

House Bill 454

By: Representatives Martin of the 49th, Lindsey of the 54th, and Abrams of the 89th

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 style="text-align:center">**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 shall 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.