

## COMMITTEE OF CONFERENCE SUBSTITUTE TO HB 1246

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 48 and 33 of the Official Code of Georgia Annotated, relating, respectively,  
2 to revenue and taxation and insurance, so as to revise and change certain provisions  
3 regarding state taxation; to change certain provisions regarding income tax credits for certain  
4 business enterprises by including broadcasting; to change certain provisions regarding  
5 income tax credits for business enterprises in less developed areas by including broadcasting;  
6 to change certain provisions regarding income tax credits for qualified research expenses by  
7 including broadcasting; to change certain provisions regarding alternative tax credits for base  
8 year port traffic increases by including broadcasting; to change certain provisions regarding  
9 income tax credits for existing business enterprises undergoing qualified business expansion  
10 by including broadcasting; to change certain provisions regarding income tax credits to  
11 business enterprises for leased motor vehicles by including broadcasting; to provide for state  
12 insurance premium tax credits for insurance companies located in certain counties designated  
13 as less developed areas; to provide for procedures, conditions, and limitations; to provide for  
14 assignment, carryover, and liability regarding such credits; to provide for powers, duties, and  
15 authority of the commissioner of community affairs and the Commissioner of Insurance; to  
16 provide for related matters; to provide for effective dates; to provide for applicability; to  
17 repeal conflicting laws; and for other purposes.

18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

19 **SECTION 1.**

20 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is  
21 amended by revising subsection (a) and paragraph (2) of subsection (e) of Code Section  
22 48-7-40, relating to income tax credits for certain business enterprises, as follows:

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

24 (1) 'Broadcasting' means the transmission or licensing of audio, video, text, or other  
25 programming content to the general public, subscribers, or to third parties via radio,  
26 television, cable, satellite, or the Internet or Internet Protocol and includes motion picture  
27 and sound recording, editing, production, postproduction, and distribution. 'Broadcasting'

1 is limited to establishments classified under the 2007 North American Industry  
 2 Classification System Codes 515, broadcasting; 516, Internet publishing and  
 3 broadcasting; 517, telecommunications; and 512, motion picture and sound recording  
 4 industries.

5 ~~(1)~~(2) 'Business enterprise' means any business or the headquarters of any such business  
 6 which is engaged in manufacturing, warehousing and distribution, processing,  
 7 telecommunications, broadcasting, tourism, and research and development industries.  
 8 Such term shall not include retail businesses.

9 ~~(2)~~(3) 'Existing business enterprise' means any business or the headquarters of any such  
 10 business which has operated for the immediately preceding three years a facility in this  
 11 state which is engaged in manufacturing, warehousing and distribution, processing,  
 12 telecommunications, broadcasting, tourism, or research and development industries.  
 13 Such term shall not include retail businesses."

14 "(2) Existing business enterprises as defined under paragraph (2) of subsection (a) of this  
 15 Code section shall be allowed an additional tax credit for taxes imposed under this article  
 16 equal to \$500.00 per eligible new full-time employee job for one year after the creation  
 17 of such job. The additional credit shall be claimed in year two after the creation of such  
 18 job. The number of new full-time jobs shall be determined by comparing the monthly  
 19 average number of full-time employees subject to Georgia income tax withholding for  
 20 the taxable year with the corresponding period of the prior taxable year. In tier 1  
 21 counties, those existing business enterprises that increase employment by five or more  
 22 shall be eligible for the credit. In tier 2 counties, only those existing business enterprises  
 23 that increase employment by ten or more shall be eligible for the credit. In tier 3  
 24 counties, only those existing business enterprises that increase employment by 15 or more  
 25 shall be eligible for the credit. In tier 4 counties, only those existing business enterprises  
 26 that increase employment by 25 or more shall be eligible for the credit. The average  
 27 wage of the new jobs created must be above the average wage of the county that has the  
 28 lowest average wage of any county in the state to qualify as reported in the most recently  
 29 available annual issue of the Georgia Employment and Wages Averages Report of the  
 30 Department of Labor. To qualify for a credit under this paragraph, the employer must  
 31 make health insurance coverage available to the employee filling the new full-time job;  
 32 provided, however, that nothing in this paragraph shall be construed to require the  
 33 employer to pay for all or any part of health insurance coverage for such an employee in  
 34 order to claim the credit provided for in this paragraph if such employer does not pay for  
 35 all or any part of health insurance coverage for other employees. Credit shall not be  
 36 allowed during a year if the net employment increase falls below the number required in  
 37 such tier. Any credit received for years prior to the year in which the net employment

1 increase falls below the number required in such tier shall not be affected. The state revenue  
 2 commissioner shall adjust the credit allowed each year for net new employment fluctuations  
 3 above the minimum level of the number required in such tier. This paragraph shall apply  
 4 only to new eligible full-time jobs created in taxable years beginning on or after January 1,  
 5 2006, and ending no later than taxable years beginning prior to January 1, 2011."

6 **SECTION 2.**

7 Said title is further amended by revising subsection (a) of Code Section 48-7-40.1, relating  
 8 to tax credits for business enterprises in less developed areas, as follows:

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

10 (1) 'Broadcasting' means the transmission or licensing of audio, video, text, or other  
 11 programming content to the general public, subscribers, or to third parties via radio,  
 12 television, cable, satellite, or the Internet or Internet Protocol and includes motion picture  
 13 and sound recording, editing, production, postproduction, and distribution. 'Broadcasting'  
 14 is limited to establishments classified under the 2007 North American Industry  
 15 Classification System Codes 515, broadcasting; 516, Internet publishing and  
 16 broadcasting; 517, telecommunications; and 512, motion picture and sound recording  
 17 industries.

18 (2) 'Business enterprise' means any business or the headquarters of any such  
 19 business which is engaged in manufacturing, warehousing and distribution, processing,  
 20 telecommunications, broadcasting, tourism, and research and development industries.  
 21 Such term shall not include retail businesses."

22 **SECTION 3.**

23 Said title is further amended by revising subsection (a) of Code Section 48-7-40.12, relating  
 24 to tax credits for qualified research expenses, as follows:

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

26 (1) 'Base amount' means the product of a business enterprise's Georgia taxable net  
 27 income in the current taxable year and the average of the ratios of its aggregate qualified  
 28 research expenses to Georgia taxable net income for the preceding three taxable years or  
 29 0.300, whichever is less.

30 (2) 'Broadcasting' means the transmission or licensing of audio, video, text, or other  
 31 programming content to the general public, subscribers, or to third parties via radio,  
 32 television, cable, satellite, or the Internet or Internet Protocol and includes motion picture  
 33 and sound recording, editing, production, postproduction, and distribution. 'Broadcasting'  
 34 is limited to establishments classified under the 2007 North American Industry

1 Classification System Codes 515, broadcasting; 516, Internet publishing and  
 2 broadcasting; 517, telecommunications; and 512, motion picture and sound recording  
 3 industries.

4 ~~(2)~~(3) 'Business enterprise' means any business or the headquarters of any such business  
 5 which is engaged in manufacturing, warehousing and distribution, processing,  
 6 telecommunications, broadcasting, tourism, and research and development industries.  
 7 Such term shall not include retail businesses.

8 ~~(3)~~(4) 'Qualified research expenses' means qualified research expenses for any business  
 9 enterprise as that term is defined in Section 41 of the Internal Revenue Code of 1986, as  
 10 amended, except that all wages paid and all purchases of services and supplies must be  
 11 for research conducted within the State of Georgia."

#### 12 SECTION 4.

13 Said title is further amended by revising subsection (a) of Code Section 48-7-40.15, relating  
 14 to alternative tax credits for base year port traffic increases, as follows:

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

16 (1) 'Base year port traffic' means the total amount of net tons, containers, or twenty-foot  
 17 equivalent units (TEU's), of product actually transported by way of a waterborne ship or  
 18 vehicle through a port facility during the period from January 1, 1997, through December  
 19 31, 1997; provided, however, that in the event the total amount actually transported  
 20 during such period was not at least 75 net tons, five containers, or ten twenty-foot  
 21 equivalent units (TEU's), then 'base year port traffic' means 75 net tons, five containers,  
 22 or ten twenty-foot equivalent units (TEU's).

23 (2) 'Broadcasting' means the transmission or licensing of audio, video, text, or other  
 24 programming content to the general public, subscribers, or to third parties via radio,  
 25 television, cable, satellite, or the Internet or Internet Protocol and includes motion picture  
 26 and sound recording, editing, production, postproduction, and distribution. 'Broadcasting'  
 27 is limited to establishments classified under the 2007 North American Industry  
 28 Classification System Codes 515, broadcasting; 516, Internet publishing and  
 29 broadcasting; 517, telecommunications; and 512, motion picture and sound recording  
 30 industries.

31 ~~(2)~~(3) 'Business enterprise' means any business or the headquarters of any such business  
 32 which is engaged in manufacturing, warehousing and distribution, processing,  
 33 telecommunications, broadcasting, tourism, and research and development industries but  
 34 shall not include retail businesses.

1 ~~(3)~~(4) 'Port facility' means any privately owned or publicly owned facility located within  
 2 this state through which product is transported by way of a waterborne ship or vehicle to  
 3 or from destinations outside this state.

4 ~~(4)~~(5) 'Port traffic' means the total amount of net tons, containers, or twenty-foot  
 5 equivalent units (TEU's) of product transported by way of a waterborne ship or vehicle  
 6 through a port facility.

7 ~~(5)~~(6) 'Product' means a marketable product or component of a product which has an  
 8 economic value to the wholesale or retail consumer and is ready to be used without  
 9 further alteration of its form or a product or material which is marketed as a prepared  
 10 material or is a component in the manufacturing and assembly of other finished products.

11 ~~(6)~~(7) 'Qualified investment property' means all real and personal property purchased or  
 12 acquired by a taxpayer for use in the construction of an additional manufacturing or  
 13 telecommunications facility to be located in this state or in the expansion of an existing  
 14 manufacturing or telecommunications facility located in this state, including, but not  
 15 limited to, moneys expended on land acquisition, improvements, buildings, building  
 16 improvements, and machinery and equipment to be used in the manufacturing or  
 17 telecommunications facility. The department shall promulgate rules defining eligible  
 18 manufacturing facilities, telecommunications facilities, and qualified investment property  
 19 pursuant to this Code section."

## 20 SECTION 5.

21 Said title is further amended by revising subsection (a) of Code Section 48-7-40.21, relating  
 22 to tax credits for existing business enterprises undergoing qualified business expansion, as  
 23 follows:

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

25 (1) 'Broadcasting' means the transmission or licensing of audio, video, text, or other  
 26 programming content to the general public, subscribers, or to third parties via radio,  
 27 television, cable, satellite, or the Internet or Internet Protocol and includes motion picture  
 28 and sound recording, editing, production, postproduction, and distribution. 'Broadcasting'  
 29 is limited to establishments classified under the 2007 North American Industry  
 30 Classification System Codes 515, broadcasting; 516, Internet publishing and  
 31 broadcasting; 517, telecommunications; and 512, motion picture and sound recording  
 32 industries.

33 ~~(1)~~(2) 'Existing business enterprise' means any business or the headquarters of any such  
 34 business which is engaged in manufacturing, warehousing and distribution, processing,  
 35 telecommunications, broadcasting, tourism, or research and development industries that

1 has been in operation in this state for at least five years. Such term shall not include retail  
 2 businesses.  
 3 ~~(2)~~(3) 'Qualified business expansion' means the creation of at least 500 new full-time  
 4 jobs within a taxable year."

### 5 SECTION 6.

6 Said title is further amended by revising subsection (a) of Code Section 48-7-40.22, relating  
 7 to income tax credits to business enterprises for leased motor vehicles, as follows:

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

9 (1) 'Broadcasting' means the transmission or licensing of audio, video, text, or other  
 10 programming content to the general public, subscribers, or to third parties via radio,  
 11 television, cable, satellite, or the Internet or Internet Protocol and includes motion picture  
 12 and sound recording, editing, production, postproduction, and distribution. 'Broadcasting'  
 13 is limited to establishments classified under the 2007 North American Industry  
 14 Classification System Codes 515, broadcasting; 516, Internet publishing and  
 15 broadcasting; 517, telecommunications; and 512, motion picture and sound recording  
 16 industries.

17 ~~(1)~~(2) 'Business enterprise' means any business or the headquarters of any such business  
 18 which is engaged in manufacturing, warehousing and distribution, processing,  
 19 telecommunications, broadcasting, tourism, research and development industries, child  
 20 care businesses, or retail businesses.

21 ~~(2)~~(3) 'Headquarters' means the principal central administrative office of a taxpayer.

22 ~~(3)~~(4) 'Tier' means a tier as designated pursuant to Code Section 48-7-40, as amended."

### 23 SECTION 7.

24 Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by  
 25 adding a new Code section to read as follows:

26 "33-8-4.1.

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

28 (1) 'Business enterprise' means any insurance company or the headquarters of any  
 29 insurance company required to pay the tax under Code Section 33-8-4.

30 (2) 'Existing business enterprise' means any insurance company or the headquarters of  
 31 any insurance company required to pay the tax under Code Section 33-8-4 which has  
 32 operated for the immediately preceding three years a facility in this state.

33 (b)(1) Not later than December 31 of each year, using the most current data available  
 34 from the Department of Labor and the United States Department of Commerce, the

1 commissioner of community affairs shall rank and designate as less developed areas all  
2 159 counties in this state using a combination of the following equally weighted factors:

3 (A) Highest unemployment rate for the most recent 36 month period;

4 (B) Lowest per capita income for the most recent 36 month period; and

5 (C) Highest percentage of residents whose incomes are below the poverty level  
6 according to the most recent data available.

7 (2) Counties ranked and designated as the first through seventy-first least developed  
8 counties shall be classified as tier 1, counties ranked and designated as the  
9 seventy-second through one hundred sixth least developed counties shall be classified as  
10 tier 2, counties ranked and designated as the one hundred seventh through one hundred  
11 forty-first least developed counties shall be classified as tier 3, and counties ranked and  
12 designated as the one hundred forty-second through one hundred fifty-ninth least  
13 developed counties shall be classified as tier 4.

14 (c) The commissioner of community affairs shall be authorized to include in the tier 2  
15 designation provided for in subsection (b) of this Code section any tier 3 county which, in  
16 the opinion of the commissioner of community affairs, undergoes a sudden and severe  
17 period of economic distress caused by the closing of one or more business enterprises  
18 located in such county. No designation made pursuant to this subsection shall operate to  
19 displace or remove any other county previously designated as a tier 2 county.

20 (d) The commissioner of community affairs shall be authorized to include in the tier 1  
21 designation provided for in subsection (b) of this Code section any tier 2 county which, in  
22 the opinion of the commissioner of community affairs, undergoes a sudden and severe  
23 period of economic distress caused by the closing of one or more business enterprises  
24 located in such county. No designation made pursuant to this subsection shall operate to  
25 displace or remove any other county previously designated as a tier 1 county.

26 (e) For business enterprises which plan a significant expansion in their labor forces, the  
27 commissioner of community affairs shall prescribe redesignation procedures to ensure that  
28 the business enterprises can claim credits in future years without regard to whether or not  
29 a particular county is reclassified in a different tier.

30 (f)(1) Business enterprises in counties designated by the commissioner of community  
31 affairs as tier 1 counties shall be allowed a job tax credit for taxes imposed under Code  
32 Section 33-8-4 equal to \$3,500.00 annually per eligible new full-time employee job for  
33 five years beginning with years two through six after the creation of such job. Business  
34 enterprises in counties designated by the commissioner of community affairs as tier 2  
35 counties shall be allowed a job tax credit for taxes imposed under Code Section 33-8-4  
36 equal to \$2,500.00 annually, business enterprises in counties designated by the  
37 commissioner of community affairs as tier 3 counties shall be allowed a job tax credit for

1 taxes imposed under Code Section 33-8-4 equal to \$1,250.00 annually, and business  
2 enterprises in counties designated by the commissioner of community affairs as tier 4  
3 counties shall be allowed a job tax credit for taxes imposed under Code Section 33-8-4  
4 equal to \$750.00 annually for each new full-time employee job for five years beginning  
5 with years two through six after the creation of the job. The number of new full-time jobs  
6 shall be determined by comparing the monthly average number of full-time employees  
7 subject to Georgia income tax withholding for the calendar year with the corresponding  
8 period of the prior calendar year. In tier 1 counties, those business enterprises that  
9 increase employment by five or more shall be eligible for the credit. In tier 2 counties,  
10 only those business enterprises that increase employment by ten or more shall be eligible  
11 for the credit. In tier 3 counties, only those business enterprises that increase employment  
12 by 15 or more shall be eligible for the credit. In tier 4 counties, only those business  
13 enterprises that increase employment by 25 or more shall be eligible for the credit. The  
14 average wage of the new jobs created must be above the average wage of the county that  
15 has the lowest average wage of any county in the state to qualify as reported in the most  
16 recently available annual issue of the Georgia Employment and Wages Averages Report  
17 of the Department of Labor. To qualify for a credit under this paragraph, the employer  
18 must make health insurance coverage available to the employee filling the new full-time  
19 job; provided, however, that nothing in this paragraph shall be construed to require the  
20 employer to pay for all or any part of health insurance coverage for such an employee in  
21 order to claim the credit provided for in this paragraph if such employer does not pay for  
22 all or any part of health insurance coverage for other employees. Credit shall not be  
23 allowed during a year if the net employment increase falls below the number required in  
24 such tier. Any credit received for years prior to the year in which the net employment  
25 increase falls below the number required in such tier shall not be affected. The  
26 Commissioner of Insurance shall adjust the credit allowed each year for net new  
27 employment fluctuations above the minimum level of the number required in such tier.

28 (2) Existing business enterprises as defined under paragraph (2) of subsection (a) of this  
29 Code section shall be allowed an additional tax credit for taxes imposed under Code  
30 Section 33-8-4 equal to \$500.00 per eligible new full-time employee job for one year  
31 after the creation of such job. The additional credit shall be claimed in year two after the  
32 creation of such job. The number of new full-time jobs shall be determined by comparing  
33 the monthly average number of full-time employees subject to Georgia income tax  
34 withholding for the calendar year with the corresponding period of the prior calendar  
35 year. In tier 1 counties, those existing business enterprises that increase employment by  
36 five or more shall be eligible for the credit. In tier 2 counties, only those existing  
37 business enterprises that increase employment by ten or more shall be eligible for the

1 credit. In tier 3 counties, only those existing business enterprises that increase  
2 employment by 15 or more shall be eligible for the credit. In tier 4 counties, only those  
3 existing business enterprises that increase employment by 25 or more shall be eligible for  
4 the credit. The average wage of the new jobs created must be above the average wage  
5 of the county that has the lowest average wage of any county in the state to qualify as  
6 reported in the most recently available annual issue of the Georgia Employment and  
7 Wages Averages Report of the Department of Labor. To qualify for a credit under this  
8 paragraph, the employer must make health insurance coverage available to the employee  
9 filling the new full-time job; provided, however, that nothing in this paragraph shall be  
10 construed to require the employer to pay for all or any part of health insurance coverage  
11 for such an employee in order to claim the credit provided for in this paragraph if such  
12 employer does not pay for all or any part of health insurance coverage for other  
13 employees. Credit shall not be allowed during a year if the net employment increase falls  
14 below the number required in such tier. Any credit received for years prior to the year  
15 in which the net employment increase falls below the number required in such tier shall  
16 not be affected. The Commissioner of Insurance shall adjust the credit allowed each year  
17 for net new employment fluctuations above the minimum level of the number required  
18 in such tier. This paragraph shall apply only to new eligible full-time jobs created on or  
19 after January 1, 2009, and prior to January 1, 2014.

20 (g) Tax credits for five years for the taxes imposed under Code Section 33-8-4 shall be  
21 awarded for additional new full-time jobs created by business enterprises qualified under  
22 subsection (b), (c), or (d) of this Code section. Additional new full-time jobs shall be  
23 determined by subtracting the highest total employment of the business enterprise during  
24 years two through six, or whatever portion of years two through six which has been  
25 completed, from the total increased employment. The Commissioner of Insurance shall  
26 adjust the credit allowed in the event of employment fluctuations during the additional five  
27 years of credit.

28 (h) The sale, merger, acquisition, or bankruptcy of any business enterprise shall not create  
29 new eligibility in any succeeding business entity, but any unused job tax credit may be  
30 transferred and continued by any transferee of the business enterprise. The commissioner  
31 of community affairs shall determine whether or not qualifying net increases or decreases  
32 have occurred and may require reports, promulgate regulations, and hold hearings as  
33 needed for substantiation and qualification.

34 (i)(1) Except as provided in paragraph (2) of this subsection, any credit claimed under  
35 this Code section but not used in that calendar year may be carried forward for ten years  
36 from the close of the calendar year in which the qualified jobs were established, but in  
37 tiers 3 and 4 the credit established by this Code section taken in any one calendar year

1 shall be limited to an amount not greater than 50 percent of the taxpayer's tax liability  
 2 under Code Section 33-8-4 which is attributable to operations in this state for that  
 3 calendar year. In tier 1 and 2 counties, the credit allowed under this Code section against  
 4 taxes imposed under Code Section 33-8-4 in any calendar year shall be limited to an  
 5 amount not greater than 100 percent of the taxpayer's tax liability under Code Section  
 6 33-8-4 attributable to operations in this state for such calendar year.

7 (2) The additional credit claimed by an existing business enterprise pursuant to the  
 8 provisions of paragraph (2) of subsection (f) of this Code section must be applied against  
 9 taxes imposed for the calendar year in which such credit is available and may not be  
 10 carried forward to any subsequent calendar year.

11 (j) The Commissioner of Insurance may require such reports, promulgate such regulations,  
 12 and gather such relevant data necessary and advisable for the evaluation of the job tax  
 13 credits established by this Code section."

#### 14 **SECTION 8.**

15 Said title is further amended by adding a new Code section to read as follows:

16 "33-8-4.2.

17 (a) As used in this Code section, the term 'affiliated entity' means:

18 (1) A corporation that is a member of the taxpayer's 'affiliated group' within the meaning  
 19 of Section 1504(a) of the Internal Revenue Code and which corporation has a tax liability  
 20 under Code Section 33-8-4; or

21 (2) An entity affiliated with a corporation, business, partnership, or limited liability  
 22 company taxpayer, which entity has a tax liability under Code Section 33-8-4 and which  
 23 entity:

24 (A) Owns or leases the land on which a project is constructed;

25 (B) Provides capital for construction of the project; and

26 (C) Is the grantor or owner under a management agreement with a managing company  
 27 of the project.

28 (b) In lieu of claiming any tax credit under Code Section 33-8-4.1 for which a taxpayer  
 29 otherwise is eligible for the calendar year (such eligibility being determined for this  
 30 purpose without regard to any limitation imposed by reason of the taxpayer's precredit tax  
 31 liability under Code Section 33-8-4), the taxpayer may elect to assign such credit in whole  
 32 or in part to one or more affiliated entities for such calendar year by attaching a statement  
 33 to the taxpayer's return for the calendar year; provided, however, that no carryover  
 34 attributable to the unused portion of any previously claimed or assigned credit may be  
 35 assigned or reassigned, except as provided in subsection (d) of this Code section. Such  
 36 election must be made on or before the due date for filing the applicable tax return under

1 Code Section 33-8-4, including any extensions which have been granted. In the case of any  
2 credit that must be claimed in installments in more than one calendar year, the election  
3 under this subsection may be made on an annual basis with respect to each such  
4 installment, provided that the taxpayer shall notify the Commissioner of Insurance with  
5 respect to the assignment of each such installment by filing a separate copy of the election  
6 statement for such installment no later than the due date for filing the applicable tax return  
7 under Code Section 33-8-4, including any extensions which have been granted. Once  
8 made, an election under this subsection shall be irrevocable.

9 (c) The recipient of a tax credit assigned under subsection (b) of this Code section shall  
10 attach a statement to its tax return under Code Section 33-8-4 identifying the assignor of  
11 the tax credit, in addition to providing any other information required to be provided by a  
12 claimant of the assigned tax credit.

13 (d) If the assignor and the recipient of a tax credit assigned under subsection (b) of this  
14 Code section cease to be affiliated entities, any carryover attributable to the unused portion  
15 of such credit shall be transferred back to the assignor of the credit. Such assignor shall be  
16 permitted to use any such carryover itself and also shall be permitted to assign such  
17 carryover to one or more affiliated entities, as if such carryover were a tax credit under  
18 Code Section 33-8-4.1 for which the assignor became eligible in the calendar year in which  
19 the carryover was transferred back to the assignor.

20 (e) The assignor and recipient of a tax credit assigned under subsection (b) of this Code  
21 section shall be jointly and severally liable for any tax under Code Section 33-8-4 (plus  
22 interest and penalties, if any) attributable to the disallowance or recapture of the assigned  
23 credit."

#### 24 **SECTION 9.**

25 (a) Except as otherwise provided in subsection (b) of this section, this Act shall become  
26 effective upon its approval by the Governor or upon its becoming law without such approval  
27 and shall be applicable to all taxable years beginning on or after January 1, 2008.

28 (b) Sections 7 and 8 shall become effective on January 1, 2009.

#### 29 **SECTION 10.**

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