

House Bill 825

By: Representatives Martin of the 47th, Jones of the 46th, Graves of the 12th, and Burkhalter of the 50th

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, computation, and exemptions regarding income taxes, so as to
3 revise and change individual income tax standard deductions; to provide for annual
4 adjustments with respect to such standard deductions; to provide for powers, duties, and
5 authority of the state revenue commissioner; to provide for an effective date and
6 applicability; to provide for related matters; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
11 imposition, rate, computation, and exemptions regarding income taxes, is amended in Code
12 Section 48-7-27, relating to computation of taxable net income, by revising paragraph (1) of
13 subsection (a) as follows:

14 "(1) Either the sum of all itemized nonbusiness deductions used in computing federal
15 taxable income if the taxpayer used itemized nonbusiness deductions in computing
16 federal taxable income or, if the taxpayer could not or did not itemize nonbusiness
17 deductions, then a standard deduction as provided for in the following subparagraphs:

18 (A) In the case of a single taxpayer or a ~~head of household~~ married taxpayer filing a
19 separate return, ~~\$2,300.00~~ \$5,450.00;

20 (B) In the case of a ~~married taxpayer filing a separate return~~ head of household,
21 ~~\$1,500.00~~ \$8,000.00;

22 (C) In the case of a married couple filing a joint return, ~~\$3,000.00~~ \$10,900.00;

23 (D) An additional deduction of \$1,300.00 for the taxpayer if the taxpayer has attained
24 the age of 65 before the close of the taxpayer's taxable year. An additional deduction
25 of \$1,300.00 for the spouse of the taxpayer shall be allowed if a joint return is made by

26 the taxpayer and the taxpayer's spouse and the spouse has attained the age of 65 before
27 the close of the taxable year; and
28 (E) An additional deduction of \$1,300.00 for the taxpayer if the taxpayer is blind at the
29 close of the taxable year. An additional deduction of \$1,300.00 for the spouse of the
30 taxpayer shall be allowed if a joint return is made by the taxpayer and the taxpayer's
31 spouse and the spouse is blind at the close of the taxable year. For the purposes of this
32 subparagraph, the determination of whether the taxpayer or the spouse is blind shall be
33 made at the close of the taxable year except that, if either the taxpayer or the spouse
34 dies during the taxable year, the determination shall be made as of the time of the death.
35 The standard deduction amounts enumerated in subparagraphs (A) through (E) of this
36 paragraph shall be annually adjusted by the commissioner to reflect the effect of
37 economic inflation or deflation on individual taxpayers. The commissioner shall
38 establish and maintain rules governing standard deduction adjustments. Such rules shall
39 include the determination and use of an appropriate cost-of-living index which reflects
40 the effects of inflation and deflation on persons receiving benefits in the State of Georgia.
41 The rules may use for this purpose the Consumer Price Index as reported by the Bureau
42 of Labor Statistics of the United States Department of Labor or any other similar index
43 established by the federal government, if the commissioner determines that such federal
44 index reflects the effects of inflation and deflation on persons receiving benefits in the
45 State of Georgia;"

46 **SECTION 3.**

47 This Act shall become effective on January 1, 2011, and shall be applicable to all taxable
48 years beginning on or after January 1, 2011.

49 **SECTION 4.**

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