

House Bill 354

By: Representative Martin of the 47th

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 Beginning with January 1, 2012, The standard deduction amounts enumerated in
 36 subparagraphs (A) through (E) of this paragraph shall be annually adjusted by the
 37 commissioner to reflect the effect of economic inflation or deflation on individual
 38 taxpayers. The commissioner shall establish and maintain rules governing standard
 39 deduction adjustments. Such rules shall include the determination and use of an
 40 appropriate cost-of-living index which reflects the effects of inflation and deflation on
 41 persons receiving benefits in the State of Georgia. The rules may use for this purpose the
 42 Consumer Price Index as reported by the Bureau of Labor Statistics of the United States
 43 Department of Labor or any other similar index established by the federal government,
 44 if the commissioner determines that such federal index reflects the effects of inflation and
 45 deflation on persons receiving benefits in the State of Georgia;"

46 **SECTION 2.**

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

50 **SECTION 3.**

51 All laws and parts of laws in conflict with this Act are repealed.