

The House Committee on Ways and Means offers the following substitute to HB 1275:

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 water harvesting expenses; to provide for
4 definitions; to provide for conditions and limitations; to provide for powers, duties, and
5 authority of the state revenue commissioner with respect to the foregoing; to provide an
6 effective date; to provide for applicability; to repeal conflicting 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 "48-7-29.13.

13 (a) As used in this Code section, the term:

14 (1) 'Qualified installer' means a person or company experienced in the installation of
15 complete water harvesting and storage systems and approved by the commissioner.

16 (2) 'Qualified water harvesting expense' means the expenditure of funds by the taxpayer
17 for a complete water harvesting and storage system installed by a qualified installer on
18 the premises of the taxpayer's residence or business after January 1, 2008, in the tax year
19 for which the credit under this Code section is claimed and allowed. Components of a
20 complete system shall include such elements as are necessary for on-site capture,
21 conveyance, holding, filtering, purification, and distribution of the harvested water.

22 (b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20
23 or 48-7-21 for qualified water harvesting expenses:

24 (1) In an amount not to exceed 50 percent of the actual amount expended if such
25 qualified water harvesting expenses are \$1,000.00 or less; or

1 (2) In the amount of \$1,000.00 if the actual amount of qualified water harvesting
2 expenses exceeds \$1,000.00.

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

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

9 **SECTION 2.**

10 This Act shall become effective upon its approval by the Governor or upon its becoming law
11 without such approval and shall be applicable to all taxable years beginning on or after
12 January 1, 2008.

13 **SECTION 3.**

14 All laws and parts of laws in conflict with this Act are repealed.