

The Senate Finance Committee offered the following substitute to HB 357:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and
2 taxation, so as to define the terms "Internal Revenue Code" and "Internal Revenue Code of
3 1986" for certain taxable years and thereby incorporate certain provisions of the federal law
4 into Georgia law and provide that such provisions shall supercede and control over certain
5 other provisions; to define the terms "Internal Revenue Code" and "Internal Revenue Code
6 of 1986" and thereby incorporate certain provisions of the federal law into Georgia law; to
7 provide for effective dates; to provide applicability; to repeal conflicting laws; and for other
8 purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

10 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
11 amended in Code Section 48-1-2, relating to definitions of terms, by adding a new paragraph
12 to read as follows:
13

14 "(14.1) 'Internal Revenue Code' or 'Internal Revenue Code of 1986' means for taxable
15 years beginning after December 31, 2005, but before January 1, 2007, the provisions of
16 the United States Internal Revenue Code of 1986 provided for in federal law enacted on
17 or before January 1, 2006, except that Section 168(k) (but not excepting Section
18 168(k)(2)(A)(i), Section 168(k)(2)(D)(i), and Section 168(k)(2)(E)), Section 199, Section
19 1400L, Section 1400N(d)(1), Section 1400N(j), and Section 1400N(k) of the Internal
20 Revenue Code of 1986 shall be treated as if they were not in effect, and except that the
21 following provisions shall be as amended by the federal Tax Relief and Health Care Act
22 of 2006 (Pub. L. No. 109-432) as such federal act existed on December 20, 2006, and
23 effective for purposes of Georgia taxation on the same dates upon which they became
24 effective for federal tax purposes pursuant to said federal act: Sections 38, 41, 45A, 45N,
25 51, 51A, 61, 62, 106, 121, 143, 164, 168 (except 168(k) but not excepting
26 168(k)(2)(A)(i), 168 (k)(2)(D)(i), and 168(k)(2)(E)), 170, 179E, 198, 220, 222, 223, 263,

1 280C, 312, 355, 613A, 954, 1043, 1221, 1245, 1355, 1397E, 1400A, 1400B, 7623, and
 2 7872. For such taxable years, provisions of the Internal Revenue Code of 1986 which
 3 were as of January 1, 2006, enacted into law but not yet effective shall be effective for
 4 purposes of Georgia taxation on the same dates upon which they become effective for
 5 federal tax purposes. The provisions of this paragraph shall supercede and control over
 6 any provision of paragraph (14) of this Code section to the contrary."

7 SECTION 2.

8 Said title is further amended by revising paragraph (14) of Code Section 48-1-2, relating to
 9 definitions of terms, as follows:

10 "(14) 'Internal Revenue Code' or 'Internal Revenue Code of 1986' means for taxable years
 11 beginning on or after January 1, ~~2006~~ 2007, the provisions of the United States Internal
 12 Revenue Code of 1986 provided for in federal law enacted on or before January 1, ~~2006~~
 13 2007, except Section 168(k), (but not excepting Section 168(k)(2)(A)(i), Section
 14 168(k)(2)(D)(i), and Section 168(k)(2)(E)), Section 199, Section 1400L, Section
 15 1400N(d)(1), Section 1400N(j), and Section 1400N(k) of the Internal Revenue Code of
 16 1986 shall be treated as if they were not in effect. In the event a reference is made in this
 17 title to the Internal Revenue Code or the Internal Revenue Code of 1954 as it existed on
 18 a specific date prior to January 1, ~~2006~~ 2007, the term means the provisions of the
 19 Internal Revenue Code or the Internal Revenue Code of 1954 as it existed on the prior
 20 date. Unless otherwise provided in this title, any term used in this title shall have the same
 21 meaning as when used in a comparable provision or context in the Internal Revenue Code
 22 of 1986. For taxable years beginning on or after January 1, ~~2006~~ 2007, provisions of the
 23 Internal Revenue Code of 1986 which were as of January 1, ~~2006~~ 2007, enacted into law
 24 but not yet effective shall become effective for purposes of Georgia taxation on the same
 25 dates upon which they become effective for federal tax purposes."

26 SECTION 3.

27 (a) Section 1 of this Act shall become effective upon this Act's approval by the Governor
 28 or upon its becoming law without such approval and shall be applicable to all taxable years
 29 beginning after December 31, 2005, but before January 1, 2007.

30 (b) Except as otherwise provided in subsection (a) of this section, this Act shall become
 31 effective upon this Act's approval by the Governor or upon its becoming law without such
 32 approval and shall be applicable to all taxable years beginning on or after January 1, 2007.

33 SECTION 4.

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