

House Bill 454

By: Representatives Powell of the 23rd, Cummings of the 19th, Smith of the 13th, Post 2, Lane of the 101st, McCall of the 78th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
2 income taxes, so as to provide that Georgia taxable net income of an individual taxpayer shall
3 not include an amount equal to the amount expended by such taxpayer for premiums for
4 health insurance for a qualifying family member; to provide for a definition; to provide for
5 conditions and limitations; to provide an effective date; to provide for applicability; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,
10 is amended in subsection (a) of Code Section 48-7-27, relating to computation of taxable net
11 income of individuals, by striking "and" at the end of paragraph (10), by striking the period
12 at the end of paragraph (11) and inserting in its place "; and", and by adding a new paragraph
13 immediately following paragraph (11) to be designated paragraph (12) to read as follows:

14 "(12)(A) An amount equal to the amount expended by such taxpayer for premiums for
15 health insurance for a qualifying family member.

16 (B) For purposes of this paragraph, the term 'qualifying family member' means the
17 taxpayer or an individual who is related to the taxpayer by blood, marriage, or adoption.

18 (C) The deduction under this paragraph shall not apply to:

19 (i) Individuals who deduct their health insurance premium costs as a business
20 expense;

21 (ii) Individuals whose employer pays the total cost of the individual's health insurance
22 premium or dependent's premium; or

23 (iii) Self-employed individuals who receive an allowable deduction for health
24 insurance premium costs under paragraph (10) of this subsection."

1 **SECTION 2.**

2 This Act shall become effective on January 1, 2004, and shall be applicable to all taxable
3 years beginning on or after that date.

4 **SECTION 3.**

5 All laws and parts of laws in conflict with this Act are repealed.