

House Bill 621

By: Representatives Knight of the 126th, Peake of the 137th, Shaw of the 176th, Dickey of the 136th, Nimmer of the 178th, 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, computation, and exemptions regarding income tax, so as to
3 provide for an income tax credit with respect to qualified reforestation expenses; to provide
4 for conditions and limitations; to provide for powers, duties, and authority of the state
5 revenue commissioner with respect to the foregoing; to provide an effective date; to provide
6 for applicability; 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, computation, and exemptions regarding income tax, is amended by adding
11 a new Code section to read as follows:

12 "48-7-29.18.

13 (a) As used in this Code section, the term 'qualified reforestation expense' means the
14 expenditure of funds by the taxpayer in connection with the reforestation of commercial
15 woodlands in this state, including, but not limited to, the costs of site preparation, seeds and
16 seedlings, labor and tool costs, and depreciation on machinery and equipment, when such
17 reforestation expenses are the result of damage and loss to forested property due to natural
18 disasters, including, but not limited to, hurricanes, wildfire, tornado, and insect infestation.
19 Such reforestation shall begin no later than two years following the loss of timber due to
20 natural disaster.

21 (b) A taxpayer shall be allowed a credit against tax imposed by Code Section 48-7-20 for
22 qualified reforestation expenses in an amount not to exceed the actual amount expended
23 or \$25,000.00, whichever is less.

24 (c) In no event shall the total amount of any tax credit provided under this Code section
25 for a taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall

26 be allowed the taxpayer against succeeding years' tax liabilities. No such credit shall be
27 allowed the taxpayer against prior years' tax liabilities.
28 (d) The commissioner shall be authorized to promulgate any rules and regulations
29 necessary to implement and administer the provisions of this Code section."

30 **SECTION 2.**

31 This Act shall become effective on January 1, 2012, and shall be applicable to all taxable
32 years beginning on or after that date.

33 **SECTION 3.**

34 All laws and parts of laws in conflict with this Act are repealed.