

The House Committee on Budget & Fiscal Affairs Oversight offers the following substitute to HB 920:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 45-12-75 of the Official Code of Georgia Annotated, relating to the  
2 contents and form of the budget report, so as to require certain items to be included in the tax  
3 expenditure review; to provide for related matters; to provide for an effective date; to repeal  
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Code Section 45-12-75 of the Official Code of Georgia Annotated, relating to the contents  
8 and form of the budget report, is amended by revising paragraph (8) as follows:

9 "(8) A tax expenditure review for the state. Such review shall be prepared by the  
10 Department of Audits and Accounts and provided to the Office of Planning and Budget  
11 in a timely manner for inclusion as part of the budget report. Such review shall detail for  
12 each tax expenditure item that amount of tax revenue forgone for at least a three-year  
13 period, including the period covered in the Governor's budget submitted the preceding  
14 January, the current budget, and an estimate of one future year; a citation of the statutory  
15 or other legal authority for the expenditure; the year in which it was enacted; and the tax  
16 year in which it became effective. The tax expenditure review may also include a  
17 regularly produced annex to include analysis of specific tax expenditures. Such analysis  
18 would include, when possible: a description of the objective of the tax expenditure taken  
19 from original legislation; information relevant to determining whether the expenditure is  
20 meeting its stated purpose; an analysis of the tax expenditure's effect on the  
21 administration of the tax system; and an analysis of the persons, corporations, or other  
22 entities that are directly benefited by the expenditure. The tax expenditure information  
23 required under this paragraph shall be tracked and compiled by the Department of  
24 Revenue and provided in a timely manner to the Department of Audits and Accounts.  
25 Taxes included in this report shall cover all state taxes collected by the Department of  
26 Revenue. The Department of Revenue shall be authorized to provide estimations in the

27 event the required tax expenditure information cannot be actually determined from  
28 available information. The Department of Revenue shall not be authorized to impose  
29 additional reporting requirements on any person or entity in order to track and compile  
30 any tax expenditure information. Nothing in this paragraph shall preclude the  
31 Department of Audits and Accounts from contracting out the preparation and analysis  
32 associated with the development of such report to any member institution of ~~The~~ the  
33 University System of Georgia; and"

34 **SECTION 2.**

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

37 **SECTION 3.**

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