09 LC 18 8019

House Bill 425

By: Representative Mills of the 25th

A BILL TO BE ENTITLED AN ACT

- 1 To amend Code Section 48-8-45 of the Official Code of Georgia Annotated, relating to sales
- 2 and use tax, reporting of sales, and deductibility of bad debts, so as to change provisions
- 3 relating to deduction of bad debts by persons reporting on an accrual basis; to authorize
- 4 refunds as well as deductions; to provide for related matters; to repeal conflicting laws; and
- 5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 SECTION 1.

- 8 Code Section 48-8-45 of the Official Code of Georgia Annotated, relating to sales and use
- 9 tax, reporting of sales, and deductibility of bad debts, is amended by revising subsection (d)
- 10 as follows:
- 11 "(d) An assignee of private label credit card debt purchased directly from a dealer without
- recourse or a credit card bank which extends such credit to customers under a private label
- credit card program shall be allowed a deduction or refund for private label credit card bad
- debts under rules and regulations of the commissioner on the same basis that private label
- 15 credit card bad debts are allowed as a deduction <u>or refund</u> on state income tax returns. An
- issuer or assignee of private label credit card debt may claim its deduction <u>or refund</u> for
- private label credit card bad debts on a return filed by a member of an affiliated group as
- defined under 26 U.S.C. Section 1504."

19 SECTION 2.

20 All laws and parts of laws in conflict with this Act are repealed.