

The House Committee on Ways and Means offers the following substitute to HB 74:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-1-2 of the Official Code of Georgia Annotated, relating to
2 definitions regarding revenue and taxation, so as to define the terms "Internal Revenue Code"
3 and "Internal Revenue Code of 1986" and thereby incorporate certain provisions of the
4 federal law into Georgia law; to define the terms "Internal Revenue Code" and "Internal
5 Revenue Code of 1986" for certain taxable years and thereby incorporate certain provisions
6 of the federal law into Georgia law and provide that such provisions shall supersede and
7 control over certain other provisions; to provide an effective date; to provide for
8 applicability; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 Code Section 48-1-2 of the Official Code of Georgia Annotated, relating to definitions
12 regarding revenue and taxation, is amended by revising paragraph (14) as follows:

13 "(14) 'Internal Revenue Code' or 'Internal Revenue Code of 1986' means for taxable years
14 beginning on or after January 1, ~~2008~~ 2009, the provisions of the United States Internal
15 Revenue Code of 1986, as amended, provided for in federal law enacted on or before
16 January 1, ~~2008~~ 2009, except that Section 168(b)(3)(I), Section 168(e)(3)(B)(vii), Section
17 168(e)(3)(E)(ix), Section 168(e)(8), Section 168(k); (but not excepting Section
18 168(k)(2)(A)(i), Section 168(k)(2)(D)(i), and Section 168(k)(2)(E)), Section 168(m),
19 Section 168(n), Section 172(b)(1)(F), Section 172(b)(1)(J), Section 172(j), Section 199,
20 Section 1400L, Section 1400N(d)(1), Section 1400N(f), Section 1400N(j), and Section
21 1400N(k), and Section 1400N(o) of the Internal Revenue Code of 1986, as amended,
22 shall be treated as if they were not in effect, and except that Section 168(e)(7), Section
23 172(i)(1), and Section 1221 of the Internal Revenue Code of 1986, as amended, shall be
24 treated as they were in effect before the 2008 enactment of federal Public Law 110-343.
25 In the event a reference is made in this title to the Internal Revenue Code or the Internal
26 Revenue Code of 1954 as it existed on a specific date prior to January 1, ~~2008~~ 2009, the

27 term means the provisions of the Internal Revenue Code or the Internal Revenue Code
 28 of 1954 as it existed on the prior date. Unless otherwise provided in this title, any term
 29 used in this title shall have the same meaning as when used in a comparable provision or
 30 context in the Internal Revenue Code of 1986, as amended. For taxable years beginning
 31 on or after January 1, ~~2008~~ 2009, provisions of the Internal Revenue Code of 1986, as
 32 amended, which were as of January 1, ~~2008~~ 2009, enacted into law but not yet effective
 33 shall become effective for purposes of Georgia taxation on the same dates upon which
 34 they become effective for federal tax purposes."

35 **SECTION 2.**

36 Said Code section is further amended by adding a new paragraph to read as follows:

37 "(14.3) 'Internal Revenue Code' or 'Internal Revenue Code of 1986' means for taxable
 38 years beginning after December 31, 2007, but before January 1, 2009, the provisions of
 39 the United States Internal Revenue Code of 1986, as amended, provided for in federal law
 40 enacted on or before January 1, 2009, except that Section 168(b)(3)(I), Section
 41 168(e)(3)(B)(vii), Section 168(e)(3)(E)(ix), Section 168(e)(8), Section 168(k) (but not
 42 excepting Section 168(k)(2)(A)(i), Section 168(k)(2)(D)(i), and Section 168(k)(2)(E)),
 43 Section 168(m), Section 168(n), Section 172(b)(1)(F), Section 172(b)(1)(J), Section
 44 172(j), Section 199, Section 1400L, Section 1400N(d)(1), Section 1400N(f), Section
 45 1400N(j), Section 1400N(k), and Section 1400N(o) of the Internal Revenue Code of
 46 1986, as amended, shall be treated as if they were not in effect, and except that Section
 47 168(e)(7), Section 172(i)(1), and Section 1221 of the Internal Revenue Code of 1986, as
 48 amended, shall be treated as they were in effect before the 2008 enactment of federal
 49 Public Law 110-343. For such taxable years, provisions of the Internal Revenue Code
 50 of 1986, as amended, which were as of January 1, 2009, enacted into law but not yet
 51 effective shall be effective for purposes of Georgia taxation on the same dates upon
 52 which they become effective for federal tax purposes. The provisions of this paragraph
 53 shall supersede and control over any provision of paragraph (14) of this Code section to
 54 the contrary."

55 **SECTION 3.**

56 This Act shall become effective upon its approval by the Governor or upon its becoming law
 57 without such approval. Section 1 of this Act shall be applicable to all taxable years
 58 beginning on or after January 1, 2009. Section 2 of this Act shall be applicable to all taxable
 59 years beginning after December 31, 2007, but before January 1, 2009.

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SECTION 4.

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