

House Bill 1541

By: Representative Heard of the 75th

A BILL TO BE ENTITLED
AN ACT

To amend Code Section 48-7-40.12 of the Official Code of Georgia Annotated, relating to the state income tax credit for qualified research expenses, so as to change the definition of base amount for purposes of calculating such credit; to provide an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Code Section 48-7-40.12 of the Official Code of Georgia Annotated, relating to the state income tax credit for qualified research expenses, is amended by striking paragraph (1) of subsection (a) and inserting in its place a new paragraph (1) to read as follows:

"(1) 'Base amount' means the ~~product of a business enterprise's Georgia taxable net income in the current taxable year and the average of the ratios of its aggregate qualified research expenses to Georgia taxable net income for the preceding three taxable years or 0.300, whichever is less~~ same as the term 'qualified organization base period amount' as that term is defined in Section 41(e) of the Internal Revenue Code of 1986, as amended."

SECTION 2.

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

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.