

House Bill 768

By: Representatives Peake of the 137th, Williams of the 178th, Powell of the 171st, Roberts of the 154th, Hatfield of the 177th, 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, computation, and exemptions regarding income tax, so as to
3 provide for income tax credits with respect to qualified reforestation expenses; to provide for
4 conditions 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, computation, and exemptions regarding income tax, is amended by adding
11 a new Code section to read as follows:

12 "48-7-29.17.

13 (a) As used in this Code section, the term 'qualified reforestation expense' means the
14 expenditure of funds by the taxpayer in connection with the forestation or reforestation of
15 commercial woodlands in this state, including, but not limited to, the costs of site
16 preparation, seeds and seedlings, labor and tool costs, and depreciation on machinery and
17 equipment.

18 (b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20
19 for qualified reforestation expenses in an amount not to exceed the actual amount expended
20 or \$5,000.00, whichever is less.

21 (c) A taxpayer shall be allowed a credit against tax imposed by Code Section 48-7-20 for
22 qualified reforestation expenses in an amount not to exceed the actual amount expended
23 or \$25,000.00, whichever is less, when such reforestation expenses are the result of damage
24 and loss to forested property due to natural disasters, including, but not limited to,
25 hurricanes, wildfire, tornado, and insect infestation. For purposes of this subsection,

26 reforestation shall begin no later than two years following the loss of timber due to natural
27 disaster.

28 (d) In no event shall the total amount of any tax credit provided under this Code section
29 for a taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall
30 be allowed the taxpayer against succeeding years' tax liabilities. No such credit shall be
31 allowed the taxpayer against prior years' tax liabilities.

32 (e) No taxpayer shall be authorized to claim or be allowed a credit under subsections (b)
33 and (c) of this Code section in the same taxable year.

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

36 **SECTION 2.**

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

39 **SECTION 3.**

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