

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 ad valorem tax expenses; to provide for conditions
4 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 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 "48-7-29.17.

13 (a) As used in this Code section, the term 'qualified ad valorem tax expense' means the
14 expenditure of funds by the taxpayer for the payment of such taxpayer's state and local ad
15 valorem taxes on real and personal property in the tax year for which the credit under this
16 Code section is claimed and allowed.

17 (b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20
18 for qualified ad valorem tax expenses in an amount not to exceed the actual amount
19 expended.

20 (c) In no event shall the total amount of the tax credit under this Code section for a taxable
21 year exceed the taxpayer's income tax liability. No amount of unused tax credit shall be
22 allowed the taxpayer against succeeding years' tax liability. No such tax credit shall be
23 allowed the taxpayer against prior years' tax liability.

24 (d) In any tax year in which the commissioner determines that the aggregate amount of
25 state reserve funds is less than \$500 million, no tax credit shall be claimed or allowed under
26 this Code section for that tax year.

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

29 **SECTION 2.**

30 This Act shall become effective on January 1, 2010, and shall be applicable to all taxable
31 years beginning on or after that date.

32 **SECTION 3.**

33 All laws and parts of laws in conflict with this Act are repealed.