

House Bill 655

By: Representatives Smith of the 131st, Burkhalter of the 50th, Keen of the 179th, Smith of the 113th, Mills of the 25th, 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 imposition, rate, and computation of income taxes, so as to provide that net capital
3 gains shall be excluded from state taxable income of corporations and individuals; to provide
4 for related matters; to provide for an effective date and applicability; to repeal conflicting
5 laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
9 imposition, rate, and computation of income taxes, is amended in Code Section 48-7-21,
10 relating to taxation of corporations, by adding at the end of subsection (b) a new paragraph
11 (16) to read as follows:

12 "(16) There shall be subtracted from taxable income the total net amount of capital gains
13 subject to federal income taxation."

14 **SECTION 2.**

15 Said article is further amended in subsection (a) of Code Section 48-7-27, relating to
16 computation of taxable net income of individuals, by deleting "and" at the end of paragraph
17 (14); replacing the period at the end of paragraph (15) with "; and"; and adding a new
18 paragraph (16) to read as follows:

19 "(16) The total net amount of capital gains subject to federal income taxation."

20 **SECTION 3.**

21 This Act shall become effective on January 1, 2011, and shall apply to taxable years
22 beginning on or after that date.

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SECTION 4.

24 All laws and parts of laws in conflict with this Act are repealed.