

House Bill 670 (COMMITTEE SUBSTITUTE)

By: Representative Sims of the 169th

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 wood residuals; to provide for definitions; to provide for
4 conditions and limitations; to provide for powers, duties, and authority of the state revenue
5 commissioner with respect to the foregoing; to provide an effective date; to provide for
6 automatic repeal; 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) 'Renewable biomass qualified facility' means a renewable biomass qualified facility
15 as defined by the Federal Energy Regulatory Commission which facility meets the open
16 loop biomass standards promulgated pursuant to Section 45 of the Internal Revenue
17 Code. Such facility must be located in a county in this state which has not attained the
18 federal Environmental Protection Agency Ambient Air Quality Standard for any or all
19 regulated pollutants.

20 (2) 'Wood residuals' means wood residuals that include land-clearing residue, urban
21 wood residue, and pellets and do not include wood from any United States national forest.

22 (b) A taxpayer who transports or diverts wood residuals to a renewable biomass qualified
23 facility shall be allowed a credit against the tax imposed by this chapter in an amount not
24 to exceed the actual amount certified by the department to the taxpayer. The value of such
25 credit shall be determined on a per tonnage basis. Such certification shall be based upon
26 vouchers provided to the taxpayer by the renewable biomass qualified facility to whom the

1 wood residuals are provided for the purpose of providing bioelectric power to a third party.

2 The department shall calculate and attribute a dollar value to such wood residuals.

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 liability. Any unused tax credit shall be allowed the
5 taxpayer against succeeding years' tax liability. No such credit shall be allowed the
6 taxpayer against prior years' tax liability.

7 (d) In no event shall the cumulative total amount of credits granted under this Code section
8 exceed \$6.5 million.

9 (e) The state revenue commissioner shall be authorized to promulgate any rules and
10 regulations necessary to implement and administer the provisions of this Code section.

11 (f) This Code section shall stand repealed in its entirety on January 1, 2013."

12 **SECTION 2.**

13 This Act shall become effective on January 1, 2009.

14 **SECTION 3.**

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