

House Bill 747

By: Representatives Beverly of the 139th, Peake of the 137th, Randall of the 138th, Abrams of the 84th, Holt of the 112th, 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 imposition of income taxes, rate, computation, and exemptions, so as to provide
3 that any census tract having a poverty rate of 45 percent or greater shall be deemed to have
4 the same eligibility for tax treatment as tier 1 counties; to change the designation of less
5 developed areas; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
9 imposition of income taxes, rate, computation, and exemptions, is amended in subsection (b)
10 of Code Section 48-7-40, relating to designation of counties as less developed areas and tax
11 credits for certain business enterprises, by adding a new paragraph to read as follows:

12 "(3) Any census tract which has been determined to have a poverty rate of 45 percent or
13 greater as determined by the federal Department of Health and Human Services as
14 measured by federal regulations in effect on July 1, 2012, and any combination of such
15 contiguous census tracts, shall be deemed to be tier 1 counties for purposes of this
16 article."

17 **SECTION 2.**

18 Said article is further amended by revising subsections (b) and (c) of Code Section 48-7-40.1,
19 relating to tax credits for businesses in less developed areas, as follows:

20 "(b) Not later than December 31 of each year, using the most current data available from
21 the Department of Labor and the United States Department of Commerce, the
22 commissioner of community affairs shall rank and designate as less developed areas the
23 areas ~~which are comprised of ten~~ composed of one census tract or two or more contiguous
24 census tracts in this state using a combination of the following equally weighted factors:

25 (1) Highest unemployment rate for the most recent 36 month period;

- 26 (2) Lowest per capita income for the most recent 36 month period; and
 27 (3) Highest percentage of residents whose income is below the poverty level according
 28 to the most recent data available.

29 (c) The commissioner of community affairs also shall be authorized to include in the
 30 designation provided for in subsection (b) of this Code section:

31 (1) Any area ~~comprised of ten~~ composed of one census tract or two or more contiguous
 32 census tracts which, in the opinion of the commissioner of community affairs, undergoes
 33 a sudden and severe period of economic distress caused by the closing of one or more
 34 business enterprises located in such area;

35 (2) Any area ~~comprised~~ composed of one or more census tracts adjacent to a federal
 36 military installation where pervasive poverty is evidenced by a 15 percent poverty rate
 37 or greater as reflected in the most recent decennial census;

38 (3) Any area ~~comprised~~ composed of one or more contiguous census tracts which, in the
 39 opinion of the commissioner of community affairs, is or will be adversely impacted by
 40 the loss of one or more jobs, businesses, or residences as a result of an airport expansion,
 41 including noise buy-outs, or the closing of a business enterprise which, in the opinion of
 42 the commissioner of community affairs, results or will result in a sudden and severe
 43 period of economic distress; or

44 (4) Any area which is within or adjacent to one or more contiguous census block groups
 45 with a poverty rate of 15 percent or greater as determined from data in the most current
 46 United States decennial census, where the area is also included within a state enterprise
 47 zone pursuant to Chapter 88 of Title 36 or where a redevelopment plan has been adopted
 48 pursuant to Chapter 61 of Title 36 and which, in the opinion of the commissioner of
 49 community affairs, displays pervasive poverty, underdevelopment, general distress, and
 50 blight.

51 No designation made pursuant to this subsection shall operate to displace or remove any
 52 other area previously designated as a less developed area. Notwithstanding any provision
 53 of this Code section to the contrary, in areas designated as suffering from pervasive poverty
 54 under this subsection, job tax credits shall be allowed as provided in this Code section, in
 55 addition to business enterprises, to any lawful business."

56 **SECTION 3.**

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