

A BILL TO BE ENTITLED
AN ACT

To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to imposition, rate, computation, and exemptions regarding income taxes, so as to provide that federal reserve banks and branches located in Georgia shall not be exempt from state income tax; to provide for legislative findings; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to imposition, rate, computation, and exemptions regarding income taxes, is amended by adding a new Code section to read as follows:

"48-7-21.2.

(a) As used in this Code section, the term 'federal reserve bank' means any federal reserve bank or branch chartered under Chapter 3 of Title 12 of the U.S.C.A. and located in this state.

(b) The General Assembly finds that the Constitution of the United States does not authorize Congress to prevent states from imposing income taxes on privately owned corporations. Consequently, the General Assembly finds that 12 U.S.C. Section 531 which exempts federal reserve banks from state income tax is null and void and finds further that federal reserve banks are subject to state income tax.

(c) Federal reserve banks, including capital stock and surplus therein and the income derived therefrom shall not be exempt from and shall be subject to taxation under this chapter."

SECTION 2.

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

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SECTION 3.

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All laws and parts of laws in conflict with this Act are repealed.