

House Bill 1194

By: Representatives Smith of the 131<sup>st</sup>, Smith of the 129<sup>th</sup>, Buckner of the 130<sup>th</sup>, Hugley of the 133<sup>rd</sup>, and Smyre of the 132<sup>nd</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of taxable net income, so as to provide that retirement income received as retirement benefits from military service shall not be subject to state income tax; to provide for conditions and limitations; to provide an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of taxable net income, is amended by adding a new paragraph to subsection (a) to read as follows:

“(12.1) Retirement income received as retirement benefits from the military services of the United States including any survivor benefits derived therefrom as follows:

(A) For taxable years beginning on or after January 1, 2012, and prior to January 1, 2013, an amount equal to 40 percent of any income qualifying under this paragraph;

(B) For taxable years beginning on or after January 1, 2013, and prior to January 1, 2014, an amount equal to 60 percent of any income qualifying under this paragraph;

(C) For taxable years beginning on or after January 1, 2014, and prior to January 1, 2015, an amount equal to 80 percent of any income qualifying under this paragraph;

and

(D) For taxable years beginning on or after January 1, 2015, and for all taxable years thereafter, an amount equal to 100 percent of any income qualifying under this paragraph;”

23 **SECTION 2.**

24 This Act shall become effective upon its approval by the Governor or upon its becoming law  
25 without such approval and shall be applicable to all taxable years beginning on or after  
26 January 1, 2012.

27 **SECTION 3.**

28 All laws and parts of laws in conflict with this Act are repealed.