

House Bill 540

By: Representative Purcell of the 122<sup>nd</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to the imposition, rate, and computation of income tax, so as to provide for an  
3 income tax credit with respect to qualified reforestation expenses; to provide for conditions  
4 and limitations; to provide for powers, duties, and authority of the state revenue  
5 commissioner with respect to the foregoing; to provide an effective date; to repeal conflicting  
6 laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the  
10 imposition, rate, and computation of income tax, is amended by adding a new Code section  
11 to read as follows:

12 "48-7-29.9.

13 (a) As used in this Code section, the term 'qualified reforestation expense' means the  
14 expenditure of funds by the taxpayer in connection with the forestation or reforestation of  
15 commercial woodlands in this state, including, but not limited to, the costs of site  
16 preparation, seeds and seedlings, labor and tool costs, and depreciation on machinery and  
17 equipment.

18 (b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20  
19 for qualified reforestation expenses in an amount not to exceed the actual amount expended  
20 or \$1,000.00, whichever is less.

21 (c) In no event shall the total amount of the tax credit under this Code section for a taxable  
22 year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the  
23 taxpayer against succeeding years' tax liability. No such credit shall be allowed the  
24 taxpayer against prior years' tax liability.

25 (d) The commissioner shall be authorized to promulgate any rules and regulations  
26 necessary to implement and administer the provisions of this Code section."

1 **SECTION 2.**

2 This Act shall become effective on January 1, 2004.

3 **SECTION 3.**

4 All laws and parts of laws in conflict with this Act are repealed.