

**WITHDRAWN**

Senators Carter of the 42nd and Stoner of the 6th offered the following amendment:

1 *Amend the Senate Economic Development Committee substitute to HB 868 (LC 34 3453S)*  
 2 *by striking lines 67 through 168 and inserting in lieu thereof the following:*

3 "(e)(1) Business enterprises in counties designated by the commissioner of community  
 4 affairs as tier 1 counties shall be allowed a tax credit for taxes imposed under this article  
 5 equal to \$3,500.00 annually per eligible new full-time employee job for five years  
 6 beginning with the first taxable year in which the new full-time employee job is created  
 7 and for the four immediately succeeding taxable years; provided, however, that where the  
 8 amount of such credit exceeds a business enterprise's liability for such taxes in a taxable  
 9 year, the excess may be taken as a credit against such business enterprise's quarterly or  
 10 monthly payment under Code Section 48-7-103 but not to exceed in any one taxable year  
 11 ~~\$3,500.00~~ \$3,750.00 for each new full-time employee job when aggregated with the  
 12 credit applied against taxes under this article. Each employee whose employer receives  
 13 credit against such business enterprise's quarterly or monthly payment under Code  
 14 Section 48-7-103 shall receive credit against his or her income tax liability under Code  
 15 Section 48-7-20 for the corresponding taxable year for the full amount which would be  
 16 credited against such liability prior to the application of the credit provided for in this  
 17 paragraph. Credits against quarterly or monthly payments under Code Section 48-7-103  
 18 and credits against liability under Code Section 48-7-20 established by this paragraph  
 19 shall not constitute income to the taxpayer. Business enterprises in counties designated  
 20 by the commissioner of community affairs as tier 2 counties shall be allowed a job tax  
 21 credit for taxes imposed under this article equal to \$2,500.00 annually; and business  
 22 enterprises in counties designated by the commissioner of community affairs as tier 3 and  
 23 tier 4 counties shall be allowed a job tax credit for taxes imposed under this article equal  
 24 to ~~\$1,250.00~~ \$2,000.00 annually, ~~and business enterprises in counties designated by the~~  
 25 ~~commissioner of community affairs as tier 4 counties shall be allowed a job tax credit for~~  
 26 ~~taxes imposed under this article equal to \$750.00 annually~~ for each new full-time  
 27 employee job for five years beginning with the first taxable year in which the new  
 28 full-time employee job is created and for the four immediately succeeding taxable years.  
 29 Where a business enterprise is engaged in a competitive project located in a county  
 30 designated by the commissioner of community affairs as a tier 2 county and where the  
 31 amount of the credit provided in this paragraph exceeds such business enterprise's  
 32 liability for taxes imposed under this article in a taxable year, the excess may be taken as  
 33 a credit against such business enterprise's quarterly or monthly payment under Code  
 34 Section 48-7-103 but not to exceed in any one taxable year \$2,750.00 for each new

35 full-time employee job when aggregated with the credit applied against taxes under this  
36 article. ~~or where~~ Where a business enterprise is engaged in a competitive project located  
37 in a county designated by the commissioner of community affairs as a tier 3 or tier 4  
38 county and where the amount of the credit provided in this paragraph exceeds 50 percent  
39 of such business enterprise's liability for taxes imposed under this article in a taxable  
40 year, the excess may be taken as a credit against such business enterprise's quarterly or  
41 monthly payment under Code Section 48-7-103 but not to exceed in any one taxable year  
42 ~~\$2,500.00~~ \$2,250.00 for each new full-time employee job when aggregated with the  
43 credit applied against taxes under this article. Each employee whose employer receives  
44 credit against such business enterprise's quarterly or monthly payment under Code  
45 Section 48-7-103 shall receive credit against his or her income tax liability under Code  
46 Section 48-7-20 for the corresponding taxable year for the full amount which would be  
47 credited against such liability prior to the application of the credit provided for in this  
48 paragraph. Credits against quarterly or monthly payments under Code Section 48-7-103  
49 and credits against liability under Code Section 48-7-20 established by this paragraph  
50 shall not constitute income to the taxpayer. The number of new full-time employee jobs  
51 shall be determined by comparing the monthly average number of full-time employees  
52 subject to Georgia income tax withholding for the taxable year with the corresponding  
53 period of the prior taxable year. In tier 1 counties, those business enterprises that increase  
54 employment by ~~five~~ two or more shall be eligible for the credit. In tier 2, 3, and 4  
55 counties, only those business enterprises that increase employment by ten or more shall  
56 be eligible for the credit. ~~In tier 3 counties, only those business enterprises that increase~~  
57 ~~employment by 15 or more shall be eligible for the credit. In tier 4 counties, only those~~  
58 ~~business enterprises that increase employment by 25 or more shall be eligible for the~~  
59 ~~credit. The average wage of the new jobs created must be above the average wage of the~~  
60 ~~county that has the lowest average wage of any county in the state to qualify as reported~~  
61 ~~in the most recently available annual issue of the Georgia Employment and Wages~~  
62 ~~Averages Report of the Department of Labor. To qualify for a credit under this~~  
63 paragraph, the employer must make health insurance coverage available to the employee  
64 filling the new full-time employee job; provided, however, that nothing in this paragraph  
65 shall be construed to require the employer to pay for all or any part of health insurance  
66 coverage for such an employee in order to claim the credit provided for in this paragraph  
67 if such employer does not pay for all or any part of health insurance coverage for other  
68 employees. Credit shall not be allowed during a year if the net employment increase falls  
69 below the number required in such tier. ~~In any year in which the net employment~~  
70 ~~increase falls below the number required in such tier, the taxpayer shall forfeit the right~~  
71 ~~to the credit claimed for that taxable year. For the year that the net employment increase~~

72 falls below the number required in such tier, a taxpayer that forfeits such right is therefore  
 73 liable for all past taxes imposed by this article for that taxable year and all past payments  
 74 under Code Section 48-7-103 for that taxable year that were foregone by the state as a  
 75 result of the credits provided by this Code section; provided, however, that Code Section  
 76 48-2-40 shall not apply to any such forfeiture. The state revenue commissioner shall  
 77 adjust the credit allowed each year for net new employment fluctuations above the  
 78 minimum level of the number required in such tier.

79 (2) Existing business enterprises that are eligible for the credit established under  
 80 paragraph (1) of this subsection shall be allowed an additional tax credit for taxes  
 81 imposed under this article equal to ~~\$500.00~~ \$250.00 per eligible new full-time employee  
 82 job ~~the first year in which the new full-time employee job is created. The additional~~  
 83 ~~credit shall be claimed in the first taxable year in which the new full-time employee job~~  
 84 ~~is created~~ for five years beginning with the first taxable year in which the new full-time  
 85 employee job is created and for the four immediately succeeding taxable years. The  
 86 number of new full-time employee jobs shall be determined by comparing the monthly  
 87 average number of full-time employees subject to Georgia income tax withholding for  
 88 the taxable year with the corresponding period of the prior taxable year. ~~In tier 1~~  
 89 ~~counties, those existing business enterprises that increase employment by five or more~~  
 90 ~~shall be eligible for the credit. In tier 2 counties, only those existing business enterprises~~  
 91 ~~that increase employment by ten or more shall be eligible for the credit. In tier 3~~  
 92 ~~counties, only those existing business enterprises that increase employment by 15 or more~~  
 93 ~~shall be eligible for the credit. In tier 4 counties, only those existing business enterprises~~  
 94 ~~that increase employment by 25 or more shall be eligible for the credit. The average~~  
 95 ~~wage of the new jobs created must be above the average wage of the county that has the~~  
 96 ~~lowest average wage of any county in the state to qualify as reported in the most recently~~  
 97 ~~available annual issue of the Georgia Employment and Wages Averages Report of the~~  
 98 ~~Department of Labor. To qualify for a credit under this paragraph, the employer must~~  
 99 ~~make health insurance coverage available to the employee filling the new full-time job;~~  
 100 ~~provided, however, that nothing in this paragraph shall be construed to require the~~  
 101 ~~employer to pay for all or any part of health insurance coverage for such an employee in~~  
 102 ~~order to claim the credit provided for in this paragraph if such employer does not pay for~~  
 103 ~~all or any part of health insurance coverage for other employees. Credit shall not be~~  
 104 ~~allowed during a year if the net employment increase falls below the number required in~~  
 105 ~~such tier. Any credit generated and utilized for years prior to the year in which the net~~  
 106 ~~employment increase falls below the number required in such tier shall not be affected.~~  
 107 ~~The state revenue commissioner shall adjust the credit allowed each year for net new~~  
 108 ~~employment fluctuations above the minimum level of the number required in such tier.~~

109 ~~This paragraph shall apply only to new eligible full-time jobs created in taxable years~~  
 110 ~~beginning on or after January 1, 2006, and ending no later than taxable years beginning~~  
 111 ~~prior to January 1, 2011.~~

112 *By inserting after "credit." on line 176 the following:*

113 An existing business enterprise shall also be allowed the additional amount provided in  
 114 paragraph (2) of subsection (e) of this Code section for new full-time employee jobs  
 115 created during years two through five.

116 *By inserting "(1)" on line 223 after "(e)".*

117 *By striking line 231 and inserting in lieu thereof the following:*

118 ~~\$3,500.00~~ \$3,750.00 for each new full-time employee job when aggregated with the  
 119 credit applied

120 *By inserting between lines 266 and 267 the following:*

121 (2) Existing business enterprises that are eligible for the credit established under  
 122 paragraph (1) of this subsection shall be allowed an additional tax credit for taxes  
 123 imposed under this article equal to \$250.00 per eligible new full-time employee job for  
 124 five years beginning with the first taxable year in which the new full-time employee job  
 125 is created and for the four immediately succeeding taxable years. The number of new  
 126 full-time employee jobs shall be determined by comparing the monthly average number  
 127 of full-time employees subject to Georgia income tax withholding for the taxable year  
 128 with the corresponding period of the prior taxable year.

129 *By inserting after "credit." on line 274 the following:*

130 An existing business enterprise shall also be allowed the additional amount provided in  
 131 paragraph (2) of subsection (e) of this Code section for new full-time employee jobs  
 132 created during years two through five.

133 *By striking line 458 and inserting in lieu thereof the following:*

134 employs at least ~~50~~ 15 persons in new quality jobs in this state, shall be allowed a credit  
 135 for

136 *By striking line 491 and inserting in lieu thereof the following:*

137 shall not be allowed during a year if the net employment increase falls below the ~~50~~ 15 new

138 *By striking line 493 and inserting in lieu thereof the following:*

139 employment increase falls below the ~~50~~ 15 new quality jobs required shall not be affected

140 *By striking line 495 and inserting in lieu thereof the following:*

141 shall adjust the credit allowed each year for net new employment fluctuations above the ~~50~~

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