

House Bill 261

By: Representatives Stephens of the 164th, Dickson of the 6th, Hill of the 180th, Barnard of the 166th, Neal of the 1st, and others

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 for a limited period of time for the purchase of one eligible single-family
4 residence; 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 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:

14 (1) 'Eligible single-family residence' means:

15 (A) A single-family structure that is a new residence or a previously occupied
16 residence that was for sale prior to the effective date of this Code section and is still for
17 sale after the effective date of this Code section; or

18 (B) A single-family structure that is:

19 (i) An owner occupied residence with respect to which the owner's acquisition
20 indebtedness, as defined in Section 163(h)(3)(B) of the Internal Revenue Code,
21 determined without regard to clause (ii) thereof, was in default on or before March 1,
22 2009; or

23 (ii) A residence with respect to which a foreclosure event has taken place and which
24 is owned by the mortgagor or the mortgagor's agent.

25 (2) 'Purchase price' means the purchase price of an eligible single-family residence that
26 is not less than \$40,000.00 and not more than \$300,000.00.

27 (b) A taxpayer shall be allowed a one-time credit against the tax imposed by Code Section
28 48-7-20 for the purchase of one eligible single-family residence made during the six-month
29 period commencing on the first day of the month following the effective date of this Code
30 section and ending on the last day of the sixth complete month thereafter. The amount of
31 such credit shall be 1.2 percent of the purchase price of such eligible single-family
32 residence.

33 (c) A taxpayer shall be allowed a one-time credit against the tax imposed by Code Section
34 48-7-20 for the purchase of one eligible single-family residence made during the six-month
35 period commencing on the first day following the six-month period provided for under
36 subsection (b) of this Code section and ending on the last day of the twelfth complete
37 month thereafter. The amount of such credit shall be 0.6 percent of the purchase price of
38 such eligible single-family residence.

39 (d) In no event shall the total amount of the tax credit under this Code section for a taxable
40 year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed to
41 be carried forward to apply to the taxpayer's succeeding years' tax liability. No such tax
42 credit shall be allowed the taxpayer against prior years' tax liability.

43 (e) A taxpayer shall submit to the commissioner a bona fide listing agreement with a real
44 estate agent or broker licensed in this state, or other appropriate documentation deemed
45 sufficient by the commissioner, to validate the sales status of the eligible single-family
46 residence.

47 (f) The commissioner shall be authorized to promulgate any rules and regulations
48 necessary to implement and administer this Code section."

49 **SECTION 2.**

50 This Act shall become effective upon its approval by the Governor or upon its becoming law
51 without such approval.

52 **SECTION 3.**

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