

The House Committee on Ways and Means offers the following substitute to SB 137:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-7-40.1 of the Official Code of Georgia Annotated, relating to tax
2 credits for business enterprises in certain areas, so as to authorize the commissioner of
3 economic development to designate areas as impoverished areas; to provide for related
4 matters; to provide for an effective date and applicability; to repeal conflicting laws; and for
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-7-40.1 of the Official Code of Georgia Annotated, relating to tax credits for
9 business enterprises in less developed areas, is amended by revising subsection (c) as
10 follows:

11 "(c) The commissioner of community affairs, and the commissioner of economic
12 development in areas qualifying under the provisions of paragraphs (1), (3), and (4) of this
13 subsection, also shall be authorized to include in the designation provided for in subsection

14 (b) of this Code section:

15 (1) Any area ~~comprised~~ composed of ten or more contiguous census tracts which, in the
16 opinion of the commissioner of community affairs and the commissioner of economic
17 development, undergoes a sudden and severe period of economic distress caused by the
18 closing of one or more business enterprises located in such area;

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

22 (3) Any area ~~comprised~~ composed of one or more contiguous census tracts which, in the
23 opinion of the commissioner of community affairs and the commissioner of economic
24 development, is or will be adversely impacted by the loss of one or more jobs, businesses,
25 or residences as a result of an airport expansion, including noise buy-outs, or the closing
26 of a business enterprise which, in the opinion of the commissioner of community affairs

27 and the commissioner of economic development, results or will result in a sudden and
28 severe period of economic distress; or

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

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

41 **SECTION 2.**

42 This Act shall become effective upon its approval by the Governor or upon its becoming law
43 without such approval and shall be applicable to all applications for designation under
44 subsection (c) of Code Section 48-7-40.1 filed on or after July 1, 2013.

45 **SECTION 3.**

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