

The House Committee on Ways and Means offers the following substitute to HB 1219:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 7A of Title 48 of the Official Code of Georgia Annotated, relating to tax
2 credits for low-income residents, so as to repeal certain provisions regarding legislative
3 findings and purposes; to change certain provisions regarding the claiming and allowing of
4 such tax credits; to provide for an effective date; to provide for applicability; to repeal
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 7A of Title 48 of the Official Code of Georgia Annotated, relating to tax credits for
9 low-income residents, is amended by repealing and reserving Code Section 48-7A-1, relating
10 to legislative findings and purposes.

11 **SECTION 2.**

12 Said chapter is further amended in Code Section 48-7A-3, relating to claiming and allowing
13 low-income tax credits, by revising subsections (a) and (c) as follows:

14 "(a) Except as otherwise provided in subsection (e) of this Code section, each resident
15 taxpayer who files an individual income tax return for a taxable year and who is not
16 claimed or is not otherwise eligible to be claimed as a dependent by another taxpayer for
17 federal or Georgia individual income tax purposes may claim a tax credit against the
18 resident taxpayer's individual income tax liability for the taxable year for which the
19 individual income tax return is being filed; provided that:

20 (1) A husband and wife filing a joint return shall each be deemed a dependent for
21 purposes of such joint return; and

22 (2) A husband and wife filing separate returns for a taxable year for which a joint return
23 could have been filed by them shall claim only the tax credit to which they would have
24 been entitled had a joint return been filed; ~~and~~

25 ~~(3) A resident individual who has no income or no income taxable under Chapter 7 of~~
26 ~~this title and who is not claimed or is not otherwise eligible to be claimed as a dependent~~

27 by a taxpayer for federal or Georgia individual income tax purposes may also claim a tax
28 credit as set forth in this Code section."

29 "(c) The tax credit claimed by a resident taxpayer pursuant to this Code section shall be
30 deductible from the resident taxpayer's individual income tax liability, if any, for the tax
31 year in which it is properly claimed. ~~In the event the tax credit claimed by a resident
32 taxpayer exceeds the amount of income tax payment due from the resident taxpayer, the
33 excess of the credit over payments due shall be refunded to the resident taxpayer, provided
34 that a tax credit properly claimed by a resident individual who has no income tax liability
35 shall be paid to the resident individual; provided, further, that no refunds or payment on
36 account of the tax credit allowed by this Code section shall be made for amounts less than
37 \$1.00.; provided, however, that in no event shall the total amount of the tax credit under
38 this Code section for a taxable year exceed the taxpayer's income tax liability. Any unused
39 credit amount shall not be allowed to be carried forward to the taxpayer's succeeding years'
40 tax liability. No such credit shall be allowed the taxpayer against prior years' tax liability."~~

41 **SECTION 3.**

42 This Act shall become effective upon its approval by the Governor or upon its becoming law
43 without such approval and shall be applicable to all taxable years beginning on or after
44 January 1, 2010.

45 **SECTION 4.**

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