

House Bill 168

By: Representatives Knight of the 126<sup>th</sup> and Channell of the 116<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and  
2 taxation, so as to define the terms "Internal Revenue Code" and "Internal Revenue Code of  
3 1986" and thereby incorporate certain provisions of the federal law into Georgia law; to  
4 provide that certain corporate income tax elections made for federal income tax purposes  
5 shall also apply for state income tax purposes; to provide an effective date; to provide  
6 applicability; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is  
10 amended in Code Section 48-1-2, relating to definitions regarding revenue and taxation, by  
11 revising paragraph (14) as follows:

12 "(14) 'Internal Revenue Code' or 'Internal Revenue Code of 1986' means for taxable years  
13 beginning on or after January 1, 2009, the provisions of the United States Internal  
14 Revenue Code of 1986, as amended, provided for in federal law enacted on or before  
15 January 1, 2010, except that Section 85(c), Section 108(i), Section 163(e)(5)(F), Section  
16 164(a)(6), Section 164(b)(6), Section 168(b)(3)(I), Section 168(e)(3)(B)(vii), Section  
17 168(e)(3)(E)(ix), Section 168(e)(8), Section 168(k) (but not excepting Section  
18 168(k)(2)(A)(i), Section 168(k)(2)(D)(i), and Section 168(k)(2)(E)), Section 168(m),  
19 Section 168(n), Section 172(b)(1)(H), Section 172(b)(1)(J), Section 172(j), Section 199,  
20 Section 810(b)(4), Section 1400L, Section 1400N(d)(1), Section 1400N(f), Section  
21 1400N(j), Section 1400N(k), and Section 1400N(o) of the Internal Revenue Code of  
22 1986, as amended, shall be treated as if they were not in effect, and except that Section  
23 168(e)(7), Section 172(b)(1)(F), Section 172(i)(1), and Section 1221 of the Internal  
24 Revenue Code of 1986, as amended, shall be treated as they were in effect before the  
25 2008 enactment of federal Public Law 110-343, and except that Section 163(i)(1) of the  
26 Internal Revenue Code of 1986, as amended, shall be treated as it was in effect before the

2009 enactment of federal Public Law 111-5, and except that Section 13(e)(4) of 2009 federal Public Law 111-92 shall be treated as if it was not in effect. For taxable years beginning on or after January 1, 2009, the terms 'Internal Revenue Code' or 'Internal Revenue Code of 1986' shall also include the provisions of federal Public Law 111-126 as enacted on January 22, 2010. In the event a reference is made in this title to the Internal Revenue Code or the Internal Revenue Code of 1954 as it existed on a specific date prior to January 1, 2010, the term means the provisions of the Internal Revenue Code or the Internal Revenue Code of 1954 as it existed on the prior date. Unless otherwise provided in this title, any term used in this title shall have the same meaning as when used in a comparable provision or context in the Internal Revenue Code of 1986, as amended. For taxable years beginning on or after January 1, 2009, provisions of the Internal Revenue Code of 1986, as amended, which were as of January 1, 2010, enacted into law but not yet effective shall become effective for purposes of Georgia taxation on the same dates upon which they become effective for federal tax purposes."

## **SECTION 2.**

Said title is further amended in Code Section 48-7-21, relating to the calculation of Georgia taxable net income for corporations, by revising paragraph (5) of subsection (b) as follows:

"(5) All elections under Section 338 of the Internal Revenue Code of 1986 shall also apply under this article."

## **SECTION 3.**

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval and shall be applicable to all taxable years beginning on or after January 1, 2011.

## **SECTION 4.**

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