

The House Committee on Ways and Means offers the following substitute to HB 1254:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 8 of Title 33 of the Official Code of Georgia Annotated, relating to fees  
2 and taxes, so as to provide for an exemption for certain high deductible health plans sold or  
3 maintained in connection with a health savings account with respect to state insurance  
4 premium taxes; to amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated,  
5 relating to income taxes, so as to provide that the taxable net income of any taxpayer of this  
6 state shall not include premiums paid for high deductible health plans established and used  
7 with a health savings account; to provide for conditions and limitations; to provide for related  
8 matters; to provide an effective date; to provide for applicability; to repeal conflicting laws;  
9 and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Chapter 8 of Title 33 of the Official Code of Georgia Annotated, relating to fees and taxes,  
13 is amended by inserting a new subsection (c) in Code Section 33-8-4, relating to amount and  
14 method of computing tax on insurance premiums generally, to read as follows:

15 "(c) Insurers may claim an exemption from otherwise applicable state premium taxes as  
16 provided for in subsection (a) of this Code section in an amount equal to 2.25 percent of  
17 the premiums such insurers collect during the applicable tax year from Georgia residents  
18 on premiums paid for high deductible health plans sold or maintained in connection with  
19 a health savings account under the applicable provisions of Section 223 of the Internal  
20 Revenue Code."

21 **SECTION 2.**

22 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,  
23 is amended by inserting a new paragraph (13.1) in subsection (a) of Code Section 48-7-27,  
24 relating to computation of taxable net income, to read as follows:

