

House Bill 1515

By: Representative Parrish of the 102nd

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 imposition, rate, computation, and exemptions with respect to state income taxes,
3 so as to change certain provisions regarding tax credits for existing manufacturing and
4 telecommunications facilities in tier 1, 2, 3, and 4 counties; to provide an effective date; to
5 provide for applicability; to repeal conflicting laws; and for other purposes.

6 **SECTION 1.**

7 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
8 imposition, rate, computation, and exemptions with respect to state income taxes, is amended
9 by striking subsection (b) of Code Section 48-7-40.2, relating to income tax credits for
10 existing manufacturing and telecommunications facilities in tier 1 counties, and inserting in
11 its place a new subsection (b) to read as follows:

12 "(b)(1) In the case of a taxpayer which has operated for the immediately preceding three
13 years an existing manufacturing or telecommunications facility or manufacturing or
14 telecommunications support facility in this state in a tier 1 county designated pursuant to
15 Code Section 48-7-40, there shall be allowed a credit against the tax imposed under this
16 article in an amount equal to 5 percent of the cost of all qualified investment property
17 purchased or acquired by the taxpayer in such year, subject to the conditions and
18 limitations set forth in this Code section.

19 (2) Solely for purposes of satisfying the three-year requirement in paragraph (1) of this
20 subsection, a taxpayer that is a 'wireless telecommunications carrier' under North
21 American Industry Classification System Code 5172 and classified as a partnership for
22 state income tax purposes shall be deemed to have operated an existing facility during
23 such time that its partner or its partner's affiliate operated such facility.

24 (3) In the event such qualified investment property purchased or acquired by the taxpayer
25 in such year consists of recycling machinery or equipment, a recycling manufacturing
26 facility, pollution control or prevention machinery or equipment, a pollution control or

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

3 SECTION 2.

4 Said article is further amended by striking subsection (b) of Code Section 48-7-40.3, relating
5 to income tax credits for existing manufacturing and telecommunications facilities in tier 2
6 counties, and inserting in its place a new subsection (b) to read as follows:

7 "(b)(1) In the case of a taxpayer which has operated for the immediately preceding three
8 years an existing manufacturing or telecommunications facility or manufacturing or
9 telecommunications support facility in this state in a tier 2 county designated pursuant to
10 Code Section 48-7-40, there shall be allowed a credit against the tax imposed under this
11 article in an amount equal to 3 percent of the cost of all qualified investment property
12 purchased or acquired by the taxpayer in such year, subject to the conditions and
13 limitations set forth in this Code section.

14 (2) Solely for purposes of satisfying the three-year requirement in paragraph (1) of this
15 subsection, a taxpayer that is a 'wireless telecommunications carrier' under North
16 American Industry Classification System Code 5172 and classified as a partnership for
17 state income tax purposes shall be deemed to have operated an existing facility during
18 such time that its partner or its partner's affiliate operated such facility.

19 (3) In the event such qualified investment property purchased or acquired by the taxpayer
20 in such year consists of recycling machinery or equipment, a recycling manufacturing
21 facility, pollution control or prevention machinery or equipment, a pollution control or
22 prevention facility, or the conversion from defense to domestic production, the amount
23 of such credit shall be equal to 5 percent."

24 SECTION 3.

25 Said article is further amended by striking subsection (b) of Code Section 48-7-40.4, relating
26 to income tax credits for existing manufacturing and telecommunications facilities in tier 3
27 and 4 counties, and inserting in its place a new subsection (b) to read as follows:

28 (b)(1) In the case of a taxpayer which has operated for the immediately preceding three
29 years an existing manufacturing or telecommunications facility or manufacturing or
30 telecommunications support facility in this state in a tier 3 or a tier 4 county designated
31 pursuant to Code Section 48-7-40, there shall be allowed a credit against the tax imposed
32 under this article in an amount equal to 1 percent of the cost of all qualified investment
33 property purchased or acquired by the taxpayer in such year, subject to the conditions and
34 limitations set forth in this Code section.

1 (2) Solely for purposes of satisfying the three-year requirement in paragraph (1) of this
2 subsection, a taxpayer that is a 'wireless telecommunications carrier' under North
3 American Industry Classification System Code 5172 and classified as a partnership for
4 state income tax purposes shall be deemed to have operated an existing facility during
5 such time that its partner or its partner's affiliate operated such facility.

6 (3) In the event such qualified investment property purchased or acquired by the taxpayer
7 in such year consists of recycling machinery or equipment, a recycling manufacturing
8 facility, pollution control or prevention machinery or equipment, a pollution control or
9 prevention facility, or the conversion from defense to domestic production, the amount
10 of such credit shall be equal to 3 percent."

11 **SECTION 4.**

12 This Act shall become effective upon its approval by the Governor or upon its becoming law
13 without such approval and shall be applicable to all taxable years beginning on or after
14 January 1, 2004.

15 **SECTION 5.**

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