

House Bill 261 (AS PASSED HOUSE AND SENATE)

By: Representatives Stephens of the 164<sup>th</sup>, Dickson of the 6<sup>th</sup>, Hill of the 180<sup>th</sup>, Barnard of the 166<sup>th</sup>, Neal of the 1<sup>st</sup>, 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, 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.