash method unless the commissioner certifies  
3 that the cash method, because of particular circumstances, is not reasonable to either the  
4 state or the heirs, legatees, or devisees interested in the taxpayer's estate. If the  
5 commissioner certifies that the cash method is unreasonable, the commissioner may order  
6 the preparation of the return on the accrual method.

7 48-7-12.

8 If any corporation employs in its books of account a detailed allocation of receipts and  
9 expenditures which reflects more clearly than the processes or formulas prescribed by this  
10 chapter the income attributable to the trade or business within this state, application for  
11 permission to base its return upon the books of account shall be considered by the  
12 commissioner. The application shall be made at least 60 days prior to the last day on which  
13 the taxpayer's return is to be filed and shall be accompanied by a full and complete  
14 explanation of the method employed.

15 48-7-13.

16 If any corporation shows by any method of allocation other than the processes or formulas  
17 prescribed by this chapter that another method reflects more clearly the income attributable  
18 to the trade or business within this state, application for permission to base its return upon  
19 the other method shall be considered by the commissioner. The application shall be  
20 accompanied by a statement setting forth in detail with full explanations the method the  
21 taxpayer believes will more clearly reflect its income from business within the state. If the  
22 commissioner concludes that the method of allocation and apportionment submitted by the  
23 taxpayer is in fact inapplicable and inequitable, the commissioner shall reject the  
24 application and shall so notify the taxpayer. Failure to receive the commissioner's notice  
25 shall not operate to relieve the taxpayer from liability for not filing the return on its due  
26 date utilizing the allocation and apportionment method prescribed by this chapter.

27 48-7-14.

28 (a) As used in this Code section, the term:

29 (1) 'Member of a minority' means an individual who is a member of a race which  
30 comprises less than 50 percent of the total population of the state.

31 (2) 'Minority subcontractor' means any business which is owned by:

32 (A) An individual who is a member of a minority;

33 (B) A partnership in which a majority of the ownership interest is owned by one or  
34 more members of a minority; or

1 (C) A corporation organized under the laws of this state in which a majority of the  
2 common stock is owned by one or more members of a minority.

3 (3) 'State contract' means a contract for the purchase by the state of goods, property, or  
4 services or for the construction of any building or structure for the state, which contract  
5 is executed by any department, board, bureau, commission, or agency of state  
6 government, by any state authority, or by any officer, official, employee, or agent of any  
7 of the foregoing.

8 (b) In computing Georgia taxable net income of a corporation, there shall be subtracted  
9 from federal taxable income or federal adjusted gross income 10 percent of the amount of  
10 qualified payments to minority subcontractors. A payment to a minority subcontractor shall  
11 be a qualified payment if:

12 (1) The payment is for goods, personal property, or services furnished by the minority  
13 subcontractor to the taxpayer and delivered by the taxpayer to the state in furtherance of  
14 a state contract to which the taxpayer is a party; and the payment does not exceed the  
15 value of the goods, property, or services to the taxpayer;

16 (2) The payment is made during the taxable year for which the subtraction from federal  
17 taxable income or federal adjusted gross income is claimed; and

18 (3) The payment is made to a subcontractor who at the time of the payment is certified  
19 as a minority contractor pursuant to subsection (d) of this Code section.

20 (c) The total amount which may be subtracted under this Code section from federal taxable  
21 income or federal adjusted gross income of any taxpayer shall be limited to \$100,000.00  
22 per taxable year.

23 (d) The commissioner of administrative services shall certify individuals, partnerships, and  
24 corporations which are within the definition of the term 'minority subcontractor' specified  
25 in subsection (a) of this Code section. The department may disclose to the commissioner  
26 of administrative services the income tax returns of taxpayers applying for certification as  
27 minority subcontractors. The commissioner of administrative services shall maintain and  
28 periodically revise a list of certified minority subcontractors and shall make such list  
29 available to the department and to the general public.

30 48-7-15.

31 (a) As used in this Code section, the term 'business enterprise' means any business or the  
32 headquarters of any such business which is engaged in manufacturing, warehousing and  
33 distribution, processing, telecommunications, tourism, and research and development  
34 industries. Such term shall not include retail businesses.

35 (b)(1) Not later than December 31 of each year, using the most current data available  
36 from the Department of Labor and the United States Department of Commerce, the

1 commissioner of community affairs shall rank and designate as less developed areas all  
2 159 counties in this state using a combination of the following equally weighted factors:

3 (A) Highest unemployment rate for the most recent 36 month period;

4 (B) Lowest per capita income for the most recent 36 month period; and

5 (C) Highest percentage of residents whose incomes are below the poverty level  
6 according to the most recent data available.

7 (2) Counties ranked and designated as the first through seventy-first least developed  
8 counties shall be classified as tier 1, counties ranked and designated as the  
9 seventy-second through one hundred sixth least developed counties shall be classified as  
10 tier 2, counties ranked and designated as the one hundred seventh through one hundred  
11 forty-first least developed counties shall be classified as tier 3, and counties ranked and  
12 designated as the one hundred forty-second through one hundred fifty-ninth least  
13 developed counties shall be classified as tier 4.

14 (c) The commissioner of community affairs shall be authorized to include in the tier 2  
15 designation provided for in subsection (b) of this Code section any tier 3 county which, in  
16 the opinion of the commissioner of community affairs, undergoes a sudden and severe  
17 period of economic distress caused by the closing of one or more business enterprises  
18 located in such county. No designation made pursuant to this subsection shall operate to  
19 displace or remove any other county previously designated as a tier 2 county.

20 (c.1) The commissioner of community affairs shall be authorized to include in the tier 1  
21 designation provided for in subsection (b) of this Code section any tier 2 county which, in  
22 the opinion of the commissioner of community affairs, undergoes a sudden and severe  
23 period of economic distress caused by the closing of one or more business enterprises  
24 located in such county. No designation made pursuant to this subsection shall operate to  
25 displace or remove any other county previously designated as a tier 1 county.

26 (d) For business enterprises which plan a significant expansion in their labor forces, the  
27 commissioner of community affairs shall prescribe redesignation procedures to ensure that  
28 the business enterprises can claim credits in future years without regard to whether or not  
29 a particular county is reclassified in a different tier.

30 (e) Business enterprises in counties designated by the commissioner of community affairs  
31 as tier 1 counties shall be allowed a tax credit for taxes imposed under this article equal to  
32 \$3,500.00 annually per eligible new full-time employee job; provided, however, that where  
33 the amount of such credit exceeds a business enterprise's liability for such taxes in a  
34 taxable year, the excess may be taken as a credit against such business enterprise's  
35 quarterly or monthly payment but not to exceed in any one taxable year \$3,500.00 for each  
36 new full-time employee job when aggregated with the credit applied against taxes under  
37 this article. Business enterprises in counties designated by the commissioner of community

1 affairs as tier 2 counties shall be allowed a job tax credit for taxes imposed under this  
2 article equal to \$2,500.00 annually, business enterprises in counties designated by the  
3 commissioner of community affairs as tier 3 counties shall be allowed a job tax credit for  
4 taxes imposed under this article equal to \$1,250.00 annually, and business enterprises in  
5 counties designated by the commissioner of community affairs as tier 4 counties shall be  
6 allowed a job tax credit for taxes imposed under this article equal to \$750.00 annually for  
7 each new full-time employee job for five years beginning with years two through six after  
8 the creation of the job. The number of new full-time jobs shall be determined by  
9 comparing the monthly average number of full-time employees subject to Georgia income  
10 tax withholding for the taxable year with the corresponding period of the prior taxable year.  
11 In tier 1 counties, those business enterprises that increase employment by five or more shall  
12 be eligible for the credit. In tier 2 counties, only those business enterprises that increase  
13 employment by ten or more shall be eligible for the credit. In tier 3 counties, only those  
14 business enterprises that increase employment by 15 or more shall be eligible for the credit.  
15 In tier 4 counties, only those business enterprises that increase employment by 25 or more  
16 shall be eligible for the credit. In tier 1 counties, the average wage of the new jobs created  
17 must be above the average wage of the county where the new jobs are located to qualify  
18 as reported in the most recently available annual issue of the Georgia Employment and  
19 Wages Averages Report of the Department of Labor. In tier 2 counties, the average wage  
20 of the new jobs created must be 5 percent above the average wage of the county where the  
21 new jobs are located to qualify as reported in the most recently available annual issue of  
22 the Georgia Employment and Wages Averages Report of the Department of Labor. In tier  
23 3 counties, the average wage of the new jobs created must be 10 percent above the average  
24 wage of the county where the new jobs are located to qualify as reported in the most  
25 recently available annual issue of the Georgia Employment and Wages Averages Report  
26 of the Department of Labor. In tier 4 counties, the average wage of the new jobs created  
27 must be 15 percent above the average wage of the county where the new jobs are located  
28 to qualify as reported in the most recently available annual issue of the Georgia  
29 Employment and Wages Averages Report of the Department of Labor. To qualify for a  
30 credit under this subsection, the employer must make health insurance coverage available  
31 to the employee filling the new full-time job; provided, however, that nothing in this  
32 subsection shall be construed to require the employer to pay for all or any part of health  
33 insurance coverage for such an employee in order to claim the credit provided for in this  
34 subsection if such employer does not pay for all or any part of health insurance coverage  
35 for other employees. Credit shall not be allowed during a year if the net employment  
36 increase falls below the number required in such tier. Any credit received for years prior  
37 to the year in which the net employment increase falls below the number required in such

1 tier shall not be affected. The state revenue commissioner shall adjust the credit allowed  
2 each year for net new employment fluctuations above the minimum level of the number  
3 required in such tier.

4 (f) Tax credits for five years for the taxes imposed under this article shall be awarded for  
5 additional new full-time jobs created by business enterprises qualified under subsection (b),  
6 (c), or (c.1) of this Code section. Additional new full-time jobs shall be determined by  
7 subtracting the highest total employment of the business enterprise during years two  
8 through six, or whatever portion of years two through six which has been completed, from  
9 the total increased employment. The state revenue commissioner shall adjust the credit  
10 allowed in the event of employment fluctuations during the additional five years of credit.

11 (g) The sale, merger, acquisition, or bankruptcy of any business enterprise shall not create  
12 new eligibility in any succeeding business entity, but any unused job tax credit may be  
13 transferred and continued by any transferee of the business enterprise. The commissioner  
14 of community affairs shall determine whether or not qualifying net increases or decreases  
15 have occurred and may require reports, promulgate regulations, and hold hearings as  
16 needed for substantiation and qualification.

17 (h) Any credit claimed under this Code section but not used in any taxable year may be  
18 carried forward for ten years from the close of the taxable year in which the qualified jobs  
19 were established, but in tiers 3 and 4 the credit established by this Code section taken in  
20 any one taxable year shall be limited to an amount not greater than 50 percent of the  
21 taxpayer's state income tax liability which is attributable to income derived from  
22 operations in this state for that taxable year. In tier 1 and 2 counties, the credit allowed  
23 under this Code section against taxes imposed under this article in any taxable year shall  
24 be limited to an amount not greater than 100 percent of the taxpayer's state income tax  
25 liability attributable to income derived from operations in this state for such taxable year.

26 (i) Notwithstanding any provision of this Code section to the contrary, in counties  
27 recognized and designated as the first through fortieth least developed counties in the tier  
28 1 designation, job tax credits shall be allowed as provided in this Code section, in addition  
29 to business enterprises, to any business of any nature.

30 (j) The commissioner may require such reports, promulgate such regulations, and gather  
31 such relevant data necessary and advisable for the evaluation of the job tax credits  
32 established by this Code section.

33 48-7-16.

34 (a) As used in this Code section, the term 'business enterprise' means any business or the  
35 headquarters of any such business which is engaged in manufacturing, warehousing and

1 distribution, processing, telecommunications, tourism, and research and development  
2 industries. Such term shall not include retail businesses.

3 (b) Not later than December 31 of each year, using the most current data available from  
4 the Department of Labor and the United States Department of Commerce, the  
5 commissioner of community affairs shall rank and designate as less developed areas the  
6 areas which are comprised of ten or more contiguous census tracts in this state using a  
7 combination of the following equally weighted factors:

8 (1) Highest unemployment rate for the most recent 36 month period;

9 (2) Lowest per capita income for the most recent 36 month period; and

10 (3) Highest percentage of residents whose income is below the poverty level according  
11 to the most recent data available.

12 (c) The commissioner of community affairs shall be authorized to include in the  
13 designation provided for in subsection (b) of this Code section:

14 (1) Any area comprised of ten or more contiguous census tracts which, in the opinion of  
15 the commissioner of community affairs, undergoes a sudden and severe period of  
16 economic distress caused by the closing of one or more business enterprises located in  
17 such area; or

18 (2) Any area comprised of one or more contiguous census tracts which, in the opinion  
19 of the commissioner of community affairs, is or will be adversely impacted by the loss  
20 of one or more jobs, businesses, or residences as a result of an airport expansion,  
21 including noise buy-outs, or the closing of a business enterprise which, in the opinion of  
22 the commissioner of community affairs, results or will result in a sudden and severe  
23 period of economic distress.

24 No designation made pursuant to this subsection shall operate to displace or remove any  
25 other area previously designated as a less developed area.

26 (d) For business enterprises which plan a significant expansion in their labor forces, the  
27 commissioner of community affairs shall prescribe redesignation procedures to ensure that  
28 the business enterprises can claim credits in future years without regard to whether or not  
29 a particular area is removed from the list of less developed areas.

30 (e) Business enterprises in areas designated by the commissioner of community affairs as  
31 less developed areas shall be allowed a job tax credit for taxes imposed under this article  
32 equal to \$3,500.00 annually per eligible new full-time employee job for five years  
33 beginning with years two through six after the creation of such job; provided, however, that  
34 where the amount of such credit exceeds 50 percent of a business enterprise's liability for  
35 such taxes in a taxable year, the excess may be taken as a credit against such business  
36 enterprise's quarterly or monthly payment but not to exceed in any one taxable year  
37 \$3,500.00 for each new full-time employee job when aggregated with the credit applied

1 against taxes under this article. The number of new full-time jobs shall be determined by  
2 comparing the monthly average number of full-time employees subject to Georgia income  
3 tax withholding for the taxable year with the corresponding period of the prior taxable year.  
4 Only those business enterprises that increase employment by five or more in a less  
5 developed area shall be eligible for the credit. In addition, not less than 30 percent of such  
6 new full-time jobs must be held by a resident of the less developed area for which the credit  
7 is sought or another such designated less developed area. Credit shall not be allowed  
8 during a year if the net employment increase falls below five. Any credit received for years  
9 prior to the year in which the net employment increase falls below five shall not be  
10 affected. The state revenue commissioner shall adjust the credit allowed each year for net  
11 new employment fluctuations above the minimum level of five.

12 (f) Tax credits for five years for the taxes imposed under this article shall be awarded for  
13 additional new full-time jobs created by business enterprises qualified under subsection (b)  
14 or (c) of this Code section. Additional new full-time jobs shall be determined by  
15 subtracting the highest total employment of the business enterprise during years two  
16 through six, or whatever portion of years two through six which has been completed, from  
17 the total increased employment. The state revenue commissioner shall adjust the credit  
18 allowed in the event of employment fluctuations during the additional five years of credit.

19 (g) The sale, merger, acquisition, or bankruptcy of any business enterprise shall not create  
20 new eligibility in any succeeding business entity, but any unused job tax credit may be  
21 transferred and continued by any transferee of the business enterprise. The commissioner  
22 of community affairs shall determine whether or not qualifying net increases or decreases  
23 have occurred and may require reports, promulgate regulations, and hold hearings as  
24 needed for substantiation and qualification.

25 (h) Any credit claimed under this Code section but not used in any taxable year may be  
26 carried forward for ten years from the close of the taxable year in which the qualified jobs  
27 were established, but the credit established by this Code section taken in any one taxable  
28 year shall be limited to an amount not greater than 50 percent of the taxpayer's state  
29 income tax liability which is attributable to income derived from operations in this state for  
30 that taxable year.

31 48-7-17.

32 (a) As used in this Code section, the term:

33 (1) 'Product' means a marketable product or component of a product which has an  
34 economic value to the wholesale or retail consumer and is ready to be used without  
35 further alteration of its form or a product or material which is marketed as a prepared  
36 material or is a component in the manufacturing and assembly of other finished products.

1 (2) 'Qualified investment property' means all real and personal property purchased or  
2 acquired by a taxpayer for use in the construction of an additional manufacturing or  
3 telecommunications facility to be located in this state or the expansion of an existing  
4 manufacturing or telecommunications facility located in this state, including, but not  
5 limited to, amounts expended on land acquisition, improvements, buildings, building  
6 improvements, and machinery and equipment to be used in the manufacturing or  
7 telecommunications facility. The department shall promulgate rules defining eligible  
8 manufacturing facilities, telecommunications facilities, and qualified investment property  
9 pursuant to this paragraph.

10 (3) 'Recovered materials' means those materials, including but not limited to such  
11 materials as aluminum, oil, plastic, paper, paper products, scrap metal, iron, glass, and  
12 rubber, which have known use, reuse, or recycling potential; can be feasibly used, reused,  
13 or recycled; and have been diverted or removed from the solid waste stream for sale, use,  
14 reuse, or recycling, whether or not requiring subsequent separation and processing.

15 (4) 'Recycling' means any process by which materials which would otherwise become  
16 solid waste are collected, separated, or processed and reused or returned to use in the  
17 form of raw materials or products.

18 (5) 'Recycling machinery and equipment' means all tangible personal property used,  
19 directly or indirectly, to sort, store, prepare, convert, process, fabricate, or manufacture  
20 recovered materials into finished products which are composed of at least 25 percent  
21 recovered materials, such term including, but not being limited to, power generation and  
22 pollution control machinery and equipment.

23 (6) 'Recycling manufacturing facility' means any facility, including land, improvements  
24 to land, buildings, building improvements, and any recycling machinery and equipment  
25 used in the recycling process resulting in the manufacture of finished products from  
26 recovered materials, provided that up to 10 percent of any building that is a component  
27 of a recycling facility may be used for office space to house support staff for the recycling  
28 operation.

29 (b) In the case of a taxpayer which has operated for the immediately preceding three years  
30 an existing manufacturing or telecommunications facility or manufacturing or  
31 telecommunications support facility in this state in a tier 1 county designated pursuant to  
32 Code Section 48-7-15, there shall be allowed a credit against the tax imposed under this  
33 chapter in an amount equal to 5 percent of the cost of all qualified investment property  
34 purchased or acquired by the taxpayer in such year, subject to the conditions and  
35 limitations set forth in this Code section. In the event such qualified investment property  
36 purchased or acquired by the taxpayer in such year consists of recycling machinery or  
37 equipment, a recycling manufacturing facility, pollution control or prevention machinery

1 or equipment, a pollution control or prevention facility, or the conversion from defense to  
2 domestic production, the amount of such credit shall be equal to 8 percent.

3 (c) The credit granted under subsection (b) of this Code section shall be subject to the  
4 following conditions and limitations:

5 (1) In order to qualify as a basis for the credit, the investment in qualified investment  
6 property must occur no sooner than January 1, 1995. The credit may be taken beginning  
7 with the tax year immediately following the tax year in which the qualified investment  
8 property having an aggregate cost in excess of \$50,000.00 is purchased or acquired by  
9 the taxpayer. For every year in which a taxpayer claims the credit, the taxpayer shall  
10 attach a schedule to the taxpayer's Georgia income tax return which will set forth the  
11 following information, as a minimum:

12 (A) A description of the project;

13 (B) The amount of qualified investment property acquired during the taxable year;

14 (C) The amount of tax credit claimed for the taxable year;

15 (D) The amount of qualified investment property acquired in prior taxable years;

16 (E) Any tax credit utilized by the taxpayer in prior taxable years;

17 (F) The amount of tax credit carried over from prior years;

18 (G) The amount of tax credit utilized by the taxpayer in the current taxable year; and

19 (H) The amount of tax credit to be carried over to subsequent tax years;

20 (2) Any credit claimed under this Code section but not used in any taxable year may be  
21 carried forward for ten years from the close of the taxable year in which the qualified  
22 investment property was acquired, provided that such qualified investment property  
23 remains in service. The credit established by this Code section taken in any one taxable  
24 year shall be limited to an amount not greater than 50 percent of the taxpayer's state  
25 income tax liability which is attributable to income derived from operations in this state  
26 for that taxable year. The sale, merger, acquisition, or bankruptcy of any taxpayer shall  
27 not create new eligibility in any succeeding taxpayer, but any unused credit may be  
28 transferred and continued by any transferee of the taxpayer;

29 (3) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
30 this Code section, the taxpayer shall include in the description of the project required by  
31 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that  
32 the project includes the acquisition of qualified investment property having an aggregate  
33 cost in excess of \$50,000.00;

34 (4) Any lease for a period of five years or longer of any real or personal property used  
35 in a new or expanded manufacturing or telecommunications facility which would  
36 otherwise constitute qualified investment property shall be treated as the purchase or  
37 acquisition of qualified investment property by the lessee. The taxpayer may treat the full

1 value of the leased property as qualified investment property in the taxable year in which  
2 the lease becomes binding on the lessor and the taxpayer if all other conditions of this  
3 subsection have been met; and

4 (5) The utilization of the credit granted in subsection (b) of this Code section shall have  
5 no effect on the taxpayer's ability to claim depreciation for tax purposes on the assets  
6 acquired by the taxpayer, nor shall the credit have any effect on the taxpayer's basis in  
7 such assets for the purpose of depreciation.

8 (d)(1) Except as otherwise provided in paragraph (2) of this subsection, no taxpayer shall  
9 be authorized to claim on a tax return for a given project the credit provided for in this  
10 Code section if such taxpayer claims on such tax return any of the credits authorized  
11 under Code Section 48-7-15 or 48-7-16.

12 (2) For taxable years beginning on or after January 1, 1995, and ending on or prior to  
13 December 31, 1998, a taxpayer shall be authorized to claim on a tax return for a given  
14 project the credit provided for in this Code section and to claim, if otherwise qualified  
15 under Code Section 48-7-15, the tax credit applicable to tier 1 counties under Code  
16 Section 48-7-15, subject to the following limitations:

17 (A) Not less than 250 new full-time employee jobs must be created in the first taxable  
18 year and maintained through the end of the third taxable year in which the taxpayer  
19 claims both credits as authorized under this paragraph; and

20 (B) An otherwise qualified taxpayer shall not be entitled to receive the additional tax  
21 credit authorized under Code Section 36-62-5.1 in any taxable year in which that  
22 taxpayer claims both of the tax credits as authorized under this paragraph.

23 48-7-18.

24 (a) As used in this Code section, the term:

25 (1) 'Product' means a marketable product or component of a product which has an  
26 economic value to the wholesale or retail consumer and is ready to be used without  
27 further alteration of its form or a product or material which is marketed as a prepared  
28 material or is a component in the manufacturing and assembly of other finished products.

29 (2) 'Qualified investment property' means all real and personal property purchased or  
30 acquired by a taxpayer for use in the construction of an additional manufacturing or  
31 telecommunications facility to be located in this state or the expansion of an existing  
32 manufacturing or telecommunications facility located in this state, including, but not  
33 limited to, amounts expended on land acquisition, improvements, buildings, building  
34 improvements, and machinery and equipment to be used in the manufacturing or  
35 telecommunications facility. The department shall promulgate rules defining eligible

1 manufacturing facilities, telecommunications facilities, and qualified investment property  
2 pursuant to this paragraph.

3 (3) 'Recovered materials' means those materials, including but not limited to such  
4 materials as aluminum, oil, plastic, paper, paper products, scrap metal, iron, glass, and  
5 rubber, which have known use, reuse, or recycling potential; can be feasibly used, reused,  
6 or recycled; and have been diverted or removed from the solid waste stream for sale, use,  
7 reuse, or recycling, whether or not requiring subsequent separation and processing.

8 (4) 'Recycling' means any process by which materials which would otherwise become  
9 solid waste are collected, separated, or processed and reused or returned to use in the  
10 form of raw materials or products.

11 (5) 'Recycling machinery and equipment' means all tangible personal property used,  
12 directly or indirectly, to sort, store, prepare, convert, process, fabricate, or manufacture  
13 recovered materials into products which are composed of at least 25 percent recovered  
14 materials, such term including, but not being limited to, power generation and pollution  
15 control machinery and equipment.

16 (6) 'Recycling manufacturing facility' means any facility, including land, improvements  
17 to land, buildings, building improvements, and any recycling machinery and equipment  
18 used in the recycling process resulting in the manufacture of products from recovered  
19 materials, provided that up to 10 percent of any building that is a component of a  
20 recycling facility may be used for office space to house support staff for the recycling  
21 operation.

22 (b) In the case of a taxpayer which has operated for the immediately preceding three years  
23 an existing manufacturing or telecommunications facility or manufacturing or  
24 telecommunications support facility in this state in a tier 2 county designated pursuant to  
25 Code Section 48-7-15, there shall be allowed a credit against the tax imposed under this  
26 chapter in an amount equal to 3 percent of the cost of all qualified investment property  
27 purchased or acquired by the taxpayer in such year, subject to the conditions and  
28 limitations set forth in this Code section. In the event such qualified investment property  
29 purchased or acquired by the taxpayer in such year consists of recycling machinery or  
30 equipment, a recycling manufacturing facility, pollution control or prevention machinery  
31 or equipment, a pollution control or prevention facility, or the conversion from defense to  
32 domestic production, the amount of such credit shall be equal to 5 percent.

33 (c) The credit granted under subsection (b) of this Code section shall be subject to the  
34 following conditions and limitations:

35 (1) In order to qualify as a basis for the credit, the investment in qualified investment  
36 property must occur no sooner than January 1, 1995. The credit may be taken beginning  
37 with the tax year immediately following the tax year in which the qualified investment

1 property having an aggregate cost in excess of \$50,000.00 is purchased or acquired by  
2 the taxpayer. For every year in which a taxpayer claims the credit, the taxpayer shall  
3 attach a schedule to the taxpayer's Georgia income tax return which will set forth the  
4 following information, as a minimum:

5 (A) A description of the project;

6 (B) The amount of qualified investment property acquired during the taxable year;

7 (C) The amount of tax credit claimed for the taxable year;

8 (D) The amount of qualified investment property acquired in prior taxable years;

9 (E) Any tax credit utilized by the taxpayer in prior taxable years;

10 (F) The amount of tax credit carried over from prior years;

11 (G) The amount of tax credit utilized by the taxpayer in the current taxable year; and

12 (H) The amount of tax credit to be carried over to subsequent tax years;

13 (2) Any credit claimed under this Code section but not used in any taxable year may be  
14 carried forward for ten years from the close of the taxable year in which the qualified  
15 investment property was acquired, provided that such qualified investment property  
16 remains in service. The credit established by this Code section taken in any one taxable  
17 year shall be limited to an amount not greater than 50 percent of the taxpayer's state  
18 income tax liability which is attributable to income derived from operations in this state  
19 for that taxable year. The sale, merger, acquisition, or bankruptcy of any taxpayer shall  
20 not create new eligibility in any succeeding taxpayer, but any unused credit may be  
21 transferred and continued by any transferee of the taxpayer;

22 (3) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
23 this Code section, the taxpayer shall include in the description of the project required by  
24 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that  
25 the project includes the acquisition of qualified investment property having an aggregate  
26 cost in excess of \$50,000.00;

27 (4) Any lease for a period of five years or longer of any real or personal property used  
28 in a new or expanded manufacturing or telecommunications facility which would  
29 otherwise constitute qualified investment property shall be treated as the purchase or  
30 acquisition of qualified investment property by the lessee. The taxpayer may treat the full  
31 value of the leased property as qualified investment property in the taxable year in which  
32 the lease becomes binding on the lessor and the taxpayer if all other conditions of this  
33 subsection have been met; and

34 (5) The utilization of the credit granted in subsection (b) of this Code section shall have  
35 no effect on the taxpayer's ability to claim depreciation for tax purposes on the assets  
36 acquired by the taxpayer, nor shall the credit have any effect on the taxpayer's basis in  
37 such assets for the purpose of depreciation.

1 (d) No taxpayer shall be authorized to claim on a tax return for a given project the credit  
2 provided for in this Code section if such taxpayer claims on such tax return any of the  
3 credits authorized under Code Section 48-7-15 or 48-7-16.

4 48-7-19.

5 (a) As used in this Code section, the term:

6 (1) 'Product' means a marketable product or component of a product which has an  
7 economic value to the wholesale or retail consumer and is ready to be used without  
8 further alteration of its form or a product or material which is marketed as a prepared  
9 material or is a component in the manufacturing and assembly of other finished products.

10 (2) 'Qualified investment property' means all real and personal property purchased or  
11 acquired by a taxpayer for use in the construction of an additional manufacturing or  
12 telecommunications facility to be located in this state or the expansion of an existing  
13 manufacturing or telecommunications facility located in this state, including, but not  
14 limited to, amounts expended on land acquisition, improvements, buildings, building  
15 improvements, and machinery and equipment to be used in the manufacturing or  
16 telecommunications facility. The department shall promulgate rules defining eligible  
17 manufacturing facilities, telecommunications facilities, and qualified investment property  
18 pursuant to this paragraph.

19 (3) 'Recovered materials' means those materials, including but not limited to such  
20 materials as aluminum, oil, plastic, paper, paper products, scrap metal, iron, glass, and  
21 rubber, which have known use, reuse, or recycling potential; can be feasibly used, reused,  
22 or recycled; and have been diverted or removed from the solid waste stream for sale, use,  
23 reuse, or recycling, whether or not requiring subsequent separation and processing.

24 (4) 'Recycling' means any process by which materials which would otherwise become  
25 solid waste are collected, separated, or processed and reused or returned to use in the  
26 form of raw materials or products.

27 (5) 'Recycling machinery and equipment' means all tangible personal property used,  
28 directly or indirectly, to sort, store, prepare, convert, process, fabricate, or manufacture  
29 recovered materials into products which are composed of at least 25 percent recovered  
30 materials, such term including, but not being limited to, power generation and pollution  
31 control machinery and equipment.

32 (6) 'Recycling manufacturing facility' means any facility, including land, improvements  
33 to land, buildings, building improvements, and any recycling machinery and equipment  
34 used in the recycling process resulting in the manufacture of products from recovered  
35 materials, provided that up to 10 percent of any building that is a component of a

1 recycling facility may be used for office space to house support staff for the recycling  
2 operation.

3 (b) In the case of a taxpayer which has operated for the immediately preceding three years  
4 an existing manufacturing or telecommunications facility or manufacturing or  
5 telecommunications support facility in this state in a tier 3 or a tier 4 county designated  
6 pursuant to Code Section 48-7-15, there shall be allowed a credit against the tax imposed  
7 under this chapter in an amount equal to 1 percent of the cost of all qualified investment  
8 property purchased or acquired by the taxpayer in such year, subject to the conditions and  
9 limitations set forth in this Code section. In the event such qualified investment property  
10 purchased or acquired by the taxpayer in such year consists of recycling machinery or  
11 equipment, a recycling manufacturing facility, pollution control or prevention machinery  
12 or equipment, a pollution control or prevention facility, or the conversion from defense to  
13 domestic production, the amount of such credit shall be equal to 3 percent.

14 (c) The credit granted under subsection (b) of this Code section shall be subject to the  
15 following conditions and limitations:

16 (1) In order to qualify as a basis for the credit, the investment in qualified investment  
17 property must occur no sooner than January 1, 1995. The credit may be taken beginning  
18 with the tax year immediately following the tax year in which the qualified investment  
19 property having an aggregate cost in excess of \$50,000.00 is purchased or acquired by  
20 the taxpayer. For every year in which a taxpayer claims the credit, the taxpayer shall  
21 attach a schedule to the taxpayer's Georgia income tax return which will set forth the  
22 following information, as a minimum:

23 (A) A description of the project;

24 (B) The amount of qualified investment property acquired during the taxable year;

25 (C) The amount of tax credit claimed for the taxable year;

26 (D) The amount of qualified investment property acquired in prior taxable years;

27 (E) Any tax credit utilized by the taxpayer in prior taxable years;

28 (F) The amount of tax credit carried over from prior years;

29 (G) The amount of tax credit utilized by the taxpayer in the current taxable year; and

30 (H) The amount of tax credit to be carried over to subsequent tax years;

31 (2) Any credit claimed under this Code section but not used in any taxable year may be  
32 carried forward for ten years from the close of the taxable year in which the qualified  
33 investment property was acquired, provided that such qualified investment property  
34 remains in service. The credit established by this Code section taken in any one taxable  
35 year shall be limited to an amount not greater than 50 percent of the taxpayer's state  
36 income tax liability which is attributable to income derived from operations in this state  
37 for that taxable year. The sale, merger, acquisition, or bankruptcy of any taxpayer shall

1 not create new eligibility in any succeeding taxpayer, but any unused credit may be  
2 transferred and continued by any transferee of the taxpayer;

3 (3) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
4 this Code section, the taxpayer shall include in the description of the project required by  
5 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that  
6 the project includes the acquisition of qualified investment property having an aggregate  
7 cost in excess of \$50,000.00;

8 (4) Any lease for a period of five years or longer of any real or personal property used  
9 in a new or expanded manufacturing or telecommunications facility which would  
10 otherwise constitute qualified investment property shall be treated as the purchase or  
11 acquisition of qualified investment property by the lessee. The taxpayer may treat the full  
12 value of the leased property as qualified investment property in the taxable year in which  
13 the lease becomes binding on the lessor and the taxpayer if all other conditions of this  
14 subsection have been met; and

15 (5) The utilization of the credit granted in subsection (b) of this Code section shall have  
16 no effect on the taxpayer's ability to claim depreciation for tax purposes on the assets  
17 acquired by the taxpayer nor shall the credit have any effect on the taxpayer's basis in  
18 such assets for the purpose of depreciation.

19 (d) No taxpayer shall be authorized to claim on a tax return for a given project the credit  
20 provided for in this Code section if such taxpayer claims on such tax return any of the  
21 credits authorized under Code Section 48-7-15 or 48-7-16.

22 48-7-20.

23 (a) As used in this Code section, the term:

24 (1) 'Approved retraining' means employer provided or employer sponsored retraining  
25 that meets the following conditions:

26 (A) It enhances the functional skills of employees otherwise unable to function  
27 effectively on the job due to skill deficiencies or who would otherwise be displaced  
28 because such skill deficiencies would inhibit their utilization of new technology;

29 (B) It is approved and certified by the Department of Technical and Adult Education;  
30 and

31 (C) The employer does not require the employee to make any payment for the  
32 retraining, either directly or indirectly through use of forfeiture of leave time, vacation  
33 time, or other compensable time.

34 (2) 'Cost of retraining' means direct instructional costs as defined by the Department of  
35 Technical and Adult Education including instructor salaries, materials, supplies, and

1 textbooks but specifically excluding costs associated with renting or otherwise securing  
2 space.

3 (3) 'Employee' means any employee resident in this state who is employed for at least  
4 25 hours a week, who has been continuously employed by the employer for at least 16  
5 consecutive weeks.

6 (4) 'Employer' means any employer upon whom an income tax is imposed by this  
7 chapter.

8 (5) 'Employer provided' refers to approved retraining offered on the premises of the  
9 employer or on premises approved by the Department of Technical and Adult Education  
10 by instructors hired by or employed by an employer.

11 (6) 'Employer sponsored' refers to a contractual arrangement with a school, university,  
12 college, or other instructional facility which offers approved retraining that is paid for by  
13 the employer.

14 (b) A tax credit shall be granted to an employer who provides or sponsors an approved  
15 retraining program. The amount of the tax credit shall be equal to one-half of the costs of  
16 retraining per full-time employee, or \$500.00 per full-time employee, whichever is less, for  
17 each employee who has successfully completed an approved retraining program. No  
18 employer may receive a credit if the employer requires that the employee reimburse or pay  
19 the employer for the cost of retraining.

20 (c) Any tax credit claimed under this Code section for any taxable year beginning on or  
21 after January 1, 1998, but not used for any such taxable year may be carried forward for  
22 ten years from the close of the taxable year in which the tax credit was granted. The tax  
23 credit granted to any employer pursuant to this Code section shall not exceed 50 percent  
24 of the amount of the taxpayer's income tax liability for the taxable year as computed  
25 without regard to this Code section.

26 (d) To be eligible to claim the credit granted under this Code section, the employer must  
27 certify to the department the name of the employee, the course work successfully  
28 completed by such employee, the name of the provider of the approved retraining, and such  
29 other information as may be required by the department to ensure that credits are only  
30 granted to employers who provide or sponsor approved retraining pursuant to this Code  
31 section and that such credits are only granted to employers with respect to employees who  
32 successfully complete such approved retraining. The department shall adopt rules and  
33 regulations and forms to implement this credit program. The department is expressly  
34 authorized and directed to work with the Department of Technical and Adult Education to  
35 ensure the proper granting of credits pursuant to this Code section.

36 (e) The Department of Technical and Adult Education is expressly authorized and directed  
37 to establish such standards as it deems necessary and convenient in approving employer

1 provided and employer sponsored retraining programs. In establishing such standards, the  
 2 Department of Technical and Adult Education shall establish required hours of classroom  
 3 instruction, required courses, certification of teachers or instructors, progressive levels of  
 4 instruction, and standardized measures of employee evaluation to determine successful  
 5 completion of a course of study.

6 48-7-21.

7 (a) As used in this Code section, the term:

8 (1) 'Cost of operation' means reasonable direct operational costs incurred by an employer  
 9 as a result of providing employer provided or employer sponsored child care facilities;  
 10 provided, however, that the term cost of operation shall exclude the cost of any property  
 11 that is qualified child care property.

12 (2) 'Employer' means any employer upon whom an income tax is imposed by this article.

13 (3) 'Employer provided' refers to child care offered on the premises of the employer.

14 (4) 'Employer sponsored' refers to a contractual arrangement with a child care facility  
 15 that is paid for by the employer.

16 (5) 'Premises of the employer' refers to any location within the State of Georgia and  
 17 located on the workplace premises of the employer providing the child care or one of the  
 18 employers providing the child care in the event that the child care property is owned  
 19 jointly or severally by the taxpayer and one or more employers; provided, however, that  
 20 if such workplace premises are impracticable or otherwise unsuitable for the on-site  
 21 location of such child care facility, as determined by the commissioner, such facility may  
 22 be located within a reasonable distance of the premises of the employer.

23 (6) 'Qualified child care property' means all real property and tangible personal property  
 24 purchased or acquired on or after July 1, 1999, or which property is first placed in service  
 25 on or after July 1, 1999, for use exclusively in the construction, expansion, improvement,  
 26 or operation of an employer provided child care facility, but only if:

27 (A) The facility is licensed or commissioned by the Department of Human Resources  
 28 pursuant to Code Section 49-5-12;

29 (B) At least 95 percent of the children who use the facility are children of employees  
 30 of:

31 (i) The taxpayer and other employers in the event that the child care property is  
 32 owned jointly or severally by the taxpayer and one or more employers; or

33 (ii) A corporation that is a member of the taxpayer's 'affiliated group' within the  
 34 meaning of Section 1504(a) of the Internal Revenue Code; and

1 (C) The taxpayer has not previously claimed any tax credit for the cost of operation for  
 2 such qualified child care property placed in service prior to taxable years beginning on  
 3 or after January 1, 2000.

4 Qualified child care property includes, but is not limited to, amounts expended on land  
 5 acquisition, improvements, buildings, and building improvements and furniture, fixtures,  
 6 and equipment.

7 (7) 'Recapture amount' means, with respect to property as to which a recapture event has  
 8 occurred, an amount equal to the applicable recapture percentage of the aggregate credits  
 9 claimed under subsection (d) of this Code section for all taxable years preceding the  
 10 recapture year, whether or not such credits were used.

11 (8) 'Recapture event' refers to any disposition of qualified child care property by the  
 12 taxpayer, or any other event or circumstance under which property ceases to be qualified  
 13 child care property with respect to the taxpayer, except for:

- 14 (A) Any transfer by reason of death;
- 15 (B) Any transfer between spouses or incident to divorce;
- 16 (C) Any transaction to which Section 381(a) of the Internal Revenue Code applies;
- 17 (D) Any change in the form of conducting the taxpayer's trade or business so long as  
 18 the property is retained in such trade or business as qualified child care property and the  
 19 taxpayer retains a substantial interest in such trade or business; or
- 20 (E) Any accident or casualty.

21 (9) 'Recapture percentage' refers to the applicable percentage set forth in the following  
 22 table:

<u>If the recapture event occurs within—</u>	<u>The recapture percentage is:</u>
24 Five full years after the qualified child care 25 property is placed in service . . . . .	100
26 The sixth full year after the qualified child care 27 property is placed in service . . . . .	90
28 The seventh full year after the qualified child care 29 property is placed in service . . . . .	80
30 The eighth full year after the qualified child care 31 property is placed in service . . . . .	70

1 The ninth full year after the qualified child care  
2 property is placed in service . . . . . 60

3 The tenth full year after the qualified child care  
4 property is placed in service . . . . . 50

5 The eleventh full year after the qualified child care  
6 property is placed in service . . . . . 40

7 The twelfth full year after the qualified child care  
8 property is placed in service . . . . . 30

9 The thirteenth full year after the qualified child  
10 care property is placed in service . . . . . 20

11 The fourteenth full year after the qualified child  
12 care property is placed in service . . . . . 10

13 Any period after the close of the fourteenth full  
14 year after the qualified child care property is  
15 placed in service . . . . . 0

16 (10) 'Recapture year' means the taxable year in which a recapture event occurs with  
17 respect to qualified child care property.

18 (b) A tax credit against the tax imposed under this article shall be granted to an employer  
19 who provides or sponsors child care for employees. The amount of the tax credit shall be  
20 equal to 75 percent of the cost of operation to the employer less any amounts paid for by  
21 employees during a taxable year.

22 (c) The tax credit allowed under subsection (b) of this Code section shall be subject to the  
23 following conditions and limitations:

24 (1) Such credit shall not exceed 50 percent of the amount of the taxpayer's income tax  
25 liability for the taxable year as computed without regard to any other credits;

26 (2) Any such credit claimed but not used in any taxable year may be carried forward for  
27 five years from the close of the taxable year in which the cost of operation was incurred;  
28 and

29 (3) The employer shall certify to the department the names of the employees, the name  
30 of the child care provider, and such other information as may be required by the

1 department to ensure that credits are granted only to employers who provide or sponsor  
2 approved child care pursuant to this Code section.

3 (d) In addition to the tax credit provided under subsection (b) of this Code section, a  
4 taxpayer shall be allowed a credit against the tax imposed under this article for the taxable  
5 year in which the taxpayer first places in service qualified child care property and for each  
6 of the ensuing nine taxable years following such taxable year. The aggregate amount of  
7 the credit shall equal 100 percent of the cost of all qualified child care property purchased  
8 or acquired by the taxpayer and first placed in service during a taxable year, and such credit  
9 may be claimed at a rate of 10 percent per year over a period of ten taxable years.

10 (e) The tax credit allowable under subsection (d) of this Code section shall be subject to  
11 the following conditions and limitations:

12 (1) Any such credit claimed in any taxable year but not used in such taxable year may  
13 be carried forward for three years from the close of such taxable year. The sale, merger,  
14 acquisition, or bankruptcy of any taxpayer shall not create new eligibility for the credit  
15 in any succeeding taxpayer;

16 (2) In no event shall the amount of any such tax credit, including any carryover of such  
17 credit from a prior taxable year, exceed 50 percent of the taxpayer's income tax liability  
18 as determined without regard to any other credits; and

19 (3) For every year in which a taxpayer claims such credit, the taxpayer shall attach a  
20 schedule to the taxpayer's Georgia income tax return setting forth the following  
21 information with respect to such tax credit:

22 (A) A description of the child care facility;

23 (B) The amount of qualified child care property acquired during the taxable year and  
24 the cost of such property;

25 (C) The amount of tax credit claimed for the taxable year;

26 (D) The amount of qualified child care property acquired in prior taxable years and the  
27 cost of such property;

28 (E) Any tax credit utilized by the taxpayer in prior taxable years;

29 (F) The amount of tax credit carried over from prior years;

30 (G) The amount of tax credit utilized by the taxpayer in the current taxable year;

31 (H) The amount of tax credit to be carried forward to subsequent tax years; and

32 (I) A description of any recapture event occurring during the taxable year, a  
33 calculation of the resulting reduction in tax credits allowable for the recapture year and  
34 future taxable years, and a calculation of the resulting increase in tax for the recapture  
35 year.

36 (f) If a recapture event occurs with respect to qualified child care property:

1 (1) The credit otherwise allowable under subsection (d) of this Code section with respect  
 2 to such property for the recapture year and all subsequent taxable years shall be reduced  
 3 by the applicable recapture percentage; and

4 (2) All credits previously claimed with respect to such property under subsection (d) of  
 5 this Code section shall be recaptured as follows:

6 (A) Any carryover attributable to such credits under paragraph (1) of subsection (e) of  
 7 this Code section shall be reduced, but not below zero, by the recapture amount;

8 (B) The tax credit otherwise allowable under subsection (d) of this Code section for the  
 9 recapture year, if any, as reduced under paragraph (1) of this subsection, shall be further  
 10 reduced, but not below zero, by the excess of the recapture amount over the amount  
 11 taken into account under subparagraph (A) of this paragraph; and

12 (C) The tax imposed under this article for the recapture year shall be increased by the  
 13 excess of the recapture amount over the amounts taken into account under  
 14 subparagraphs (A) and (B) of this paragraph, as applicable.

15 (g) The commissioner shall promulgate any rules and regulations necessary to implement  
 16 and administer this Code section.

17 48-7-22.

18 (a) As used in this Code section, the term:

19 (1) 'Approved basic skills education' means employer provided or employer sponsored  
 20 education that meets the following conditions:

21 (A) It enhances reading, writing, or mathematical skills up to and including the  
 22 twelfth-grade level for employees who are otherwise unable to function effectively on  
 23 the job due to deficiencies in those areas or who would otherwise be displaced because  
 24 such skill deficiencies would inhibit their training for new technology;

25 (B) It is approved and certified by the Department of Technical and Adult Education;  
 26 and

27 (C) The employer does not require the employee to make any payment for the  
 28 education, either directly or indirectly through use of forfeiture of leave time, vacation  
 29 time, or other compensable time.

30 (2) 'Cost of education' means direct instructional costs as defined by the Department of  
 31 Technical and Adult Education including instructor salaries, materials, supplies, and  
 32 textbooks but specifically excluding costs associated with renting or otherwise securing  
 33 space.

34 (3) 'Employee' means any employee resident in this state who is employed for at least  
 35 24 hours a week and who has been continuously employed by the employer for at least  
 36 16 consecutive weeks.

1 (4) 'Employer' means any employer upon whom an income tax is imposed by this  
2 chapter.

3 (5) 'Employer provided' refers to approved basic skills education offered on the premises  
4 of the employer or on premises approved by the Department of Technical and Adult  
5 Education by instructors hired by or employed by an employer.

6 (6) 'Employer sponsored' refers to a contractual arrangement with a school, university,  
7 college, or other instructional facility which offers approved basic skills education that  
8 is paid for by the employer.

9 (b) A tax credit shall be granted to an employer who provides or sponsors an approved  
10 basic skills education program. The amount of the tax credit shall be equal to one-third of  
11 the costs of education per full-time equivalent student, or \$150.00 per full-time equivalent  
12 student, whichever is less, for each employee who has successfully completed an approved  
13 basic skills education program. No employer may receive a credit if the employer requires  
14 that the employee reimburse or pay the employer for the cost of education.

15 (c) The tax credit granted to any employer pursuant to this Code section shall not exceed  
16 the amount of the taxpayer's income tax liability for the taxable year as computed without  
17 regard to this Code section.

18 (d) To be eligible to claim the credit granted under this Code section, the employer must  
19 certify to the department the name of the employee, the course work successfully  
20 completed by such employee, the name of the approved basic skills education provider, and  
21 such other information as may be required by the department to ensure that credits are only  
22 granted to employers who provide or sponsor approved basic skills education pursuant to  
23 this Code section and that such credits are only granted to employers with respect to  
24 employees who successfully complete such approved basic skills education. The  
25 department shall adopt rules and regulations and forms to implement this credit program.  
26 The department is expressly authorized and directed to work with the Department of  
27 Technical and Adult Education to ensure the proper granting of credits pursuant to this  
28 Code section.

29 (e) The Department of Technical and Adult Education is expressly authorized and directed  
30 to establish such standards as it deems necessary and convenient in approving employer  
31 provided and employer sponsored basic skills education programs. In establishing such  
32 standards, the Department of Technical and Adult Education shall establish required hours  
33 of classroom instruction, required courses, certification of teachers or instructors, and  
34 progressive levels of instruction and standardized measures of employee evaluation to  
35 determine successful completion of a course of study.

36 48-7-23.

1 (a) As used in this Code section, the term:

2 (1) 'Machinery and equipment' means all tangible personal property used, directly or  
3 indirectly, to move, sort, store, prepare, convert, process, fabricate, or manufacture  
4 products.

5 (2) 'Product' means a marketable product or component of a product which has an  
6 economic value to the wholesale or retail consumer and is ready to be used without  
7 further alteration of its form or a product or material which is marketed as a prepared  
8 material or is a component in the manufacturing and assembly of other finished products.

9 (3) 'Qualified investment property' means all real and personal property purchased or  
10 acquired by a taxpayer for use in the construction of an additional manufacturing or  
11 telecommunications facility to be located in this state or the expansion of an existing  
12 manufacturing or telecommunications facility located in this state, including, but not  
13 limited to, amounts expended on land acquisition, improvements, buildings, building  
14 improvements, and machinery and equipment to be used exclusively in the manufacturing  
15 or telecommunications facility. The department shall promulgate rules defining eligible  
16 manufacturing facilities, telecommunications facilities, and qualified investment property  
17 pursuant to this paragraph.

18 (b) In the case of a taxpayer which has operated for the immediately preceding three years  
19 an existing manufacturing or telecommunications facility or manufacturing or  
20 telecommunications support facility and which first places in service during a taxable year  
21 qualified investment property in this state in a tier 1 county designated pursuant to Code  
22 Section 48-7-15, there shall be allowed an optional credit against the tax imposed under  
23 this chapter for the ensuing ten taxable years following the taxable year the qualified  
24 investment property was first placed in service, provided that such qualified investment  
25 property remains in service. Such optional credit shall be at the irrevocable election of the  
26 taxpayer and shall be in lieu of the credit under Code Section 48-7-17. No taxpayer who  
27 claims the credit under Code Section 48-7-17 for any taxable year for a given project shall  
28 be eligible to receive the credit under this Code section with respect to the same project for  
29 any taxable year. The aggregate amount of the credit allowed under this Code section shall  
30 equal 10 percent of the cost of all qualified investment property purchased or acquired by  
31 the taxpayer and first placed in service during a taxable year. The annual amount of such  
32 credit shall be computed as follows:

33 (1) The taxable year in which such qualified investment property is first placed in service  
34 shall be the base year for purposes of calculating the credit provided for by this Code  
35 section;

36 (2) The amount of tax owed by the taxpayer for the base year and for each of the two  
37 immediately preceding taxable years shall be determined without regard to any credits

1 and shall be added together and divided by three. The resulting figure shall be the base  
2 year average; and

3 (3) The credit available to the taxpayer to apply against the tax liability of any year  
4 following the base year but no later than the tenth year shall be the lesser of the following  
5 amounts:

6 (A) Ninety percent of the excess of the tax of the applicable year determined without  
7 regard to any credits over the base year average; or

8 (B) The excess of the aggregate amount of the credit allowed for the qualified  
9 investment property over the sum of the amounts of credit already used in the years  
10 following the base year.

11 (c) The credit granted under subsection (b) of this Code section shall be subject to the  
12 following conditions and limitations:

13 (1) In order to qualify as a basis for the credit, the qualified investment property must be  
14 first placed in service no sooner than January 1, 1996. The credit may only be taken with  
15 respect to qualified investment property having an aggregate cost in excess of \$5 million.  
16 For every year in which a taxpayer claims the credit, the taxpayer shall attach a schedule  
17 to the taxpayer's Georgia income tax return which will set forth the following  
18 information, as a minimum:

19 (A) A description of the project;

20 (B) The amount of qualified investment property placed in service during the taxable  
21 year;

22 (C) The base year average calculated under paragraph (2) of subsection (b) of this  
23 Code section;

24 (D) The tax owed by the taxpayer for the current taxable year determined without  
25 regard to any credits;

26 (E) The amount of the unused credit available at the end of the prior tax year;

27 (F) The amount of tax credit utilized by the taxpayer in the current taxable year; and

28 (G) The amount of tax credit remaining for subsequent tax years;

29 (2) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
30 this Code section, the taxpayer shall include in the description of the project required by  
31 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that  
32 the project includes the placing in service of qualified investment property having an  
33 aggregate cost in excess of \$5 million;

34 (3) Any lease for a period of five years or longer of any real or personal property used  
35 in a new or expanded manufacturing or telecommunications facility which would  
36 otherwise constitute qualified investment property shall be treated as the purchase or  
37 acquisition of qualified investment property by the lessee. The taxpayer may treat the full

1 value of the leased property as qualified investment property in the taxable year in which  
2 the lease becomes binding on the lessor and the taxpayer if all other conditions of this  
3 subsection have been met; and

4 (4) The utilization of the credit granted in subsection (b) of this Code section shall have  
5 no effect on the taxpayer's ability to claim depreciation for tax purposes on the assets  
6 acquired by the taxpayer nor shall the credit have any effect on the taxpayer's basis in  
7 such assets for the purpose of depreciation.

8 (d) No taxpayer shall be authorized to claim on a tax return for a given project the credit  
9 provided for in this Code section if such taxpayer claims on such tax return any of the  
10 credits authorized under Code Section 48-7-15 or 48-7-16.

11 48-7-24.

12 (a) As used in this Code section, the term:

13 (1) 'Machinery and equipment' means all tangible personal property used, directly or  
14 indirectly, to move, sort, store, prepare, convert, process, fabricate, or manufacture  
15 products.

16 (2) 'Product' means a marketable product or component of a product which has an  
17 economic value to the wholesale or retail consumer and is ready to be used without  
18 further alteration of its form or a product or material which is marketed as a prepared  
19 material or is a component in the manufacturing and assembly of other finished products.

20 (3) 'Qualified investment property' means all real and personal property purchased or  
21 acquired by a taxpayer for use in the construction of an additional manufacturing or  
22 telecommunications facility to be located in this state or the expansion of an existing  
23 manufacturing or telecommunications facility located in this state, including, but not  
24 limited to, amounts expended on land acquisition, improvements, buildings, building  
25 improvements, and machinery and equipment to be used exclusively in the manufacturing  
26 or telecommunications facility. The department shall promulgate rules defining eligible  
27 manufacturing facilities, telecommunications facilities, and qualified investment property  
28 pursuant to this paragraph.

29 (b) In the case of a taxpayer which has operated for the immediately preceding three years  
30 an existing manufacturing or telecommunications facility or manufacturing or  
31 telecommunications support facility and which first places in service during a taxable year  
32 qualified investment property in this state in a tier 2 county designated pursuant to Code  
33 Section 48-7-15, there shall be allowed an optional credit against the tax imposed under  
34 this chapter for the ensuing ten taxable years following the taxable year the qualified  
35 investment property was first placed in service, provided that such qualified investment  
36 property remains in service. Such optional credit shall be at the irrevocable election of the

1 taxpayer and shall be in lieu of the credit under Code Section 48-7-18. No taxpayer who  
2 claims the credit under Code Section 48-7-18 for any taxable year for a given project shall  
3 be eligible to receive the credit under this Code section with respect to the same project for  
4 any taxable year. The aggregate amount of the credit allowed under this Code section shall  
5 equal 8 percent of the cost of all qualified investment property purchased or acquired by  
6 the taxpayer and first placed in service during a taxable year. The annual amount of such  
7 credit shall be computed as follows:

8 (1) The taxable year in which such qualified investment property is first placed in service  
9 shall be the base year for purposes of calculating the credit provided for by this Code  
10 section;

11 (2) The amount of tax owed by the taxpayer for the base year and for each of the two  
12 immediately preceding taxable years shall be determined without regard to any credits  
13 and shall be added together and divided by three. The resulting figure shall be the base  
14 year average; and

15 (3) The credit available to the taxpayer to apply against the tax liability of any year  
16 following the base year but no later than the tenth year shall be the lesser of the following  
17 amounts:

18 (A) Ninety percent of the excess of the tax of the applicable year determined without  
19 regard to any credits over the base year average; or

20 (B) The excess of the aggregate amount of the credit allowed for the qualified  
21 investment property over the sum of the amounts of credit already used in the years  
22 following the base year.

23 (c) The credit granted under subsection (b) of this Code section shall be subject to the  
24 following conditions and limitations:

25 (1) In order to qualify as a basis for the credit, the qualified investment property must be  
26 first placed in service no sooner than January 1, 1996. The credit may only be taken with  
27 respect to qualified investment property having an aggregate cost in excess of \$10  
28 million. For every year in which a taxpayer claims the credit, the taxpayer shall attach  
29 a schedule to the taxpayer's Georgia income tax return which will set forth the following  
30 information, as a minimum:

31 (A) A description of the project;

32 (B) The amount of qualified investment property placed in service during the taxable  
33 year;

34 (C) The base year average calculated under paragraph (2) of subsection (b) of this  
35 Code section;

36 (D) The tax owed by the taxpayer for the current taxable year determined without  
37 regard to any credits;

1 (E) The amount of the unused credit available at the end of the prior tax year;

2 (F) The amount of tax credit utilized by the taxpayer in the current taxable year; and

3 (G) The amount of tax credit remaining for subsequent tax years;

4 (2) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
5 this Code section, the taxpayer shall include in the description of the project required by  
6 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that  
7 the project includes the placing in service of qualified investment property having an  
8 aggregate cost in excess of \$10 million;

9 (3) Any lease for a period of five years or longer of any real or personal property used  
10 in a new or expanded manufacturing or telecommunications facility which would  
11 otherwise constitute qualified investment property shall be treated as the purchase or  
12 acquisition of qualified investment property by the lessee. The taxpayer may treat the full  
13 value of the leased property as qualified investment property in the taxable year in which  
14 the lease becomes binding on the lessor and the taxpayer if all other conditions of this  
15 subsection have been met; and

16 (4) The utilization of the credit granted in subsection (b) of this Code section shall have  
17 no effect on the taxpayer's ability to claim depreciation for tax purposes on the assets  
18 acquired by the taxpayer nor shall the credit have any effect on the taxpayer's basis in  
19 such assets for the purpose of depreciation.

20 (d) No taxpayer shall be authorized to claim on a tax return for a given project the credit  
21 provided for in this Code section if such taxpayer claims on such tax return any of the  
22 credits authorized under Code Section 48-7-15 or 48-7-16.

23 48-7-25.

24 (a) As used in this Code section, the term:

25 (1) 'Machinery and equipment' means all tangible personal property used, directly or  
26 indirectly, to move, sort, store, prepare, convert, process, fabricate, or manufacture  
27 products.

28 (2) 'Product' means a marketable product or component of a product which has an  
29 economic value to the wholesale or retail consumer and is ready to be used without  
30 further alteration of its form or a product or material which is marketed as a prepared  
31 material or is a component in the manufacturing and assembly of other finished products.

32 (3) 'Qualified investment property' means all real and personal property purchased or  
33 acquired by a taxpayer for use in the construction of an additional manufacturing or  
34 telecommunications facility to be located in this state or the expansion of an existing  
35 manufacturing or telecommunications facility located in this state, including, but not  
36 limited to, amounts expended on land acquisition, improvements, buildings, building

1 improvements, and machinery and equipment to be used exclusively in the manufacturing  
2 or telecommunications facility. The department shall promulgate rules defining eligible  
3 manufacturing facilities, telecommunications facilities, and qualified investment property  
4 pursuant to this paragraph.

5 (b) In the case of a taxpayer which has operated for the immediately preceding three years  
6 an existing manufacturing or telecommunications facility or manufacturing or  
7 telecommunications support facility and which first places in service during a taxable year  
8 qualified investment property in this state in a tier 3 or a tier 4 county designated pursuant  
9 to Code Section 48-7-15, there shall be allowed an optional credit against the tax imposed  
10 under this chapter for the ensuing ten taxable years following the taxable year the qualified  
11 investment property was first placed in service, provided that such qualified investment  
12 property remains in service. Such optional credit shall be at the irrevocable election of the  
13 taxpayer and shall be in lieu of the credit under Code Section 48-7-19. No taxpayer who  
14 claims the credit under Code Section 48-7-19 for any taxable year for a given project shall  
15 be eligible to receive the credit under this Code section with respect to the same project for  
16 any taxable year. The aggregate amount of the credit allowed under this Code section shall  
17 equal 6 percent of the cost of all qualified investment property purchased or acquired by  
18 the taxpayer and first placed in service during a taxable year. The annual amount of such  
19 credit shall be computed as follows:

20 (1) The taxable year in which such qualified investment property is first placed in service  
21 shall be the base year for purposes of calculating the credit provided for by this Code  
22 section;

23 (2) The amount of tax owed by the taxpayer for the base year and for each of the two  
24 immediately preceding taxable years shall be determined without regard to any credits  
25 and shall be added together and divided by three. The resulting figure shall be the base  
26 year average; and

27 (3) The credit available to the taxpayer to apply against the tax liability of any year  
28 following the base year but no later than the tenth year shall be the lesser of the following  
29 amounts:

30 (A) Ninety percent of the excess of the tax of the applicable year determined without  
31 regard to any credits over the base year average; or

32 (B) The excess of the aggregate amount of the credit allowed for the qualified  
33 investment property over the sum of the amounts of credit already used in the years  
34 following the base year.

35 (c) The credit granted under subsection (b) of this Code section shall be subject to the  
36 following conditions and limitations:

1 (1) In order to qualify as a basis for the credit, the qualified investment property must be  
2 first placed in service no sooner than January 1, 1996. The credit may only be taken with  
3 respect to qualified investment property having an aggregate cost in excess of \$20  
4 million. For every year in which a taxpayer claims the credit, the taxpayer shall attach  
5 a schedule to the taxpayer's Georgia income tax return which will set forth the following  
6 information, as a minimum:

7 (A) A description of the project;

8 (B) The amount of qualified investment property placed in service during the taxable  
9 year;

10 (C) The base year average calculated under paragraph (2) of subsection (b) of this  
11 Code section;

12 (D) The tax owed by the taxpayer for the current taxable year determined without  
13 regard to any credits;

14 (E) The amount of unused tax credit available at the end of the prior tax year;

15 (F) The amount of tax credit utilized by the taxpayer in the current taxable year; and

16 (G) The amount of tax credit remaining for subsequent tax years;

17 (2) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
18 this Code section, the taxpayer shall include in the description of the project required by  
19 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that  
20 the project includes the placing in service of qualified investment property having an  
21 aggregate cost in excess of \$20 million;

22 (3) Any lease for a period of five years or longer of any real or personal property used  
23 in a new or expanded manufacturing or telecommunications facility which would  
24 otherwise constitute qualified investment property shall be treated as the purchase or  
25 acquisition of qualified investment property by the lessee. The taxpayer may treat the full  
26 value of the leased property as qualified investment property in the taxable year in which  
27 the lease becomes binding on the lessor and the taxpayer if all other conditions of this  
28 subsection have been met; and

29 (4) The utilization of the credit granted in subsection (b) of this Code section shall have  
30 no effect on the taxpayer's ability to claim depreciation for tax purposes on the assets  
31 acquired by the taxpayer, nor shall the credit have any effect on the taxpayer's basis in  
32 such assets for the purpose of depreciation.

33 (d) No taxpayer shall be authorized to claim on a tax return for a given project the credit  
34 provided for in this Code section if such taxpayer claims on such tax return any of the  
35 credits authorized under Code Section 48-7-15 or 48-7-16.

36 48-7-26.

1 (a) As used in this Code section, the term:

2 (1) 'Machinery and equipment' means all tangible personal property used directly in a  
3 minimum 10 percent reduction in permit by relinquishment or transfer of annual  
4 permitted water usage from existing permitted ground-water sources.

5 (2) 'Qualified water conservation investment' means all spending by a taxpayer for use  
6 in this state for the modification of existing manufacturing processes, for the construction  
7 of a new water conservation facility, or for the expansion of an existing water  
8 conservation facility provided that such modification, construction, or expansion results  
9 in a minimum 10 percent reduction in permit by relinquishment or transfer of annual  
10 permitted water usage from existing permitted ground-water sources and has been  
11 certified pursuant to rules and regulations promulgated by the Department of Natural  
12 Resources as necessary to promote its ground-water management efforts for areas with  
13 a multiyear record of consumption at, near, or above sustainable use signaled by declines  
14 in ground-water pressure, threats of salt-water intrusion, need to develop alternate sources  
15 to accommodate economic growth and development, or any other indication of growing  
16 inadequacy of the existing resource.

17 (3) 'Water conservation' means a minimum 10 percent reduction in permit by  
18 relinquishment or transfer of annual permitted water usage from existing permitted  
19 ground-water sources due to increased efficiencies or recycling of water which results in  
20 reduced ground-water usage, or a change from a ground-water source to a surface-water  
21 source or an alternate source.

22 (4) 'Water conservation facility' means any facility, buildings, and machinery and  
23 equipment used in the water conservation process resulting in a minimum 10 percent  
24 reduction in permit by relinquishment or transfer of annual permitted water usage from  
25 existing ground-water sources, provided that up to 10 percent of any building that is a  
26 component of a water conservation facility may be used for office space to house support  
27 staff for the operation.

28 (b) Any taxpayer who financially participates in qualified water conservation investment  
29 in this state shall be allowed a credit against the tax imposed under this chapter in the  
30 taxable year following that in which the modified manufacturing process or the new or  
31 expanded water conservation facility has been placed in service and in which the taxpayer  
32 has initiated a minimum 10 percent reduction in permit by relinquishment or transfer of  
33 annual permitted water usage from existing permitted ground-water sources. This credit  
34 shall have a maximum carry forward of ten years, provided that such property remains in  
35 service, that the reduction in permit is maintained, and that the property continues to be  
36 used by the taxpayer. The amount of the credit allowed under this Code section shall be  
37 a percentage of the taxpayer's qualified water conservation investment. For projects of

1 \$50,000.00 to \$499,999.00, the credit for such taxpayer shall be 10 percent; for projects of  
2 \$500,000.00 to \$799,999.00, the credit shall be 8 percent; for projects of \$800,000.00 to  
3 \$999,999.00, the credit shall be 6 percent; and for projects of \$1 million or more, the credit  
4 shall be 5 percent. The amount of the credit which may be used in any tax year shall not  
5 exceed 50 percent of that year's tax liability as determined without regard to any other  
6 credits.

7 (c) The credit granted under subsection (b) of this Code section shall be subject to the  
8 following conditions and limitations:

9 (1) In order to qualify as a basis for the credit, the modified manufacturing process or the  
10 new or expanded water conservation facility must not be placed in service before January  
11 1, 1997. The credit may be only taken with respect to qualified water conservation  
12 investment in a project costing \$50,000.00 or more. For every year in which the taxpayer  
13 claims the credit, the taxpayer shall attach a schedule to the taxpayer's income tax return  
14 setting forth as a minimum the following information:

15 (A) The amounts, dates, and nature of the qualified water conservation investments  
16 which have allowed a modified manufacturing process or a new or expanded water  
17 conservation facility to be placed in service in the prior taxable year;

18 (B) The amount and date of reduction in permitted ground-water usage occurring as  
19 a result of this investment;

20 (C) The amount of tax credit claimed for these investments for the current taxable year;

21 (D) The amounts of qualified water conservation investment reported for tax years  
22 preceding the prior taxable year;

23 (E) The amounts of tax credit which have been utilized in prior taxable years;

24 (F) The amounts of tax credit which has been carried over from prior years;

25 (G) The amounts of tax credit allowed under this Code section being utilized by the  
26 taxpayer in the current taxable year; and

27 (H) The amounts of tax credit to be carried over to subsequent years;

28 (2) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
29 this Code section, the taxpayer shall include in the description of the project required by  
30 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that  
31 the project completed with the qualified water conservation investment had an aggregate  
32 cost of \$50,000.00 or more. The taxpayer shall also include a copy of the certification  
33 by the Department of Natural Resources under paragraph (2) of subsection (a) of this  
34 Code section;

35 (3) Any lease for a period of five years or longer of any real or personal property  
36 resulting from qualified water conservation investment shall be treated as qualified water  
37 conservation investment by the lessee. The taxpayer may treat the full value of the leased

1 property as qualified water conservation investment in the taxable year in which the lease  
2 becomes binding on the lessor and the taxpayer if all other conditions of this subsection  
3 have been met;

4 (4) The utilization of the credit granted in this Code section shall have no effect on the  
5 taxpayer's ability to claim depreciation for tax purposes on assets acquired by the  
6 taxpayer, nor shall the credit have any effect on the taxpayer's basis in such assets for the  
7 purpose of depreciation; and

8 (5) If, after receiving approval for the water conservation credit, the annual permit for  
9 water usage from the same ground-water source is increased, any unused credits will  
10 expire immediately.

11 48-7-27.

12 (a) As used in this Code section, the term:

13 (1) 'Qualified water conservation facility' means any facility including buildings,  
14 machinery, and equipment used in the water conservation process provided:

15 (A) The use of the facility results in reduced ground-water usage or utilizes a  
16 surface-water source; and

17 (B) The use of the facility has been certified by the Department of Natural Resources  
18 as necessary to promote its ground-water management efforts for areas with a multiyear  
19 record of consumption at, near, or above sustainable use signaled by declines in  
20 ground-water pressure, threats of salt-water intrusion, need to develop alternate sources  
21 to accommodate economic growth and development, or any other indication of growing  
22 inadequacy of the existing resource.

23 (2) 'Shift from ground-water usage' means a minimum 10 percent transfer of annual  
24 permitted ground-water usage from ground-water sources due to the purchase of water  
25 from a qualified water conservation facility.

26 (b) In the case of a taxpayer which first shifts from ground-water usage during a taxable  
27 year, there shall be allowed an annual credit against the tax imposed under this chapter  
28 starting in the fourth taxable year following the taxable year in which the the shift from  
29 ground-water usage occurs. The amount of the credit shall be computed as follows:

30 (1) The amount of the credit allowed under this Code section shall be \$.0001 per gallon  
31 of the total gallons of relinquished and transferred annual ground-water permit issued  
32 after July 1, 1996; and

33 (2) The amount of the credit which may be used in any tax year shall not exceed 50  
34 percent of that year's tax liability as determined without regard to other credits.

35 (c) The credit granted under this Code section shall be subject to the following conditions  
36 and limitations:

1 (1) For every year in which the taxpayer claims the credit, the taxpayer shall attach a  
2 schedule to the taxpayer's income tax return setting forth as a minimum the following  
3 information:

4 (A) The ground-water usage permitted the taxpayer in the first permit issued after July  
5 1, 1996;

6 (B) The ground-water usage permitted the taxpayer in the tax year four years earlier  
7 than the current tax year;

8 (C) The ground-water usage permitted the taxpayer in the current year; and

9 (D) The credit utilized by the taxpayer in the current year;

10 (2) In the initial year in which the taxpayer claims the credit granted in subsection (b) of  
11 this Code section, the taxpayer shall include a copy of the certification by the Department  
12 of Natural Resources under paragraph (2) of subsection (a) of this Code section; and

13 (3) If, after receiving approval for the water conservation credit, the annual permit for  
14 water usage from the same ground-water source is increased, eligibility to use such  
15 credits shall expire immediately.

16 48-7-28.

17 (a) As used in this Code section, the term:

18 (1) 'Base amount' means the product of a business enterprise's Georgia taxable net  
19 income in the current taxable year and the average of the ratios of its aggregate qualified  
20 research expenses to Georgia taxable net income for the preceding three taxable years or  
21 0.300, whichever is less.

22 (2) 'Business enterprise' means any business or the headquarters of any such business  
23 which is engaged in manufacturing, warehousing and distribution, processing,  
24 telecommunications, tourism, and research and development industries. Such term shall  
25 not include retail businesses.

26 (3) 'Qualified research expenses' means qualified research expenses for any business  
27 enterprise as that term is defined in Section 41 of the Internal Revenue Code of 1986, as  
28 amended, except that all wages paid and all purchases of services and supplies must be  
29 for research conducted within the State of Georgia.

30 (b) A tax credit is allowed a business enterprise which has qualified research expenses in  
31 Georgia in a taxable year exceeding a base amount, provided that the business enterprise  
32 for the same taxable year claims and is allowed a research credit under Section 41 of the  
33 Internal Revenue Code of 1986, as amended.

34 (c) The tax credit provided in subsection (b) of this Code section shall be 10 percent of the  
35 excess over the base amount referred to in said subsection.

1 (d) Any unused credit claimed under this Code section may be carried forward ten years  
2 from the close of the taxable year in which the qualified research expenses were made. The  
3 credit taken in any one taxable year shall not exceed 50 percent of the business enterprise's  
4 remaining Georgia net income tax liability after all other credits have been applied.

5 48-7-28.1.

6 (a) As used in this Code section, the term 'business enterprise' means any business or the  
7 headquarters of any such business which is engaged in manufacturing, warehousing and  
8 distribution, processing, telecommunications, tourism, and research and development  
9 industries. Such term shall not include retail businesses.

10 (b) A tax credit is allowed a business enterprise having a Georgia net taxable income in  
11 the current taxable year which is 20 percent or more above that of the preceding taxable  
12 year, if such business enterprise's Georgia net taxable income in each of the two taxable  
13 years preceding the current taxable year also was 20 percent or more above each respective  
14 preceding taxable year.

15 (c) The tax credit provided in subsection (b) of this Code section shall be the excess over  
16 20 percent of the percentage growth in the business enterprise's Georgia net taxable income  
17 in the current taxable year, provided that the tax credit shall not exceed 50 percent of the  
18 business enterprise's Georgia net income tax liability after all other credits have been  
19 applied for the current taxable year and shall not be allowed if the total Georgia income tax  
20 liability before application of the credit exceeds \$1.5 million.

21 (d) The tax credit provided in subsection (b) of this Code section may not be carried  
22 backward or forward.

23 48-7-28.2.

24 Notwithstanding any provision to the contrary of Code Sections 48-7-15 and 48-7-16,  
25 business enterprises may make a one-time election to calculate new full-time jobs on a  
26 calendar year rather than a taxable year basis for all jobs created during calendar year 1994  
27 and thereafter as compared against the preceding calendar year. Such one-time election  
28 may be made by claiming job tax credits in connection with any 1995 state income tax  
29 return or amended return that is filed after April 29, 1997. Such election will not change  
30 the taxable year of the business enterprise.

31 48-7-28.3.

32 (a) As used in this Code section, the term:

33 (1) 'Base year port traffic' means the total amount of net tons, containers, or twenty-foot  
34 equivalent units (TEU's), of product actually transported by way of a waterborne ship or

1 vehicle through a port facility during the period from January 1, 1997, through December  
2 31, 1997; provided, however, that in the event the total amount actually transported  
3 during such period was not at least 75 net tons, five containers, or ten twenty-foot  
4 equivalent units (TEU's), then 'base year port traffic' means 75 net tons, five containers,  
5 or ten twenty-foot equivalent units (TEU's).

6 (2) 'Business enterprise' means any business or the headquarters of any such business  
7 which is engaged in manufacturing, warehousing and distribution, processing,  
8 telecommunications, tourism, and research and development industries but shall not  
9 include retail businesses.

10 (3) 'Port facility' means any privately owned or publicly owned facility located within  
11 this state through which product is transported by way of a waterborne ship or vehicle to  
12 or from destinations outside this state.

13 (4) 'Port traffic' means the total amount of net tons, containers, or twenty-foot equivalent  
14 units (TEU's) of product transported by way of a waterborne ship or vehicle through a  
15 port facility.

16 (5) 'Product' means a marketable product or component of a product which has an  
17 economic value to the wholesale or retail consumer and is ready to be used without  
18 further alteration of its form or a product or material which is marketed as a prepared  
19 material or is a component in the manufacturing and assembly of other finished products.

20 (6) 'Qualified investment property' means all real and personal property purchased or  
21 acquired by a taxpayer for use in the construction of an additional manufacturing or  
22 telecommunications facility to be located in this state or in the expansion of an existing  
23 manufacturing or telecommunications facility located in this state, including, but not  
24 limited to, moneys expended on land acquisition, improvements, buildings, building  
25 improvements, and machinery and equipment to be used in the manufacturing or  
26 telecommunications facility. The department shall promulgate rules defining eligible  
27 manufacturing facilities, telecommunications facilities, and qualified investment property  
28 pursuant to this Code section.

29 (b)(1) In the case of any business enterprise which has increased its port traffic of  
30 products during the previous 12 month period by more than 10 percent above its base  
31 year port traffic and is qualified to claim a job tax credit under Code Section 48-7-40 for  
32 jobs added at any time between January 1, 1998, and July 1, 2002, there shall be allowed  
33 an additional \$500.00 job tax credit against the tax imposed under this article.

34 (2) The tax credit described in this subsection shall be allowed subject to the conditions  
35 and limitations set forth in Code Section 48-7-40 and shall be in addition to the credit  
36 allowed under Code Section 48-7-40; provided, however, such credit shall not be allowed

1 during a year if the port traffic does not remain above the minimum level established in  
2 this Code section.

3 (c) In the case of any business enterprise which has increased its port traffic of products  
4 during the previous 12 month period by more than 10 percent above its base year port  
5 traffic and is qualified to claim a tax credit under Code Section 48-7-17, 48-7-18, 48-7-19,  
6 48-7-23, 48-7-24, or 48-7-25 upon qualified investment property added at any time  
7 between January 1, 1998, and July 1, 2002, there shall be allowed a credit against the tax  
8 imposed under this article in an amount equal to the applicable percentage amount  
9 otherwise allowed under Code Section 48-7-17 or 48-7-23 to business enterprises for the  
10 cost of such property. The tax credit described in this subsection shall be allowed subject  
11 to the conditions and limitations set forth in Code Section 48-7-17 or 48-7-23, as  
12 applicable, except that such property may be placed in service in any county without regard  
13 to its tier designation. Such credit shall also be in lieu of and not in addition to the credit  
14 authorized under Code Sections 48-7-17, 48-7-18, 48-7-19, 48-7-23, 48-7-24, and 48-7-25.

15 (d) No business enterprise shall be authorized to claim the credits provided for in both  
16 subsections (b) and (c) of this Code section on a tax return for any taxable year unless such  
17 business enterprise has increased its port traffic of products during the previous 12 month  
18 period by more than 20 percent above its base year port traffic, has increased employment  
19 by 400 or more no sooner than January 1, 1998, and has purchased or acquired qualified  
20 investment property having an aggregate cost in excess of \$20 million no sooner than  
21 January 1, 1998.

22 (e) The credit granted under this Code section shall be subject to the following conditions  
23 and limitations:

24 (1) For every year in which a taxpayer claims the credit, the taxpayer shall attach a  
25 schedule to the taxpayer's state income tax return which shall set forth the following  
26 information, as a minimum, in addition to the information required under Code Sections  
27 48-7-15 and 48-7-17 or 48-7-23:

28 (A) A description of how the base year port traffic and the increase in port traffic was  
29 determined;

30 (B) The amount of the base year port traffic;

31 (C) The amount of the increase in port traffic for the taxable year, including  
32 information which demonstrates an increase in port traffic in excess of the minimum  
33 amount required to claim the tax credit under this Code section;

34 (D) Any tax credit utilized by the taxpayer in prior years;

35 (E) The amount of tax credit carried over from prior years;

36 (F) The amount of tax credit utilized by the taxpayer in the current taxable year; and

37 (G) The amount of tax credit to be carried over to subsequent tax years.

1 (2)(A) Any tax credit claimed under subsection (b) of this Code section but not used  
 2 in any taxable year may be carried forward for ten years from the close of the taxable  
 3 year in which the qualified jobs were established, provided that the increase in port  
 4 traffic remains above the minimum levels established in Code Section 48-7-40 and this  
 5 Code section, respectively.

6 (B) Any tax credit claimed under subsection (c) of this Code section in lieu of Code  
 7 Section 48-7-17, 48-7-18, or 48-7-19 but not used in any taxable year may be carried  
 8 forward for ten years from the close of the taxable year in which the qualified  
 9 investment property was acquired, provided that the increase in port traffic remains  
 10 above the minimum level established in this Code section and the qualified investment  
 11 property remains in service.

12 (3)(A) Any tax credit claimed under subsection (c) of this Code section in lieu of Code  
 13 Section 48-7-23, 48-7-24, or 48-7-25 shall be allowed for the ensuing ten taxable years  
 14 following the taxable year the qualified investment property was first placed in service,  
 15 provided that the increase in port traffic remains above the minimum level established  
 16 in this Code section and the qualified investment property remains in service.

17 (B) The tax credit established by this Code section in lieu of Code Section 48-7-15,  
 18 48-7-17, 48-7-18, or 48-7-19 and taken in any one taxable year shall be limited to an  
 19 amount not greater than 50 percent of the taxpayer's state income tax liability which is  
 20 attributable to income derived from operations in this state for that taxable year.

21 (C) The sale, merger, acquisition, or bankruptcy of any taxpayer shall not create new  
 22 eligibility for any succeeding taxpayer, but any unused credit may be transferred and  
 23 continued by any transferee of the taxpayer.

24 48-7-28.4.

25 (a) As used in this Code section, the term:

26 (1) 'Alternative fuel' means methanol, denatured ethanol, and other alcohols; mixtures  
 27 containing 85 percent or more by volume of methanol, denatured ethanol, and other  
 28 alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; coal  
 29 derived liquid fuels; fuels other than alcohol derived from biological materials; and  
 30 electricity, including electricity from solar energy.

31 (2) 'Conventionally fueled vehicle' means a motor vehicle which is fueled solely by a  
 32 petroleum based fuel such as gasoline or diesel.

33 (3) 'Converted vehicle' means a motor vehicle that is retrofitted so that it is fueled solely  
 34 by an alternative fuel and which meets the emission standards set forth for that class of  
 35 low-emission vehicles as defined under rules and regulations of the Board of Natural

1 Resources applicable to clean fueled fleets, as amended, when operating on such  
2 alternative fuel.

3 (4) 'Covered area' means a geographic area designated by the United States  
4 Environmental Protection Agency in the Code of Federal Regulations as an area which  
5 has not attained or maintained the National Ambient Air Quality Standard for ozone in  
6 accordance with the federal Clean Air Act, as amended, or any county adjacent to a  
7 covered area.

8 (5) 'Fleet operator' means a person who operates a fleet of ten or more motor vehicles  
9 and that fleet is operated in a single covered area, even if the fleet motor vehicles are  
10 garaged outside a covered area.

11 (6) 'Low-emission vehicle' means a motor vehicle which is fueled solely by an  
12 alternative fuel and which meets emission standards as defined under rules and  
13 regulations of the Board of Natural Resources applicable to clean fueled fleets, as  
14 amended, when operating on such alternative fuel.

15 (7) 'Motor vehicle' means any self-propelled vehicle designed for transporting persons  
16 or property on a street or highway that is registered by the Motor Vehicle Division of the  
17 Department of Revenue.

18 (b) A tax credit is allowed against the tax imposed under this article to a taxpayer for the  
19 purchase or lease of a new low-emission vehicle that is registered in a covered area. The  
20 amount of the credit shall be \$2,500.00 per new low-emission vehicle.

21 (c) A tax credit is allowed against the tax imposed under this article to a taxpayer for the  
22 conversion of a conventionally fueled vehicle to a converted vehicle that is registered in  
23 a covered area. The amount of the credit shall be equal to the cost of conversion, not to  
24 exceed \$2,500.00 per converted vehicle.

25 (d) A tax credit is allowed against the tax imposed under this article to any business  
26 enterprise for the purchase or lease of each electric vehicle charger that is located in a  
27 covered area. The amount of the credit shall be \$2,500.00 per charger.

28 (e) The credits granted under this Code section shall be subject to the following conditions  
29 and limitations:

30 (1) All claims for any credit provided by subsection (b) of this Code section shall be:

31 (A) Accompanied by a certification issued by the automobile dealership where the new  
32 low-emission vehicle was purchased or leased; and

33 (B) Made only by a taxpayer who is the ultimate purchaser or lessee of a new  
34 low-emission vehicle at retail;

35 (2) In order to qualify for a tax credit in a particular calendar year for the lease of a new  
36 low-emission vehicle under subsection (b) of this Code section, the lease must be in  
37 effect prior to or on the last day of the calendar year in which the credit is claimed;

1 (3) All claims for any credit provided by subsection (c) of this Code section must be  
2 accompanied by a certification issued by the Environmental Protection Division of the  
3 Department of Natural Resources;

4 (4) Motor vehicles subject to the requirements imposed upon fleet operators by the  
5 federal Clean Air Act, 42 U.S.C. Section 7401, et seq., as amended, and applicable  
6 federal regulations are not eligible for any tax credit under this Code section;

7 (5) All claims for any credit provided by subsection (d) of this Code section shall be:

8 (A) Accompanied by a certification issued by the seller where the new electric vehicle  
9 charger was purchased or leased; and

10 (B) Made only by a taxpayer who is the ultimate purchaser or lessee of a new electric  
11 vehicle charger at retail;

12 (6) Any credit claimed under this Code section but not used in any taxable year may be  
13 carried forward for five years from the close of the taxable year in which a new  
14 low-emission vehicle was purchased or leased or a conventionally fueled vehicle was  
15 changed into a converted vehicle, provided that the applicable certification required in  
16 paragraph (1) or (3) of this subsection accompanies any such claim; and

17 (7) In no event shall the amount of any tax credit provided in this Code section exceed  
18 the taxpayer's income tax liability.

19 (f) The state revenue commissioner shall be authorized to adopt rules and regulations to  
20 provide for the administration of any tax credit provided by this Code section.

21 (g) The Board of Natural Resources shall be authorized to adopt rules and regulations to  
22 provide for:

23 (1) The specific standards and requirements for low-emission and converted vehicles and  
24 electric vehicle chargers which shall be consistent with the terms of this Code section;

25 (2) An approved certification form which shall be issued by an automobile dealership  
26 which certifies the purchase or lease of a new low-emission vehicle that is qualified for  
27 a tax credit provided by this Code section;

28 (3) The certification of any converted vehicle that is qualified to claim a tax credit  
29 provided by this Code section; and

30 (4) An approved certification form which shall be issued by the seller which certifies the  
31 purchase or lease of a new electric vehicle charger that is qualified for a tax credit  
32 provided by this Code section.

33 48-7-28.5.

34 (a) As used in this Code section, the term:

35 (1) 'Federal housing tax credit' means the federal tax credit as provided in Section 42 of  
36 the Internal Revenue Code of 1986, as amended.

1 (2) 'Median income' means those incomes that are determined by the federal Department  
2 of Housing and Urban Development guidelines and adjusted for family size.

3 (3) 'Project' means a housing project that has restricted rents that do not exceed 30  
4 percent of median income for at least 40 percent of its units occupied by persons or  
5 families having incomes of 60 percent or less of the median income, or at least 20 percent  
6 of the units occupied by persons or families having incomes of 50 percent or less of the  
7 median income.

8 (4) 'Qualified Georgia project' means a qualified low-income building as that term is  
9 defined in Section 42 of the Internal Revenue Code of 1986, as amended, that is located  
10 in Georgia.

11 (b)(1) A state tax credit against the tax imposed by this article, to be termed the Georgia  
12 housing tax credit, shall be allowed with respect to each qualified Georgia project placed  
13 in service after January 1, 2001, in an amount equal to the federal housing tax credit  
14 allowed with respect to such qualified Georgia project.

15 (2)(A) If under Section 42 of the Internal Revenue Code of 1986, as amended, a  
16 portion of any federal housing tax credit taken on a project is required to be recaptured,  
17 the taxpayer claiming any state tax credit with respect to such project shall also be  
18 required to recapture a portion of any state tax credit authorized by this Code section.  
19 The state recapture amount shall be equal to the proportion of the state tax credit  
20 claimed by the taxpayer that equals the proportion the federal recapture amount bears  
21 to the original federal housing tax credit amount subject to recapture.

22 (B) In the event that recapture of any Georgia housing tax credit is required, any  
23 amended return submitted to the commissioner as provided in this Code section shall  
24 include the proportion of the state tax credit required to be recaptured, the identity of  
25 each taxpayer subject to the recapture, and the amount of tax credit previously allocated  
26 to such taxpayer.

27 (3) In no event shall the total amount of the tax credit under this Code section for a  
28 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be  
29 allowed to be carried forward to apply to the taxpayer's next three succeeding years' tax  
30 liability. No such tax credit shall be allowed the taxpayer against prior years' tax  
31 liability.

32 (4) The tax credit allowed under this Code section, and any recaptured tax credit, shall  
33 be allocated among some or all of the partners, members, or shareholders of the entity  
34 owning the project in any manner agreed to by such persons, whether or not such persons  
35 are allocated or allowed any portion of the federal housing tax credit with respect to the  
36 project.

1 (c) The commissioner shall promulgate any rules and regulations necessary to implement  
2 and administer this Code section.

3 48-7-28.6.

4 (a) There shall be a dollar-for-dollar credit against the state income tax liability of  
5 depository financial institutions which shall be equal to the amount of taxes, if any, paid  
6 by such taxpayers pursuant to Code Section 48-6-93 and Code Section 48-6-95. If the  
7 liability of any such institutions under the taxes authorized by Code Section 48-6-93 and  
8 Code Section 48-6-95 exceeds the income tax liability of such institution for any year, the  
9 amount of any unused credit under this Code section may be credited over a period of five  
10 years from the tax year in which the unused credit arose. If the assets of an institution are  
11 acquired by another institution in a transaction described in Section 381(a) of the Internal  
12 Revenue Code of 1986, the acquiring institution shall succeed to and take into account any  
13 unused credit of the distributor or transferor institution. If a depository financial institution  
14 has elected Subchapter 'S' status pursuant to the conditions specified in subparagraph  
15 (b)(7)(B) of Code Section 48-7-21, the credits authorized by this subsection may be passed  
16 through on a pro rata basis to the institution's shareholders. If the amount of any such pro  
17 rata credit exceeds a shareholder's individual income tax liability, then such unused credit  
18 may be credited over a period of five years from the tax year in which the unused credit  
19 arose. No such credit shall be allowed the taxpayer against prior years' tax liability.

20 (b) The commissioner shall be authorized to promulgate any rules and regulations  
21 necessary to implement and administer the provisions of this Code section.

22 48-7-28.7.

23 (a) As used in this Code section, the term:

24 (1) 'Average wage' means the average wage of the county in which a full-time job is  
25 located as reported in the most recently available annual issue of the Georgia  
26 Employment and Wages Averages Report of the Department of Labor.

27 (2) 'Full-time job' means employment for an individual which:

28 (A) Is located at a headquarters;

29 (B) Has a regular work week of 30 hours or more;

30 (C) Pays at or above:

31 (i) In tier 1 counties, the average wage of the county in which it is located;

32 (ii) In tier 2 counties, 105 percent of the average wage of the county in which it is  
33 located;

34 (iii) In tier 3 counties, 110 percent of the average wage of the county in which it is  
35 located; and

1 (iv) In tier 4 counties, 115 percent of the average wage of the county in which it is  
2 located; and

3 (D) Has no predetermined end date.

4 (3) 'Headquarters' means the principal central administrative office of a taxpayer.

5 (4) 'Tier' means a tier as designated pursuant to Code Section 48-7-15, as amended.

6 (b) A taxpayer establishing its headquarters in this state or relocating its headquarters into  
7 this state which:

8 (1) Within one year of the first date on which it withholds wages for employees at such  
9 headquarters and employs at least 100 persons in new full-time jobs at such headquarters;

10 (2) Prior to one year from the first date on which it withholds wages for employees at  
11 such headquarters and incurs within the state a minimum of \$1 million in construction,  
12 renovation, leasing, or other costs related to such establishment or relocation; and

13 (3) Elects not to receive the tax credits provided for by Code Sections 48-7-15, 48-7-16,  
14 48-7-17, 48-7-18, 48-7-19, 48-7-23, 48-7-24, and 48-7-25 for such jobs

15 shall be allowed a credit for taxes imposed under this article equal to \$2,500.00 annually  
16 per eligible new full-time job, or \$5,000.00 if the average wage of the new full-time jobs  
17 created is 200 percent or more of the average wage of the county in which such jobs are  
18 located per eligible new full-time job; provided, however, that where the amount of such  
19 credit exceeds a taxpayer's liability for such taxes in a taxable year, the excess may be  
20 taken as a credit against such taxpayer's quarterly or monthly payment but not to exceed  
21 in any one taxable year \$2,500.00 annually per eligible new full-time job, or \$5,000.00 if  
22 the average wage of the new full-time jobs created is 200 percent or more of the average  
23 wage of the county in which such jobs are located for each new full-time job when  
24 aggregated with the credit applied against taxes under this article. Credits against quarterly  
25 or monthly payments shall not constitute income to the taxpayer. The credit established  
26 by this subsection may be taken for the first taxable year in which the taxpayer first  
27 becomes eligible for such credit and for the four immediately succeeding taxable years, and  
28 the taxpayer shall thereafter be ineligible for such credit.

29 (c) Any credit claimed under this Code section but not used in any taxable year may be  
30 carried forward for ten years from the close of the taxable year in which the qualified jobs  
31 were established.

32 (d) The commissioner shall promulgate any rules and regulations necessary to implement  
33 and administer this Code section.

34 48-7-28.8.

35 (a) Any business enterprise, as defined in Code Section 48-7-15, executing an agreement  
36 pursuant to paragraph (1) of subsection (d) of Code Section 48-7-9 shall be allowed,

1 beginning in the taxable year in which it establishes its headquarters in this state or  
2 relocates its headquarters to this state, a tax credit calculated in the same amounts and  
3 under the same principles as the credit established by Code Section 48-7-28.7. Except as  
4 otherwise provided in this Code section, the credit established by the Code section shall be  
5 subject to the same definitions, limitations, and carry-forward provisions as the credit  
6 established by Code Section 48-7-28.7; provided, however, that the term 'headquarters'  
7 means the principal central administrative office of such business enterprise; and provided  
8 further that for the first taxable year in which it is claimed, all or part of the credit  
9 established by this Code section may be applied against taxes imposed under this article  
10 for the taxable year immediately preceding that taxable year by amendment to a return or  
11 returns for such year.

12 (b) The credit established by this Code section may be claimed by such business enterprise  
13 for new full-time jobs created in taxable years prior to the taxable year in which it  
14 establishes its headquarters in this state or relocates its headquarters to this state, where  
15 such jobs are in excess of those contained in such agreement and are located at such  
16 headquarters. Such jobs shall be deemed for purposes of such credit to have been created  
17 on the first day of the taxable year in which such business enterprise establishes its  
18 headquarters in this state or relocates its headquarters to this state. No credit in excess of  
19 \$25 million may be claimed pursuant to the terms of this subsection.

20 (c) The number of new full-time jobs to which this Code section shall be applicable shall  
21 be determined by comparing the monthly average of full-time jobs subject to Georgia  
22 income tax withholding for the taxable year with the corresponding average for the prior  
23 taxable year.

24 48-7-28.9.

25 (a) As used in this Code section, the term:

26 (1) 'Commercial motor vehicle' means a motor vehicle designed or used to transport  
27 property and having a gross vehicle weight rating of 26,001 or more pounds.

28 (2) 'Diesel particulate emission reduction technology equipment' means any equipment  
29 which meets standards adopted by the Georgia Regional Transportation Authority and  
30 which provides for heat, air conditioning, light, and communications for the driver's  
31 compartment of a commercial motor vehicle which is parked at a truck stop, depot, or  
32 other facility the use of which results in the engine being turned off with a corresponding  
33 reduction of particulate emissions from such vehicle's diesel engine.

34 (b) A tax credit against the tax imposed under this article shall be granted to any person  
35 who installs diesel particulate emission reduction technology equipment at any truck stop,  
36 depot, or other facility. The amount of the tax credit shall be equal to 10 percent of the

1 total of the cost of the diesel particulate emission reduction technology equipment and the  
 2 cost of installation of such equipment. The tax credit provided under this Code section  
 3 shall be allowed for the taxable year in which the taxpayer first places the equipment in  
 4 use. Any credit which is not used in the year in which the equipment is first placed in use  
 5 shall not be carried forward to any future year.

6 (c) For every year for which the taxpayer claims the credit authorized by this Code section,  
 7 the taxpayer shall attach a schedule to the taxpayer's Georgia income tax return setting  
 8 forth the following information:

9 (1) A description of the diesel particulate emission reduction technology equipment  
 10 installed;

11 (2) The location at which such equipment was installed; and

12 (3) The cost of the equipment and the cost of installation of the equipment.

13 (d) The commissioner shall promulgate any rules and regulations necessary to implement  
 14 and administer this Code section.

15 48-7-28.10.

16 (a) As used in this Code section, the term:

17 (1) 'Base year exportation volume' means the number of cigarettes manufactured and  
 18 exported by a business enterprise during the calendar year 1999.

19 (2) 'Business enterprise' means any business or the headquarters of any business which  
 20 is engaged in manufacturing, warehousing and distribution, processing,  
 21 telecommunications, tourism, and research and development industries. Such term shall  
 22 not include retail businesses.

23 (3) 'Exportation' means the shipment of cigarettes manufactured in the United States to  
 24 a foreign country sufficient to relieve the cigarettes in the shipment of the federal excise  
 25 tax on cigarettes.

26 (b) A business enterprise engaged in the business of manufacturing cigarettes for  
 27 exportation to a foreign country is allowed a credit against the taxes levied by this article.  
 28 The amount of credit allowed under this Code section is determined by comparing the  
 29 exportation volume of the corporation in the year for which the credit is claimed with the  
 30 corporation's base year exportation volume, rounded to the nearest whole percentage. The  
 31 amount of credit allowed is as follows:

32	Current Year's Exportation	Amount of Credit
33	Volume Compared to its	per Thousand
34	Base Year's Exportation Volume	Cigarettes Exported

1	120 percent or more	40¢
2	119 percent - 100 percent	35¢
3	99 percent - 80 percent	30¢
4	79 percent - 60 percent	25¢
5	59 percent - 50 percent	20¢
6	Less than 50 percent	None

7 (c) The credit allowed under this Code section may not exceed the lesser of \$6 million or  
8 50 percent of the amount of tax imposed by this article for the taxable year reduced by the  
9 sum of all other credits allowable, except tax payments made by or on behalf of the  
10 taxpayer. This limitation applies to the cumulative amount of the credit allowed in any tax  
11 year, including carry forwards claimed by the taxpayer under this Code section for previous  
12 tax years. Any unused portion of a credit allowed in this Code section may be carried  
13 forward for the next succeeding five years.

14 (d) A business enterprise that claims the credit under this Code section must include the  
15 following with its tax return:

- 16 (1) A statement of the base year exportation volume;
- 17 (2) A statement of the exportation volume on which the credit is based; and
- 18 (3) A list of the business enterprise's export volumes shown on its monthly reports to the  
19 Bureau of Alcohol, Tobacco, and Firearms of the United States Department of the  
20 Treasury for the months in the tax year for which the credit is claimed.

21 48-7-28.11.

22 (a) As used in this Code section, the term 'affiliated entity' means:

- 23 (1) A corporation that is a member of the taxpayer's 'affiliated group' within the meaning  
24 of Section 1504(a) of the Internal Revenue Code; or
- 25 (2) An entity affiliated with a corporation, business, partnership, or limited liability  
26 corporation taxpayer, which entity:
  - 27 (A) Owns or leases the land on which a project is constructed;
  - 28 (B) Provides capital for construction of the project; and
  - 29 (C) Is the grantor or owner under a management agreement with a managing company  
30 of the project.

1 (b) In lieu of claiming any Georgia income tax credit for which a taxpayer otherwise is  
2 eligible for the taxable year (such eligibility being determined for this purpose without  
3 regard to any limitation imposed by reason of the taxpayer's precredit income tax liability),  
4 the taxpayer may elect to assign such credit in its entirety to another affiliated entity for  
5 such taxable year by attaching a statement to the taxpayer's return for the taxable year;  
6 provided, however, that no carryover attributable to the unused portion of any previously  
7 claimed or assigned credit may be assigned or reassigned, except as provided in subsection  
8 (d) of this Code section. In the case of any credit that must be claimed in installments in  
9 more than one taxable year, the election under this subsection may be made on an annual  
10 basis with respect to each such installment, provided that the taxpayer shall notify the  
11 commissioner with respect to the assignment of each such installment by filing a separate  
12 copy of the election statement for such installment no later than the time of filing of the  
13 taxpayer's state income tax return for such taxable year. Once made, an election under this  
14 subsection shall be irrevocable.

15 (c) The recipient of a tax credit assigned under subsection (b) of this Code section shall  
16 attach a statement to its return identifying the assignor of the tax credit, in addition to  
17 providing any other information required to be provided by a claimant of the assigned tax  
18 credit.

19 (d) If the assignor and the recipient of a tax credit assigned under subsection (b) of this  
20 Code section cease to be affiliated entities, any carryover attributable to the unused portion  
21 of such credit shall be transferred back to the assignor of the credit. Such assignor shall be  
22 permitted to use any such carryover itself, and also shall be permitted to assign such  
23 carryover to another affiliated entity, as if such carryover were an income tax credit for  
24 which the assignor became eligible in the taxable year in which the carryover was  
25 transferred back to the assignor.

26 (e) The assignor and recipient of a tax credit assigned under subsection (b) of this Code  
27 section shall be jointly and severally liable for any tax (plus interest and penalties, if any)  
28 attributable to the disallowance or recapture of the assigned credit.

29 48-7-28.12.

30 (a) As used in this Code section, the term 'federal qualified transportation fringe benefit'  
31 means only the following transportation benefits provided by an employer to any employee  
32 as provided in Section 132(f) of the Internal Revenue Code of 1986, as amended:

- 33 (1) Transportation in a commuter highway vehicle if such transportation is in connection  
34 with travel between the employee's residence and place of employment;
- 35 (2) Any transit pass;

1 (3) Qualified parking on or near a location from which the employee commutes to work  
2 by transportation described in paragraph (1) of this subsection, in a commuter highway  
3 vehicle, or by carpool. Qualified parking shall not include parking provided to an  
4 employee on or near the business premises of the employer and shall not include any  
5 parking on or near property used by the employee for residential purposes.

6 (b) A taxpayer shall be allowed a state income tax credit against the tax imposed by this  
7 chapter for any federal qualified transportation fringe benefit provided by the taxpayer to  
8 an employee which benefit is in addition to and not in lieu of compensation otherwise  
9 payable to the employee, in an amount equal to \$25.00 per employee receiving such  
10 benefit; provided, however, that in no event shall the total amount of such tax credit exceed  
11 the annual amount expended by such employer in providing such federal qualified  
12 transportation fringe benefits to such employees.

13 (c) In no event shall the total amount of the tax credit under this Code section for a taxable  
14 year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed to  
15 be carried forward to apply to the taxpayer's next three succeeding years' tax liability. No  
16 such tax credit shall be allowed the taxpayer against prior years' tax liability.

17 (d) The commissioner shall promulgate any rules and regulations necessary to implement  
18 and administer this Code section. Such rules and regulations shall include, but not be  
19 limited to, a minimum required usage of ten workdays per month of the federal qualified  
20 transportation fringe benefit provided to the employee in order to obtain the credit  
21 authorized under this Code section.

22 48-7-28.13.

23 (a) A taxpayer who receives disaster assistance during a taxable year from the Georgia  
24 Emergency Management Agency or the Federal Emergency Management Agency shall be  
25 allowed a credit against the tax imposed by Code Section 48-7-20 in an amount equal to  
26 \$500.00 or the actual amount of such disaster assistance, whichever is less. The  
27 commissioner may require adequate supporting documentation showing that the taxpayer  
28 received such assistance.

29 (b) In no event shall the total amount of the tax credit under this Code section for a taxable  
30 year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the  
31 taxpayer against succeeding years' tax liability. No such credit shall be allowed the  
32 taxpayer against prior years' tax liability.

33 (c) The commissioner shall be authorized to promulgate any rules and regulations  
34 necessary to implement and administer the provisions of this Code section.

35 48-7-29.

1 Every corporation subject to taxation under this chapter shall make a return stating  
2 specifically the items of its gross income and the deductions and credits allowed by this  
3 chapter. The income of two or more corporations shall not be included in a single return  
4 except with the express consent of the commissioner. When a receiver, trustee in  
5 bankruptcy, or assignee is operating the property or business of a corporation, the receiver,  
6 trustee, or assignee shall make returns for the corporation in the same manner and form as  
7 the corporation is required to make returns. Any tax due on the basis of returns made by  
8 a receiver, trustee, or assignee shall be collected in the same manner as if collected from  
9 the corporation of whose business or property he or she has custody and control.

10 48-7-30.

11 (a) Returns of corporations made on the basis of a calendar year shall be filed on or before  
12 the fifteenth day of March following the close of the calendar year, and returns of  
13 corporations made on the basis of a fiscal year shall be filed on or before the fifteenth day  
14 of the third month following the close of the fiscal year. Returns required for a taxable  
15 year relating to returns of domestic international sales corporations and former domestic  
16 international sales corporations and foreign sales corporations shall be filed on or before  
17 the fifteenth day of the ninth month following the close of the taxable year. The  
18 commissioner may allow further time for filing returns whenever in the commissioner's  
19 judgment good cause exists for the extension. In case a taxpayer is granted an extension  
20 of time to file a return, the commissioner may require a tentative return to be filed on or  
21 before the due date of the return for which the extension is granted. A tentative return shall  
22 be made on the usual form, shall be plainly marked 'tentative,' shall state the estimated  
23 amount of the tax believed to be due, and shall be properly signed by the taxpayer.

24 (b) Any taxpayer may file an estimated income tax return within the taxpayer's taxable  
25 year in compliance with rules and regulations promulgated by the commissioner. Estimated  
26 returns shall be plainly marked 'estimated.'

27 (c) In case of failure to file an income tax return on the date prescribed for the filing, such  
28 date to be determined with regard to any extension of time for filing, there shall be added  
29 to the amount of tax required to be shown on the return 5 percent of the amount of the tax  
30 if the failure is for not more than one month with an additional 5 percent for each additional  
31 month or fraction of a month during which the failure to file continues. No penalty shall  
32 be assessed pursuant to this Code section which exceeds in the aggregate 25 percent of the  
33 amount of the tax. No penalty shall be assessed pursuant to this Code section when it is  
34 shown that the failure is due to reasonable cause and not due to willful neglect.

35 (d) For the purposes of this Code section, the amount of tax required to be shown on the  
36 return shall be reduced by the amount of any part of the tax which is paid on or before the

1 date prescribed for payment of the tax and by the amount of any credit against the tax  
2 which may be claimed on the return.

3 (e) With respect to any return, the amount of the addition under subsection (a) of this Code  
4 section shall be reduced by the amount of the addition under paragraph (1) of subsection  
5 (a) of Code Section 48-7-42 for any month to which an addition to tax applies under both  
6 subsection (a) of this Code section and paragraph (1) of subsection (a) of Code Section  
7 48-7-42.

8 (f) No penalty due to late filing shall be incurred by a taxpayer if the taxpayer attaches to  
9 his or her return a copy of an approved extension of time within which to file the taxpayer's  
10 federal income tax return which has been granted by the Internal Revenue Service and also  
11 files a state return within the period of time specified in the extension. In such instances,  
12 the taxpayer need not apply to the commissioner for an extension of time within which to  
13 file the taxpayer's state return.

14 48-7-31.

15 (a) The following organizations shall be exempt from taxation imposed by Code Section  
16 48-7-7 unless the exemption is denied under subsection (b) or (c) of this Code section:

17 (1) Those organizations described by Section 501(c), 501(d), 501(e), 664, or 401 of the  
18 Internal Revenue Code of 1986. Organizations described in this paragraph shall be  
19 exempt from taxation for state purposes in the same manner and to the same extent as for  
20 federal purposes; and

21 (2) Insurance companies which pay to the state a tax upon premium income.

22 (b)(1) An organization requesting exemption under paragraph (1) of subsection (a) of  
23 this Code section shall file a written application with the commissioner. The  
24 commissioner shall issue a determination letter or ruling to an organization requesting the  
25 exemption and shall either grant or disallow the requested exempt status. Until a  
26 determination letter granting exempt status is issued by the commissioner, no exempt  
27 status shall exist. Those organizations which have an exempt status in effect under  
28 Section 501(c), 501(d), 501(e), 664, or 401 of the Internal Revenue Code of 1986 on  
29 January 1, 1987, shall retain the exempt status unless revoked as provided by law. The  
30 commissioner may issue rules governing the filing of written applications and the  
31 issuance of determination letters.

32 (2)(A) The commissioner may revoke the exempt status of any organization described  
33 in paragraph (1) of subsection (a) of this Code section when:

34 (i) The Internal Revenue Service revokes the exempt status of the organization;

35 (ii) The organization ceases to be organized or operated in the manner in which it was  
36 organized or operated at the time the exempt status was granted;

1 (iii) The organization engages in any prohibited transaction as set forth in the Internal  
2 Revenue Code of 1986; or

3 (iv) There is any material change in the character or purpose of the organization or  
4 in the mode of operation of the organization.

5 (B) Revocation of an exempt status shall revoke the exempt status retroactively to the  
6 time of the occurrence of the disqualifying event or events. All exempt organizations  
7 shall immediately notify the commissioner in writing of the occurrence of any of the  
8 disqualifying events described in subparagraph (A) of this paragraph or of receipt by  
9 the organization of a notice of intent to terminate its exempt status by the Internal  
10 Revenue Service. The statute of limitations governing the assessment of any taxes  
11 determined to be due this state due to the revocation of exempt status shall be tolled as  
12 of the date of the occurrence of the disqualifying event or events described in  
13 subparagraph (A) of this paragraph. The commissioner at any time may require an  
14 organization which is exempt from taxation to file an information return stating the  
15 organization's gross income, receipts, disbursements, accumulation of income, and  
16 other data deemed necessary for the proper administration of this Code section.

17 (c)(1) A tax is imposed on income of an organization exempted pursuant to paragraph  
18 (1) of subsection (a) of this Code section when the income is derived from trade or  
19 business which is not related to exempt purposes of organizations described in paragraph  
20 (1) of subsection (a) of this Code section. This income shall be referred to as unrelated  
21 business income and shall be the income which is defined in Section 512 of the Internal  
22 Revenue Code of 1986. The tax imposed on unrelated business income shall be at the rate  
23 provided in Code Section 48-7-7.

24 (2) If an organization is exempt under Section 501(c)(4) of the United States Internal  
25 Revenue Code of 1986, if the organization makes payments of death benefits as a result  
26 of the death of a member of the organization, and if payments have been made by the  
27 organization for at least five years prior to January 1, 1977, the payments shall be  
28 deductible from the unrelated business income tax which might be owed by the  
29 organization. The payment of such death benefits shall not operate to generate a rebate  
30 or a refund. If the amount of death benefits paid within the taxable year exceeds the  
31 unrelated business income tax owed for the same taxable year, the excess may be carried  
32 forward for a period of five years.

33 48-7-32.

34 (a) When the commissioner has reason to believe that any taxpayer conducts his or her  
35 trade or business so as to distort directly or indirectly the taxpayer's true net income or the  
36 net income properly attributable to this state, whether by the arbitrary shifting of income,

1 through price fixing, charges for service, or otherwise, as a result of which the net income  
2 is arbitrarily assigned to one or another unit in a group of taxpayers conducting business  
3 under a substantially common control, the commissioner may require the facts as the  
4 commissioner deems necessary for the proper computation of the entire net income and the  
5 net income properly attributable to this state. In determining the computation, the  
6 commissioner shall consider the fair profit which would normally arise from the conduct  
7 of the trade or business.

8 (b)(1) The commissioner may determine the amount of taxable income of any one or  
9 more corporations for a calendar or fiscal year when a corporation:

10 (A) Subject to taxation under this chapter conducts its business in such manner as to  
11 benefit either directly or indirectly the members or stockholders of the corporation or  
12 any person interested in the business of the corporation by selling its products or the  
13 goods or commodities in which it deals at less than the fair price which might be  
14 obtained for the goods or commodities;

15 (B) A substantial portion of whose capital stock is directly or indirectly owned by  
16 another corporation acquires and disposes of the products of the corporation so owning  
17 a substantial portion of its stock in such a manner as to create a loss or improper net  
18 income for either of the corporations; or

19 (C) Directly or indirectly owning a substantial portion of the stock of another  
20 corporation acquires and disposes of the products of the corporation of which it so owns  
21 a substantial portion of the stock in such a manner as to create a loss or improper net  
22 income for either of the corporations.

23 (2) In the commissioner's determination, the commissioner shall consider the reasonable  
24 profits which, but for the arrangement or understanding, might or could have been  
25 obtained by the corporation or corporations subject to taxation under this chapter from  
26 dealing in such products, goods, or commodities.

27 48-7-33.

28 Whenever in the opinion of the commissioner it is necessary to examine any copy of the  
29 federal income tax returns of any taxpayer in order to audit properly the state returns of the  
30 taxpayer, the commissioner shall have the right to examine the federal returns and all  
31 statements, inventories, and schedules in support of the returns.

32 48-7-34.

33 (a) Except in accordance with proper judicial order or as otherwise provided by law, it is  
34 unlawful for the commissioner, other officer, employee, or agent, or any former officer,  
35 employee, or agent to divulge or make known in any manner the amount of income or any

1 particulars set forth or disclosed in any report or return required under the law of this state  
2 or any return or return information required by the Internal Revenue Code when the  
3 information or return is received from the Internal Revenue Service or submitted by the  
4 taxpayer as provided by the laws of this state. Nothing contained in this Code section shall  
5 be construed to prohibit the publication of statistics so presented as to prevent the  
6 identification of particular reports or returns and the items thereof, or the inspection by the  
7 Attorney General or other legal representative of the state, or use as evidence, of the report  
8 or return of a taxpayer in the event of any action or proceeding involving any tax liability  
9 of the taxpayer. Reports and returns shall be preserved for three years and thereafter until  
10 the commissioner orders them to be destroyed.

11 (b) The commissioner may permit the commissioner of internal revenue of the United  
12 States, the proper officer of any state imposing an income tax similar to that imposed by  
13 this chapter, or the authorized representative of either such officer to inspect the income  
14 tax returns of any taxpayer, or may furnish to the officer or the officer's authorized  
15 representative an abstract of the return of income of any taxpayer or supply the officer or  
16 the officer's authorized representative with information concerning any item of income  
17 contained in any return or disclosed by the report of any investigation of the income or  
18 return of income of any taxpayer. The permission shall be granted or the information shall  
19 be furnished to the officer or the officer's representative only if:

20 (1) The request is only for state tax information including federal tax information  
21 required by the state to be filed by the taxpayer with the taxpayer's state return;

22 (2) The requested information will be used solely for tax purposes;

23 (3) The requesting state has a confidentiality statute which complies with the  
24 requirements of Section 6103(p)(8) of the Internal Revenue Code; and

25 (4) The statutes of the United States or of such other state, as the case may be, grant  
26 substantially similar privileges to the proper officer of this state charged with the  
27 administration of this chapter.

28 (c) The commissioner may permit the disclosure of inventories, depreciable assets,  
29 accumulated depreciation, and book value of depreciable assets to local tax authorities in  
30 this state to be used solely for ad valorem tax purposes, provided that the furnishing of the  
31 information is not prohibited by Section 6103 of the Internal Revenue Code; and provided,  
32 further, that the furnishing of the information to the local tax authorities shall not be  
33 deemed to change the confidential character of the information, and any persons receiving  
34 the information pursuant to this subsection shall be subject to Code Section 48-7-35,  
35 relating to the sanctions to be imposed for the unauthorized disclosure of confidential  
36 material.

1 (d) This Code section shall not be construed to prohibit persons or groups of persons other  
2 than employees of the department from having access to tax information where necessary  
3 for data processing operations and maintenance of data processing equipment, provided the  
4 persons or groups of persons have obtained prior approval from the commissioner and are  
5 subject to the direct security control of department personnel during all periods of access.  
6 Any person who divulges or makes known any tax information obtained under this  
7 subsection shall be subject to the same civil and criminal penalties as those provided for  
8 divulgence of information by employees of the department.

9 (e) Notwithstanding any other law, this Code section shall remain in full force and effect  
10 unless specific reference is made in such other law to this Code section and to the  
11 disclosure of income tax information contained in any report or return required under this  
12 Code section.

13 48-7-35.

14 (a) It shall be unlawful for any person to violate any provision of Code Section 48-7-34  
15 when the violation involves the divulging of information concerning income taxes.

16 (b) Any person who violates subsection (a) of this Code section shall be guilty of a  
17 misdemeanor.

18 (c) In addition to the penalty provided in subsection (b) of this Code section, if the  
19 offender is an officer or employee of the state, the offender shall be dismissed from office  
20 and shall be incapable of holding any public office in this state for a period of five years  
21 after such dismissal.

22 48-7-36.

23 The total amount of tax imposed by this chapter on corporations shall be paid to the  
24 commissioner on or before March 15, following the close of the calendar year. If the return  
25 of a corporation is made on the basis of a fiscal year, the tax shall be paid to the  
26 commissioner on or before the fifteenth day of the third month following the close of the  
27 fiscal year.

28 48-7-37.

29 (a) If any amount of tax imposed by this chapter is not paid on or before the last date  
30 prescribed for payment, interest on the payment at the rate specified in Code Section  
31 48-2-40 shall be paid for the period from the last date prescribed for payment to the date  
32 paid.

33 (b) The last date prescribed for payment of the tax shall be determined without regard to  
34 any:

- 1 (1) Extension of time for payment; or
- 2 (2) Notice and demand for payment issued by reason of jeopardy prior to the last date
- 3 otherwise prescribed for the payment.
- 4 (c) If the amount of any tax imposed by this chapter is reduced by reason of a carry back
- 5 of a net operating loss, the reduction in tax shall not affect the computation of interest
- 6 under this Code section for the period ending with the last day of the taxable year in which
- 7 the net operating loss arises.
- 8 (d) Except as otherwise specifically provided by law:
- 9 (1) Interest prescribed under this Code section shall be paid upon notice and demand and
- 10 shall be assessed, collected, and paid in the same manner as the tax. Any reference to the
- 11 tax imposed by this chapter shall be deemed also to refer to interest imposed by this Code
- 12 section on the tax;
- 13 (2) No interest under this Code section shall be imposed on the interest provided by this
- 14 Code section;
- 15 (3) Interest shall be imposed under subsection (a) of this Code section on any assessable
- 16 penalty, additional amount, or addition to the tax only if the assessable penalty, additional
- 17 amount, or addition to the tax is not paid within ten days from the date of notice and
- 18 demand for the payment. Interest shall be imposed only for the period from the date of
- 19 the notice and demand to the date of payment; and
- 20 (4) If notice and demand are made for the payment of any amount and if the amount is
- 21 paid within ten days after the date of the notice and demand, interest under this Code
- 22 section on the amount so paid shall not be imposed for the period after the date of the
- 23 notice and demand.
- 24 (e) Interest prescribed under this Code section may be assessed and collected at any time
- 25 during the period within which the tax to which the interest relates may be collected.

26 48-7-38.

27 (a) Except as otherwise provided in this Code section, the amount of income tax imposed

28 by this chapter shall be assessed within the time periods specified in Code Section 48-2-49.

29 (b)(1) In the case of income received by a corporation, the tax shall be assessed within

30 three years after the return is filed, and any proceeding in court without assessment for

31 the collection of the tax shall begin within 18 months after written request for the

32 commencement of the proceeding (filed after the return is made) by the corporation. No

33 such proceeding shall begin after the expiration of three years from the date the return is

34 filed. This paragraph shall not apply in the case of a corporation unless:

35 (A) The written request notifies the commissioner that the corporation contemplates

36 dissolution at or before the expiration of the 18 month period;

1 (B) The dissolution is begun in good faith before the expiration of the 18 month period;  
2 and

3 (C) The dissolution is completed.

4 (2) If the taxpayer omits from gross income an amount properly includable in gross  
5 income which exceeds 25 percent of the amount of gross income less business expenses  
6 stated in the return, the tax may be assessed or a proceeding in court for the collection of  
7 the tax may begin without assessment at any time within six years after the return is filed.

8 (3) If the taxpayer omits from gross income an amount properly includable in gross  
9 income as an amount distributed in liquidation of a corporation, the tax may be assessed  
10 or a proceeding in court for the collection of the tax may begin without assessment at any  
11 time within five years after the return is filed.

12 (c) When the assessment of any income tax has been made within the period of limitation  
13 properly applicable to the assessment, the tax may be collected by execution, provided that  
14 the commissioner may transmit such execution electronically. The general provisions for  
15 tax executions as contained in Chapter 3 of this title shall apply to executions pursuant to  
16 this subsection.

17 (d)(1) When a taxpayer's amount of net income for any year under this chapter as  
18 returned to the United States Department of the Treasury is changed or corrected by the  
19 commissioner of internal revenue or other officer of the United States of competent  
20 authority, the taxpayer, within 180 days after final determination of the changed or  
21 corrected net income, shall make a return to the commissioner of the changed or  
22 corrected income, and the commissioner shall make assessment or the taxpayer shall  
23 claim a refund based on the change or correction within one year from the date the return  
24 required by this paragraph is filed. If the taxpayer does not make the return reflecting the  
25 changed or corrected net income and the commissioner receives from the United States  
26 government or one of its agents a report reflecting the changed or corrected net income,  
27 the commissioner shall make assessment for taxes due based on the change or correction  
28 within five years from the date the report from the United States government or its agent  
29 is actually received.

30 (2) In the event the taxpayer fails to notify the commissioner of the final determination  
31 of the taxpayer's United States income taxes, the commissioner shall proceed to  
32 determine, upon evidence brought to the commissioner's attention or otherwise acquired,  
33 the corrected income of the taxpayer for the fiscal or calendar year. If additional tax is  
34 determined to be due, the tax shall be assessed and collected. If it is determined that there  
35 has been an overpayment of tax for the year, the taxpayer, by the failure to notify the  
36 commissioner as required in paragraph (1) of this subsection, shall forfeit the taxpayer's  
37 right to any refund due by reason of the change or correction. A taxpayer who so fails to

1 notify the commissioner, however, shall be entitled to equitable recoupment of 90 percent  
2 of any overpayment so determined against any additional tax liability so determined, the  
3 remaining 10 percent of the overpayment being totally forfeited as a penalty for failure  
4 to make a return as required by paragraph (1) of this subsection.

5 48-7-39.

6 Whenever any corporation has been dissolved or the assets of the corporation for any  
7 reason have passed entirely from the control of the corporation into the possession of its  
8 former stockholders or other persons without the payment of income taxes due the state,  
9 the commissioner shall have the right to bring action against any or all persons possessing  
10 the assets for the collection of any income taxes that may be due the state up to the value  
11 of the assets. If the assets have come into the possession of more than one person, each  
12 person shall have the right to prorate the amount of the tax according to the value of the  
13 assets coming into each person's possession.

14 48-7-40.

15 No action for the purpose of restraining the assessment or collection of any tax under this  
16 chapter shall be maintained in any court.

17 48-7-41.

18 Whenever the commissioner in the commissioner's discretion determines that a person is  
19 not liable for the tax for an entire year because of moving into the state or moving out of  
20 the state, the commissioner may prorate the amount of the tax due the state and also may  
21 require the taxpayer to prorate any exemptions on the basis of the time spent within the  
22 state. The commissioner in the commissioner's reasonable discretion shall be the sole judge  
23 as to when this Code section shall apply.

24 48-7-42.

25 (a)(1) In case of failure to pay:

26 (A) The amount shown as tax on a return on or before the date prescribed for payment  
27 of the tax, such date to be determined with regard to any extension of time for payment,  
28 there shall be added to the amount of tax required to be shown on the return one-half  
29 of 1 percent of the amount of the tax if the failure is for not more than one month and  
30 with an additional one-half of 1 percent for each additional month or fraction of a  
31 month during which the failure continues. For the purposes of this subparagraph, the  
32 amount of tax shown on the return shall be reduced, for the purpose of computing the  
33 addition for any month, by the amount of any part of the tax which is paid on or before

1 the beginning of the month and by the amount of any credit against the tax which is  
2 claimed on the return;

3 (B) Any amount in respect of any tax required to be shown on a return which is not so  
4 shown within ten days of the date of the notice and demand for the payment, the  
5 amount of tax stated in the notice and demand shall be increased by one-half of 1  
6 percent of the amount of the tax if the failure is for not more than one month and by an  
7 additional one-half of 1 percent for each additional month or fraction of a month during  
8 which the failure continues. For the purposes of this subparagraph, the amount of tax  
9 stated in the notice and demand shall be reduced, for the purpose of computing the  
10 addition for any month, by the amount of any part of the tax which is paid before the  
11 beginning of the month.

12 (2) No penalty shall be assessed pursuant to this subsection which exceeds in the  
13 aggregate 25 percent of the amount of the tax or when it is shown that the failure is due  
14 to reasonable cause and not due to willful neglect.

15 (b) With respect to any return, the maximum amount of the addition permitted under  
16 subparagraph (a)(1)(B) of this Code section shall be reduced by the amount of the addition  
17 under subsection (c) of Code Section 48-7-30 which is attributable to the tax for which the  
18 notice and demand are made and which is not paid within ten days of such notice and  
19 demand.

20 (c) If the amount required to be shown as tax on a return is less than the amount shown as  
21 tax on the return, subparagraph (a)(1)(A) of this Code section shall be applied by  
22 substituting the lower amount.

23 (d) For purposes of subsections (e) and (f) of this Code section, the term 'underpayment'  
24 means a deficiency as defined in Code Section 48-7-2.

25 (e) If any part of any underpayment of tax required to be shown on a return is due to a  
26 negligent or intentional disregard of rules and regulations, but without intent to defraud,  
27 an amount equal to 5 percent of the underpayment shall be added to the tax.

28 (f) If any part of any underpayment of tax required to be shown on a return is due to fraud,  
29 an amount equal to 50 percent of the underpayment shall be added to the tax. This amount  
30 shall be in lieu of any amount determined under subsection (e) of this Code section. If any  
31 penalty is assessed under this subsection for an underpayment of tax which is required to  
32 be shown on a return, no penalty under Code Section 48-7-30 or subsection (a) of this Code  
33 section shall be assessed with respect to the same underpayment.

1 48-7-43.

2 (a) As used in this Code section, the term 'estimated tax' means the amount which the  
3 corporation estimates as the amount of income tax imposed by Code Section 48-7-7 less  
4 the amount which the corporation estimates as the sum of credits allowable by law against  
5 the tax.

6 (b) In general, every domestic and foreign corporation subject to taxation under Code  
7 Section 48-7-7 shall pay estimated tax for the taxable year if its net income for the taxable  
8 year as defined in Code Section 48-7-9 can reasonably be expected to exceed \$25,000.00.

9 48-7-44.

10 If the requirements of Code Section 48-7-43 are first met as shown in the left-hand column  
11 of the following table, then the estimated tax shall be due as shown in the remaining  
12 columns:

13 The following percentages of the estimated tax shall be  
14 paid on the fifteenth day of the:

15	fourth	sixth	ninth	twelfth
16	month of the	month of the	month of the	month of the
17	<u>taxable year</u>	<u>taxable year</u>	<u>taxable year</u>	<u>taxable year</u>

18 Before the first day of the  
19 fourth month of the taxable  
20 year

25	25	25	25
----	----	----	----

21 After the last day of the  
22 third month and before the  
23 first day of the sixth month  
24 of the taxable year

33 1/3	33 1/3	33 1/3
--------	--------	--------

25 After the last day of the  
26 fifth month and before the  
27 first day of the ninth month  
28 of the taxable year

50	50
----	----

1 After the last day of the  
2 eighth month and before  
3 the first day of the twelfth  
4 month of the taxable year

100

5 48-7-45.

6 (a) The amount of estimated tax paid under this chapter for any taxable year shall be  
7 allowed as a credit to the taxpayer against the taxpayer's income tax liability under Code  
8 Section 48-7-7 for the taxable year.

9 (b) To the extent that the estimated tax credit, together with other credits allowed by law,  
10 is in excess of the taxpayer's income tax liability for a taxable year as shown on an income  
11 tax return filed by the taxpayer for that year, the overpayment shall be considered as taxes  
12 erroneously paid and shall be credited or refunded as provided in this subsection. The  
13 overpayment shall be credited to the taxpayer's estimated income tax liability for the  
14 succeeding taxable year unless the taxpayer claims a refund for the overpayment. The  
15 commissioner may consider any final return showing an overpayment as a claim for refund  
16 per se. An overpayment shall bear no interest if credit is given for the overpayment.  
17 Amounts refunded as overpayments shall bear interest at the rate of 9 percent per annum  
18 but only after 90 days from the filing date of the final return showing the overpayment or  
19 90 days from the due date of the final return, whichever is later.

20 48-7-46.

21 The commissioner may disregard a fractional part of a dollar in the allowance of any  
22 amount as a credit or refund or in the assessment or collection of any amount as a  
23 deficiency or underpayment.

24 48-7-47.

25 In the administration and enforcement of this chapter with respect to a taxpayer whose  
26 income may be subject to the current income tax payment laws of two or more tax  
27 jurisdictions, including this state, the commissioner may make reciprocal arrangements  
28 with the tax authorities of the other jurisdictions for the relief of the taxpayer from the  
29 multiple burden imposed by the operation of several current income tax payment laws."

## PART 3

## SECTION 1.

Code Section 2-7-154 of the Official Code of Georgia Annotated, relating to the powers of the Commissioner of Agriculture with respect to boll weevil eradication, is amended by striking in its entirety subparagraph (A) of paragraph (8) and inserting in lieu thereof a new subparagraph (A) to read as follows:

"(A) The Commissioner shall adopt rules and regulations defining the criteria to be used in determining financial hardship; provided, however, that no exemption shall be granted to any cotton grower who, after the amount of assessments and penalties otherwise due has been subtracted from his or her federal taxable net income, as defined in ~~Code Section 48-7-27~~ the United States Internal Revenue Code of 1986, has a net income exceeding \$15,000.00 for the year in which he or she seeks an exemption;"

## SECTION 2.

Chapter 3 of Title 12 of the Official Code of Georgia Annotated, relating to parks, historic areas, memorials, and recreation, is amended by striking in its entirety Article 8, relating to nongame wildlife conservation and wildlife habitat acquisition programs, and inserting in lieu thereof the following:

## "ARTICLE 8

12-3-600 through 12-3-602.

Reserved."

## SECTION 3.

Code Section 16-12-22.1 of the Official Code of Georgia Annotated, relating to raffles operated by nonprofit, tax-exempt organizations, is amended by striking subsection (f) and inserting in its place a new subsection (f) to read as follows:

"(f) The sheriff shall, upon the request of any prosecuting attorney or such prosecuting attorney's designee, certify the status of any organization as to that organization's exemption from payment of state income taxes as a nonprofit organization. The sheriff shall also upon request issue a certificate indicating whether any particular organization holds a currently valid license to operate a raffle. Such certificates properly executed shall be admissible in evidence in any prosecution, and Code Section ~~48-7-60~~ 48-7-34, relative to the disclosure of income tax information, shall not apply to the furnishing of such certificate."



1 (c)(1) Notwithstanding any other provisions of this chapter, no award made under the  
2 provisions of this chapter shall exceed \$1,000.00 in the aggregate; provided, however,  
3 with respect to any claim filed with the board as a result of a crime occurring on or after  
4 July 1, 1994, no award made under the provisions of this chapter payable to a victim and  
5 to all other claimants sustaining economic loss because of injury to or death of such  
6 victim shall exceed \$5,000.00 in the aggregate; provided, however, with respect to any  
7 claim filed with the board as a result of a crime occurring on or after July 1, 1995, no  
8 award made under the provisions of this chapter payable to a victim and to all other  
9 claimants sustaining economic loss because of injury to or death of such victim shall  
10 exceed \$10,000.00 in the aggregate.

11 (2) No award under this chapter for the following losses shall exceed the maximum  
12 amount authorized:

1	<u>Category</u>	<u>Maximum Award</u>
2	Lost Wages	\$ 5,000.00
3	Funeral Expenses	3,000.00
4	Financial Hardship or Loss of Support	5,000.00
5	Medical	5,000.00
6	Counseling	2,500.00

(d) In determining the amount of an award, the director and board shall determine whether because of his or her conduct the victim of such crime contributed to the infliction of his or her injury or financial hardship, and the director and board may reduce the amount of the award or reject the claim altogether in accordance with such determination.

(e) The director and board may reject an application for an award when the claimant has failed to cooperate in the verification of the information contained in the application.

(f) Any award made pursuant to this chapter may be reduced by or set off by the amount of any payments received or to be received as a result of the injury:

(1) From or on behalf of the person who committed the crime; or

(2) From any other private or public source, including an award of workers' compensation pursuant to the laws of this state,

provided that private sources shall not include contributions received from family members or persons or private organizations making charitable donations to a victim.

(g) No award made pursuant to this chapter is subject to garnishment, execution, or attachment other than for expenses resulting from the injury which is the basis for the claim.

~~(h) An award made pursuant to this chapter shall not constitute a payment which is treated as ordinary income under either the provisions of Chapter 7 of Title 48 or, to the extent lawful, under the United States Internal Revenue Code.~~

~~(i)(h)~~ Notwithstanding any other provisions of this chapter to the contrary, no awards from state funds shall be paid prior to July 1, 1989.

~~(j)(i)~~ In any case where a crime results in death, the spouse, children, parents, or siblings of such deceased victim may be considered eligible for an award for the cost of psychological counseling which is deemed necessary as a direct result of said criminal

1 incident. The maximum award for said counseling expenses shall not exceed \$2,500.00  
2 in the aggregate."

### 3 SECTION 6.

4 Code Section 19-11-9 of the Official Code of Georgia Annotated, relating to the location of  
5 absent parents by the Department of Human Resources, is amended by striking subsection  
6 (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

7 "(c) In order to carry out the responsibilities imposed under this article, the department  
8 may request information and assistance from any governmental department, board,  
9 commission, bureau, or agency in locating the absent parents of children for whom the  
10 department has assignment of child support rights. The commissioner of human resources  
11 or his or her duly authorized representative shall be entitled to have access to all pertinent  
12 information which is within the custody of any governmental department, board,  
13 commission, bureau, or agency ~~including, but not limited to, income tax information~~  
14 ~~contained in any report or return required under Articles 1 through 6 of Chapter 7 of Title~~  
15 ~~48 by the Department of Revenue, including information from federal income tax returns~~  
16 ~~required to be included as a part of any state report or return, which information but for this~~  
17 ~~Code section would not be subject to disclosure pursuant to Code Section 48-7-60 and~~  
18 ~~which is relative to such parents' location, income, or property, provided that any tax~~  
19 ~~information secured from the federal government by the Department of Revenue, pursuant~~  
20 ~~to the express provisions of Section 6103 of the Internal Revenue Code, may not be~~  
21 ~~disclosed by that department pursuant to this subsection. Any person receiving any tax~~  
22 ~~information or tax returns under the authority granted in this subsection shall be considered~~  
23 ~~either an officer or employee as those terms are used in subsection (a) of Code Section~~  
24 ~~48-7-60; and, as such an officer or employee, any person receiving any tax information or~~  
25 ~~returns under the authority of this Code section shall be subject to Code Section 48-7-61,~~  
26 ~~relating to the sanctions to be imposed for the unauthorized disclosure of confidential~~  
27 ~~material."~~

### 28 SECTION 7.

29 Chapter 4 of Title 22 of the Official Code of Georgia Annotated, relating to relocation  
30 assistance, is amended by striking Code Section 22-4-13, relating to status of relocation  
31 assistance payments, and inserting in its place a new Code Section 22-4-13 to read as  
32 follows:

33 "22-4-13.

34 No payment received by a displaced person under this chapter shall be considered as  
35 income or resources for the purpose of determining the eligibility or extent of eligibility of

1 any person for assistance under any state law or for the purposes of the state's ~~personal~~  
 2 ~~income tax law~~, corporation tax law; or other tax laws. These payments shall not be  
 3 considered as income or resources of any recipient of public assistance, and the payment  
 4 shall not be deducted from the amount of aid to which the recipient would otherwise be  
 5 entitled."

#### 6 **SECTION 8.**

7 Code Section 26-2-21 of the Official Code of Georgia Annotated, relating to definitions  
 8 regarding adulteration and misbranding of food, is amended by striking subparagraph (A) of  
 9 paragraph (5) and inserting in its place a new subparagraph (A) to read as follows:

10 "(A) Is sponsored by a political subdivision of this state or by an organization exempt  
 11 from taxes under paragraph (1) of subsection (a) of Code Section ~~48-7-25~~ 48-7-31 or  
 12 under Section 501(d) or paragraphs (1) through (8) or paragraph (10) of Section 501(c)  
 13 of the Internal Revenue Code, as that code is defined in Code Section 48-1-2;".

#### 14 **SECTION 9.**

15 Code Section 26-2-370 of the Official Code of Georgia Annotated, relating to definitions  
 16 regarding food service establishments, is amended by striking subparagraph (A) of paragraph  
 17 (1) and inserting in its place a new subparagraph (A) to read as follows:

18 "(A) Is sponsored by a political subdivision of this state or by an organization exempt  
 19 from taxes under paragraph (1) of subsection (a) of Code Section ~~48-7-25~~ 48-7-31 or  
 20 under Section 501(d) or paragraphs (1) through (8) or paragraph (10) of Section 501(c)  
 21 of the Internal Revenue Code, as that code is defined in Code Section 48-1-2;".

#### 22 **SECTION 10.**

23 Code Section 26-2-390 of the Official Code of Georgia Annotated, relating to definitions  
 24 regarding nonprofit food sales and food service, is amended by striking paragraph (2) and  
 25 inserting in its place a new paragraph (2) to read as follows:

26 "(2) 'Organization' means an organization exempt from taxes under paragraph (1) of  
 27 subsection (a) of Code Section ~~48-7-25~~ 48-7-31 or under Section 501(d) or paragraphs  
 28 (1) through (8) or paragraph (10) of Section 501(c) of the Internal Revenue Code, as that  
 29 code is defined in Code Section 48-1-2."

#### 30 **SECTION 11.**

31 Code Section 36-62-5.1 of the Official Code of Georgia Annotated, relating to joint  
 32 development authorities, is amended by striking subsection (e) in its entirety and inserting  
 33 in lieu thereof a new subsection (e) to read as follows:

1 "(e) A joint authority created by two or more contiguous counties pursuant to this Code  
 2 section must be an active, bona fide joint authority; must have a board of directors; must  
 3 meet at least quarterly; and must develop an operational business plan. A county may  
 4 belong to only one such joint authority. A business enterprise as defined under subsection  
 5 (a) of Code Section ~~48-7-40~~ 48-7-15 located within the jurisdiction of a joint authority  
 6 established by two or more contiguous counties will qualify for an additional \$500.00 tax  
 7 credit for each new full-time employee position created. The \$500.00 job tax credit  
 8 authorized by this subsection shall be subject to all the conditions and limitations specified  
 9 under Code Section ~~48-7-40~~ 48-7-15, as amended."

## 10 SECTION 12.

11 Chapter 9 of Title 37 of the Official Code of Georgia Annotated, relating to payment of  
 12 expenses for support, treatment, and care of patients in state institutions generally, is  
 13 amended by striking in its entirety paragraph (3) of Code Section 37-9-2, relating to  
 14 definitions applicable under said chapter, and inserting in lieu thereof a new paragraph (3)  
 15 to read as follows:

16 "(3) 'Income' ~~'Income,' except for patients who are residents of other states,~~ means that  
 17 amount determined by adding to the gross federal taxable income as ~~now or hereafter~~  
 18 defined in the United States Internal Revenue Code of 1986 ~~Georgia income tax laws,~~  
 19 ~~minus deductions and personal exemptions as authorized by such income tax laws,~~ the  
 20 items listed in this paragraph, if such items are not already included in gross federal  
 21 taxable income as defined above. ~~For a patient who is a resident of another state, 'income'~~  
 22 ~~means the same as above except no deductions will be made for any deductions or~~  
 23 ~~personal exemptions as authorized by Georgia income tax laws.~~ The following items are  
 24 to be added, respectively:

- 25 (A) Any amounts received by or on behalf of the person liable for cost of care from  
 26 accident insurance or workers' compensation for total or partial incapacity to work, plus  
 27 the amount of any damages received by or on behalf of the person liable for cost of  
 28 care, whether by suit or agreement, on account of such injuries or sickness;
- 29 (B) The net income from property acquired by gift, bequest, devise, or descent;
- 30 (C) Interest upon obligations of the United States government or of this state or of a  
 31 political subdivision thereof;
- 32 (D) The net income from individual holdings of stock in banks and trust companies  
 33 incorporated under the banking laws of this state or of the United States;
- 34 (E) Retirement income, social security benefits, veterans' benefits, and any other  
 35 benefits that could be applied for the support of the patient; and

1 (F) The net income from any other assets, including but not limited to personal  
 2 property, real property, or mixed property, and any other property or estate wherever  
 3 located and in whatever form, inclusive of any assets sold or transferred within a period  
 4 of 90 days prior to the date services were first rendered to the patient by a hospital."

### 5 SECTION 13.

6 Chapter 9 of Title 37 of the Official Code of Georgia Annotated, relating to payment of  
 7 expenses for support, treatment, and care of patients in state institutions generally, is  
 8 amended by striking in its entirety subparagraph (F) of paragraph (5) of Code Section 37-9-2,  
 9 relating to definitions applicable under said chapter, and inserting in lieu thereof a new  
 10 subparagraph (F) to read as follows:

11 "(F) A stepparent or any other person residing with and providing support of a patient  
 12 under 18 years of age who has not been legally adopted by such individual, with  
 13 maximum liability limited to the amount such stepparent or other individual is  
 14 authorized by ~~Georgia federal~~ income tax laws under the United States Internal  
 15 Revenue Code of 1986 to claim as a standard deduction and personal exemption for the  
 16 patient; provided, however, that this limitation shall not apply to liability pursuant to  
 17 other provisions of this chapter regarding hospital, health, and other medical insurance,  
 18 program, or plan benefits or subrogation rights."

### 19 SECTION 14.

20 Chapter 9 of Title 37 of the Official Code of Georgia Annotated, relating to payment of  
 21 expenses for support, treatment, and care of patients in state institutions generally, is  
 22 amended by striking in its entirety Code Section 37-9-7, relating to authority of the  
 23 Department of Human Resources to inquire into and determine income and assets, and  
 24 inserting in lieu thereof a new Code Section 37-9-7 to read as follows:

25 "37-9-7.

26 (a) The department, through its duly authorized agents, shall have the authority to  
 27 investigate or otherwise determine the income and assets of the patient or ~~his~~ the patient's  
 28 estate and when necessary the income and assets of all other persons liable for the cost of  
 29 care of such patient in order to determine ability to pay cost of care. All persons liable for  
 30 cost of care must provide signed consent forms necessary to authorize and conduct an  
 31 investigation to determine the income and assets of such persons in order to determine  
 32 ability to pay cost of care. The department shall further have the authority to contract with  
 33 any person, firm, or corporation which it finds necessary to provide the information  
 34 appropriate to the carrying out of its duties under this chapter.

(b) The department shall require declarations to be filed by the patient or other persons liable for cost of care necessary to determine the assessments required by this chapter and shall prescribe the form and content thereof. All such declarations are to be regarded as essential to carrying out the public policy of this state; and any person who knowingly falsifies such declarations shall be charged as for false swearing. Failure by the patient or other persons liable for cost of care to (1) provide information required by such declarations or (2) provide signature of consent for the department to conduct an investigation authorized by subsection (a) of this Code section shall create a rebuttable presumption that the patient or other persons liable for cost of care consent to and agree with the assessment of the full cost of care, and the declaration shall contain on its face, conspicuously and in clear language, a statement to that effect.

~~(c) The department, through its duly authorized agents, shall have access to Georgia income tax records for the purpose of obtaining necessary information to enforce this chapter. Upon the request of the department or its duly authorized agents, the state revenue commissioner and his agents or employees shall disclose such income tax information contained in any report or return required under Georgia law as may be necessary to enforce the provisions of this chapter. Any tax information secured from the federal government by the Department of Revenue pursuant to express provisions of Section 6103 of the Internal Revenue Code may not be disclosed by the Department of Revenue pursuant to this subsection. Any person receiving any tax information or tax returns under the authority of this subsection shall be considered either an officer or employee as those terms are used in subsection (a) of Code Section 48-7-60; and as such an officer or employee, any person receiving any tax information or returns under the authority of this subsection shall be subject to Code Section 48-7-61.~~

~~(d)~~(c) Any evidence, records, or other information obtained by the department or its duly authorized agents pursuant to the authority of this Code section shall be confidential and shall be used by the department or its agents only for the purposes of enforcing this chapter and shall not be released for any purpose other than a hearing provided for by this chapter.

~~(e)~~(d) The department shall develop procedures to ensure that persons with no other documentation or evidence may sign an affidavit attesting to their indigent financial status."

### SECTION 15.

Code Section 43-8A-21 of the Official Code of Georgia Annotated, relating to powers and duties of the State Boxing Commission, is amended by striking subsection (h) and inserting in its place a new subsection (h) to read as follows:

"(h) The commission shall be authorized to engage in activities which promote amateur boxing in this state and to contract with any nonprofit organization which is exempted from

1 the taxation of income pursuant to Code Section ~~48-7-25~~ 48-7-31 for the provision of  
2 services related to the promotion of amateur boxing in this state."

### 3 SECTION 16.

4 Article 1 of Chapter 13 of Title 44 of the Official Code of Georgia Annotated, relating to  
5 constitutional exemptions from levy and sale of property, is amended by striking in its  
6 entirety Code Section 44-13-1.1, relating to the definition of the term "dependent," and  
7 inserting in lieu thereof a new Code Section 44-13-1.1 to read as follows:

8 "44-13-1.1.

9 As used in this article, the term 'dependent' means a person whom the debtor may claim as  
10 a dependent for federal income tax purposes pursuant to ~~Code Section 48-7-26~~ the United  
11 States Internal Revenue Code of 1986."

### 12 SECTION 17.

13 Article 1 of Chapter 13 of Title 44 of the Official Code of Georgia Annotated, relating to  
14 constitutional exemptions from levy and sale of property, is amended by striking in its  
15 entirety Code Section 44-13-20, relating to reversion of property set apart for spouse,  
16 children, or dependents, and inserting in lieu thereof a new Code Section 44-13-20 to read  
17 as follows:

18 "44-13-20.

19 Property set apart pursuant to Code Section 44-13-2 for a spouse, for a spouse and minor  
20 children, for minor children alone, or for dependents of a debtor (1) upon the death of the  
21 spouse or the spouse's remarriage, when set apart to the spouse alone, (2) upon the  
22 attaining of the age of majority by the minor children or their marriage during minority,  
23 when set apart for the minor children, (3) upon the death or remarriage of the spouse and  
24 the attaining of the age of majority by the minor children or the marriage of the minor  
25 children, when set apart to the spouse and minor children, and (4) upon a former dependent  
26 person's no longer being eligible to be claimed by the debtor as a dependent for federal  
27 income tax purposes pursuant to ~~Code Section 48-7-26~~ the United States Internal Revenue  
28 Code of 1986, shall revert to the estate from which it was set apart unless it was sold or  
29 reinvested pursuant to this article, in which case this Code section shall apply to and follow  
30 all the reinvestments unless the fee simple has been sold as provided in this article."

**SECTION 18.**

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Code Section 44-13-100 of the Official Code of Georgia Annotated, relating to exemptions for purposes of bankruptcy and intestate insolvent estates, is amended by striking

1 subparagraph (a)(2.1)(B) and inserting in its place a new subparagraph (a)(2.1)(B) to read  
2 as follows:

3 "(B) Which is: (i) maintained by a nonprofit corporation which is qualified as an  
4 exempt organization under Code Section ~~48-7-25~~ 48-7-31 for its officers or employees  
5 or both; and (ii) financially supported in whole or in part by funds of the nonprofit  
6 corporation;"

#### 7 **SECTION 19.**

8 Code Section 45-20-51 of the Official Code of Georgia Annotated, relating to definitions  
9 regarding certain voluntary deductions, is amended by striking subparagraph (B) of  
10 paragraph (2) and inserting in its place a new subparagraph (B) to read as follows:

11 "(B) Exempt from taxation under Code Section ~~48-7-25~~ 48-7-31;"

#### 12 **SECTION 20.**

13 Article 2 of Chapter 2 of Title 48 of the Official Code of Georgia Annotated, relating to the  
14 administration of the Department of Revenue and certain tax laws, is amended by striking  
15 in its entirety Code Section 48-2-56, relating to liens for taxes and their priority, and inserting  
16 in lieu thereof a new Code Section 48-2-56 to read as follows:

17 "48-2-56.

18 (a) Except as otherwise provided in this Code section, liens for all taxes due the state or  
19 any county or municipality in the state shall arise as of the time the taxes become due and  
20 unpaid and all tax liens shall cover all property in which the taxpayer has any interest from  
21 the date the lien arises until such taxes are paid.

22 (b) Except as otherwise provided in this Code section, liens for taxes are superior to all  
23 other liens and shall be paid before any other debt, lien, or claim of any kind. Liens for  
24 taxes shall rank among themselves as follows:

- 25 (1) Taxes due the state;
- 26 (2) Taxes due counties of the state;
- 27 (3) Taxes due school and other special tax districts of the state; and
- 28 (4) Taxes due municipal corporations of the state.

29 (c) The lien for taxes imposed by Article 1 of Chapter 9 of this title, relating to motor fuel  
30 taxes, shall not have priority as against:

- 31 (1) Any bona fide mortgagee, holder, or transferee of a deed to secure debt; or
- 32 (2) Any pledgee, judgment creditor, or purchaser of or from persons liable for the tax  
33 imposed by Article 1 of Chapter 9 of this title

34 where the rights of such mortgagee, holder, or transferee of a deed to secure debt, pledgee,  
35 judgment creditor, or purchaser have attached prior to the time notice of the lien has been

1 filed by the commissioner in the office of the superior court of the county in which the  
 2 principal place of business is located or in the county where property of the person liable  
 3 for payment of the motor fuel tax is located.

4 (d)(1) Liens for any ad valorem taxes shall cover the property of taxpayers liable to tax  
 5 from the time fixed by law for valuation of the property in each year until such taxes are  
 6 paid and shall cover the property of tax collectors or tax commissioners and their sureties  
 7 from the time of giving bond until all the taxes for which they are responsible are paid.

8 (2) The lien for any ad valorem tax shall not be superior to the title and operation of a  
 9 security deed when the tax represents an assessment upon property of the taxpayer other  
 10 than property specifically covered by the title and operation of the security deed.

11 (3) When real property located within this state is transferred between the date on which  
 12 any ad valorem tax lien on the property vests and the date on which the tax evidenced by  
 13 the tax lien becomes due and payable, the ad valorem tax lien on the transferred property  
 14 shall not extend to cover any other real property of the transferor.

15 (e) The lien for taxes imposed by the provisions of ~~Article 2~~ of Chapter 7 of this title,  
 16 relating to certain income taxes, shall:

17 (1) Arise and cover all property of the taxpayer as of the time a tax execution for these  
 18 taxes is entered upon the general execution docket; and

19 (2) Not be superior to the lien of a prior recorded instrument securing a bona fide debt.

20 Before the lien provided for in this subsection shall attach to real property it shall be  
 21 recorded in the county where the real property is located.

22 ~~(f) The lien for taxes imposed by the provisions of Article 5 of Chapter 7 of this title,  
 23 relating to withholding taxes, shall:~~

24 ~~(1) Arise and attach to all property of the defaulting employer or other person required  
 25 to deduct and withhold on the date of the assessment of the taxes by operation of law or  
 26 by action of the commissioner;~~

27 ~~(2) Not be superior to the lien of a prior recorded instrument securing a bona fide debt;  
 28 and~~

29 ~~(3) Not be superior to the lien of a subsequent bona fide purchaser or lender for value  
 30 recorded prior to the time the execution for the tax has been entered on the general  
 31 execution docket in the office of the superior court of the county in which the property  
 32 affected is located.~~

33 ~~Before the lien provided for in this subsection shall attach to real property it shall be  
 34 recorded in the county where the real property is located.~~

35 ~~(g)~~(f)(1) The lien of a specific or occupation tax shall not be superior to the title and  
 36 operation of a security deed recorded prior to the time the execution for the tax has been

1 entered on the general execution docket in the office of the clerk of the superior court of  
2 the county in which the affected property is located.

3 (2) As used in this subsection, the term 'specific or occupation tax' means all state,  
4 county, and municipal taxes and all state licenses and fees except:

5 (A) The taxes imposed by Article 1 of Chapter 9 of this title;

6 (B) Ad valorem taxes; and

7 (C) The taxes imposed by ~~Article 2~~ of Chapter 7 of this title; and

8 ~~(D) The taxes imposed by Article 5 of Chapter 7 of this title.~~

9 The term includes, but is not limited to, sales and use taxes, corporate net worth taxes,  
10 estate taxes, real-estate transfer taxes, taxes on financial institutions, alcohol and tobacco  
11 taxes, road taxes on motor carriers, excise taxes, license fees, tax liabilities of corporate  
12 officers and business successors, and tax collections of a person who is a dealer under  
13 Chapter 8 of this title relating to sales and use taxation.

14 ~~(h)~~(g) Liens for taxes existing prior to July 1, 1983, shall not be changed by this Code  
15 section. On and after July 1, 1983, this Code section shall govern the time of creation of  
16 all tax liens and the priority of all tax liens."

#### 17 SECTION 21.

18 Code Section 48-5-41 of the Official Code of Georgia Annotated, relating to property exempt  
19 from taxation, is amended by striking subparagraphs (a)(12)(A) and (a)(13)(A) and inserting  
20 in their place new subparagraphs (a)(12)(A) and (a)(13)(A) to read as follows:

21 "(12)(A) Property of a nonprofit home for the aged used in connection with its  
22 operation when the home for the aged has no stockholders and no income or profit  
23 which is distributed to or for the benefit of any private person and when the home is  
24 qualified as an exempt organization under the United States Internal Revenue Code,  
25 Section 501(c)(3), as amended, and Code Section ~~48-7-25~~ 48-7-31, and is subject to the  
26 laws of this state regulating nonprofit and charitable corporations;".

27 "(13)(A) All property of any nonprofit home for the mentally disabled used in  
28 connection with its operation when the home for the mentally disabled has no  
29 stockholders and no income or profit which is distributed to or for the benefit of any  
30 private person and when the home is qualified as an exempt organization under the  
31 United States Internal Revenue Code of 1954, Section 501(c)(3), as amended, and Code  
32 Section ~~48-7-25~~ 48-7-31, and is subject to the laws of this state regulating nonprofit and  
33 charitable corporations."

#### 34 SECTION 22.

1 Code Section 48-6-93 of the Official Code of Georgia Annotated, relating to the local  
 2 business license tax for depository financial institutions, is amended by striking subsection  
 3 (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

4 "(e) Any tax paid by a depository financial institution pursuant to this Code section shall  
 5 be credited dollar for dollar against any state income tax liability of such institution for the  
 6 tax year during which any business or occupation tax authorized by this Code section is  
 7 paid. Such credit shall be subject to the provisions of subsection (b) of Code Section  
 8 ~~48-7-29.4~~ 48-7-7."

### 9 SECTION 23.

10 Code Section 48-11-14 of the Official Code of Georgia Annotated, relating to registration,  
 11 reports, and tax payments of persons acquiring cigars and cigarettes subject to tax under  
 12 Code Section 48-11-13, is amended by striking subsection (d) in its entirety and inserting in  
 13 lieu thereof a new subsection (d) to read as follows:

14 "(d) Except as otherwise provided in this Code section, the sanctions and penalties set forth  
 15 in Code Sections 48-11-15, 48-11-17, 48-11-18, and 48-11-20 through 48-11-24 and in  
 16 Code Sections ~~48-7-2~~ 48-7-3, 48-10-16, and 48-13-38 shall be imposed where applicable  
 17 for any violations of this chapter by consumers."

### 18 SECTION 24.

19 Chapter 1 of Title 49 of the Official Code of Georgia Annotated, relating to general  
 20 provisions applicable to social services, is amended by striking in its entirety Code Section  
 21 49-1-9, relating to the "Home Delivered Meals, Transportation Services for the Elderly, and  
 22 Preschool Children with Special Needs Fund," which reads as follows:

23 "49-1-9.

24 (a) The General Assembly finds that it is in the best interest of the state to provide for  
 25 programs for home delivered meals, transportation services for the elderly, and preschool  
 26 children with special needs, including but not limited to disabled children, troubled  
 27 children, school readiness programs, and other similar needs for the benefit of the citizens  
 28 of Georgia. In addition to and as a supplement to traditional financing mechanisms for  
 29 such programs, it is the policy of this state to enable and encourage citizens voluntarily to  
 30 support such programs.

31 (b) To support programs for home delivered meals, transportation services for the elderly,  
 32 and preschool children with special needs which programs have been established or  
 33 approved by the department, the department may, without limitation, promote and solicit  
 34 voluntary contributions through the income tax return contribution mechanism established  
 35 in subsection (f) of this Code section, through offers to match contributions by any person

1 with moneys appropriated or contributed to the department for such programs, or through  
2 any fund raising or other promotional techniques deemed appropriate by the department.

3 (c) There is established a special fund to be known as the 'Home Delivered Meals,  
4 Transportation Services for the Elderly, and Preschool Children with Special Needs Fund.'

5 This fund shall consist of all moneys contributed under subsection (b) of this Code section,  
6 all moneys transferred to the department under subsection (f) of this Code section, and any  
7 other moneys contributed to this fund or to the home delivered meals, transportation  
8 services for the elderly, or preschool children with special needs programs of the  
9 department and all interest thereon. All balances in the fund shall be deposited in an  
10 interest-bearing account identifying the fund and shall be carried forward each year so that  
11 no part thereof may be deposited in the general treasury. The fund shall be administered  
12 and the moneys held in the fund shall be expended by the department through the Office  
13 of Aging in furtherance of home delivered meals and transportation services to the elderly  
14 programs and by the department in furtherance of preschool children with special needs  
15 programs.

16 (d) Following the transmittal of contributions to the department for deposit in the fund  
17 pursuant to subsection (f) of this Code section, the expenditure of moneys in the fund shall  
18 be allocated as follows:

19 (1) Fifty percent of the contributions to the fund shall be used for home delivered meals  
20 and transportation services to the elderly programs; and

21 (2) Fifty percent of the contributions to the fund shall be used for preschool children with  
22 special needs programs.

23 (e) Contributions to the fund shall be deemed supplemental to and shall in no way supplant  
24 funding that would otherwise be appropriated for these purposes. Contributions shall only  
25 be used for benefits and services and shall not be used for personnel or administrative  
26 positions. The department shall prepare, by February 1 of each year, an accounting of the  
27 funds received and expended from the fund and a review and evaluation of all expended  
28 moneys of the fund. The report shall be made available to the Governor, the Lieutenant  
29 Governor, the Speaker of the House of Representatives, to the members of the Board of  
30 Human Resources, and, upon request, to members of the public.

31 (f)(1) Unless an earlier date is deemed feasible and established by the Governor, each  
32 Georgia income tax return form for taxable years beginning on or after January 1, 1993,  
33 shall contain appropriate language, to be determined by the state revenue commissioner,  
34 offering the taxpayer the opportunity to contribute to the Home Delivered Meals,  
35 Transportation Services for the Elderly, and Preschool Children with Special Needs Fund  
36 established in subsection (c) of this Code section by either donating all or any part of any  
37 tax refund due, by authorizing a reduction in the refund check otherwise payable, or by

1 contributing any amount over and above any amount of tax owed by adding that amount  
 2 to the taxpayer's payment. The instructions accompanying the income tax return form  
 3 shall contain a description of the purposes for which this fund was established and the  
 4 intended use of moneys received from the contributions. Each taxpayer required to file a  
 5 state income tax return who desires to contribute to such fund may designate such  
 6 contribution as provided in this Code section on the appropriate income tax return form.

7 (2) The Department of Revenue shall determine annually the total amount so contributed,  
 8 shall withhold therefrom a reasonable amount for administering this voluntary  
 9 contribution program, and shall transmit the balance to the department for deposit in the  
 10 fund established in subsection (c) of this Code section; provided, however, the amount  
 11 retained for administrative costs, including implementation costs, shall not exceed  
 12 \$50,000.00 per year. If, in any tax year, the administrative costs of the Department of  
 13 Revenue for collecting contributions pursuant to this Code section exceed the sum of  
 14 such contributions, the administrative costs which the Department of Revenue is  
 15 authorized to withhold from such contributions shall not exceed the sum of such  
 16 contributions."

## 17 SECTION 25.

18 Code Section 50-27-3 of the Official Code of Georgia Annotated, relating to definitions  
 19 applicable to the "Georgia Lottery for Education Act," is amended by striking paragraph (13)  
 20 in its entirety and inserting in lieu thereof a new paragraph (13) to read as follows:

21 "(13) 'Minority business' means any business which is owned by:

22 (A) An individual who is a member of a minority who reports as his or her personal  
 23 income for ~~Georgia~~ federal income tax purposes the income of such business;

24 (B) A partnership in which a majority of the ownership interest is owned by one or  
 25 more members of a minority who report as their personal income for ~~Georgia~~ federal  
 26 income tax purposes more than 50 percent of the income of the partnership; or

27 (C) A corporation organized under the laws of this state in which a majority of the  
 28 common stock is owned by one or more members of a minority who report as their  
 29 personal income for ~~Georgia~~ federal income tax purposes more than 50 percent of the  
 30 distributed earnings of the corporation."

## 31 PART 4

### 32 SECTION 1.

33 (a) Part 1 of this Act, this part, and Part 5 of this Act shall become effective upon their  
 34 approval by the Governor or upon their becoming law without such approval.

1 (b) Parts 2 and 3 of this Act shall become effective on January 1, 2013.

2

**PART 5**

3

**SECTION 1.**

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