

COMMITTEE OF CONFERENCE SUBSTITUTE TO HB 261

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, and computation of income tax, so as to provide for an
3 income tax credit for a limited period of time for the purchase of one eligible single-family
4 residence; to provide for conditions and limitations; to provide for powers, duties, and
5 authority of the state revenue commissioner with respect to the foregoing; to provide an
6 effective date; 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, and computation of income tax, is amended by adding a new Code section
11 to read as follows:

12 "48-7-29.17.

13 (a) As used in this Code section, the term 'eligible single-family residence' means:

14 (1) A single-family structure, including a condominium unit as defined in Code Section
15 44-3-71 that is occupied for residential purposes by a single family, that is a new
16 residence, a residence occupied at the time of sale, or a previously occupied residence
17 that was for sale prior to the effective date of this Code section and is still for sale after
18 the effective date of this Code section; or

19 (2) A single-family structure, including a condominium unit as defined in Code Section
20 44-3-71 that is occupied for residential purposes by a single family, that is:

21 (A) An owner occupied residence with respect to which the owner's acquisition
22 indebtedness, as defined in Section 163(h)(3)(B) of the Internal Revenue Code,
23 determined without regard to clause (ii) thereof, was in default on or before March 1,
24 2009; or

25 (B) A residence with respect to which a foreclosure event has taken place and which
26 is owned by the mortgagor or the mortgagor's agent.

27 (b) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20
 28 for the purchase of one eligible single-family residence made during the six-month period
 29 commencing on the first day of the month following the effective date of this Code section
 30 and ending on the last day of the sixth complete month thereafter. The amount of such
 31 credit shall be either 1.2 percent of the purchase price of such eligible single-family
 32 residence or \$1,800.00, whichever is less.

33 (c) The amount of the tax credit under subsection (b) of this Code section which may be
 34 claimed and allowed in a single tax year shall not exceed the taxpayer's income tax liability
 35 or one-third of the total amount of the credit allowed under subsection (b) of this Code
 36 section, whichever is less. Any excess or unused tax credit amount shall be carried forward
 37 to apply to the taxpayer's succeeding years' tax liability. No such tax credit shall be allowed
 38 the taxpayer against prior years' tax liability.

39 (d)(1) A taxpayer shall submit to the commissioner a bona fide listing agreement with
 40 a real estate agent or broker licensed in this state, documentation that the eligible
 41 single-family residence was for sale directly by the owner without a real estate agent or
 42 broker, or other appropriate documentation deemed sufficient by the commissioner to
 43 validate the eligibility of the single-family residence for purposes of the tax credit under
 44 this Code section.

45 (2) In the event the taxpayer files an electronic return, the documentation required under
 46 paragraph (1) of this subsection shall only be required to be electronically attached to the
 47 return if the Internal Revenue Service allows such attachments when the data is
 48 transmitted to the department. In the event the taxpayer files an electronic return and
 49 such documentation is not attached because the Internal Revenue Service does not, at the
 50 time of such electronic filing, allow electronic attachments to the Georgia return, such
 51 documentation shall be maintained by the taxpayer and made available upon request of
 52 the commissioner.

53 (e) The commissioner shall be authorized to promulgate any rules and regulations
 54 necessary to implement and administer this Code section."

55 **SECTION 2.**

56 This Act shall become effective upon its approval by the Governor or upon its becoming law
 57 without such approval.

58 **SECTION 3.**

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