

House Bill 63

By: Representatives Tanner of the 9<sup>th</sup>, England of the 116<sup>th</sup>, Dickson of the 6<sup>th</sup>, Coleman of the 97<sup>th</sup>, Evans of the 42<sup>nd</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to the imposition, computation, and rate of and exemptions from state income taxes,  
3 so as to revise the amount of the adult basic skills education program tax credit; to provide  
4 for procedures, conditions, and limitations; to provide an aggregate cap on the amount of the  
5 tax credit; to provide for a short title; to provide for an effective date and for applicability;  
6 to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Georgia Employer GED Tax Credit Act  
10 of 2015."

11 **SECTION 2.**

12 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the  
13 imposition, computation, and rate of and exemptions from state income taxes, is amended  
14 by repealing Code Section 48-7-41, relating to basic skills education program credits, and  
15 inserting a new Code section to read as follows:

16 "48-7-41.

17 (a) As used in this Code section, the term:

18 (1) 'Adult basic skills education' means training that enhances reading, writing, or  
19 mathematical skills of adult employees.

20 (2) 'Approved adult basic skills education program' means an employer provided or  
21 employer sponsored adult basic skills education program:

22 (A) That has agreed to operate under the standards for the delivery of adult education  
23 services as designated by the Technical College System of Georgia, Office of Adult  
24 Education; and

25 (B) For which the employer does not require the employee to make any payment,  
26 either directly or indirectly, through forfeiture of leave time, vacation time, or other  
27 compensable time.

28 (3) 'Basic skills education test' means the test required to receive a GED diploma.

29 (4) 'Employee' means any employee resident in this state who is employed for at least  
30 24 hours per week and has been continuously employed by the employer for at least 16  
31 consecutive weeks and who is eligible to take the GED test.

32 (5) 'Employer' means any employer upon whom an income tax is imposed by this  
33 chapter.

34 (6) 'Employer provided' refers to approved basic skills education offered on the premises  
35 of the employer or on premises approved by the Technical College System of Georgia by  
36 instructors hired by or employed by an employer.

37 (7) 'Employer sponsored' refers to a contractual arrangement with a school, university,  
38 college, or other instructional facility which offers approved basic skills education that  
39 is paid for by the employer.

40 (b) A tax credit shall be granted to an employer who provides or sponsors an approved  
41 adult basic skills education program. The amount of the tax credit shall be:

42 (1) Four hundred dollars for each employee who passes the basic skills education test  
43 that was paid for by the employer in a taxable year; or

44 (2) Twelve hundred dollars for each employee who successfully completes an approved  
45 adult basic skills education program consisting of at least 40 hours of training while the  
46 employee is being compensated at his or her normal rate of pay, and passes the basic  
47 skills education test that was paid for by the employer in a taxable year.

48 No employer shall receive a credit if the employer requires that the employee reimburse  
49 or pay the employer for the cost of attending the adult basic skills education program or  
50 taking the basic skills education test.

51 (c)(1) An employer desiring to claim a tax credit under the provisions of this Code  
52 section shall submit an application to the commissioner for preapproval of such tax credit.  
53 The application for preapproval shall be developed and promulgated by the commissioner  
54 along with any rules or regulations necessary to aid in the administration of this income  
55 tax credit. The department shall have the authority to require electronic submission of  
56 such application in the manner specified by the department.

57 (2) Within 45 days of receipt of a properly completed application for preapproval, the  
58 commissioner shall preapprove the application if a sufficient amount of available tax  
59 credits remains. The commissioner shall provide notice of the preapproval or denial to  
60 the employer and the Office of Adult Education. The commissioner shall preapprove the  
61 tax credits based on the order in which properly completed applications were submitted.

62 In the event that two or more applications were submitted on the same day and the  
63 amount of funds available will not be sufficient to fully fund the tax credits requested, the  
64 commissioner shall prorate the available funds between or among the applicants.

65 (d) In order to receive the income tax credit established under this Code section, the  
66 employer shall, after the successful completion by an employee of the requirements of  
67 paragraph (1) or (2) of subsection (b) of this Code section, and after receiving preapproval  
68 of the credit by the commissioner under subsection (c) of this Code section, certify to the  
69 Technical College System of Georgia, Office of Adult Education, the name of the  
70 employee, the name of the employer, the name of the approved adult basic skills education  
71 provider, and such other information as may be required by the Office of Adult Education.  
72 The Office of Adult Education shall issue a certification to the employer if the  
73 requirements of subsections (a), (b), and (c) of this Code section are satisfied. Such  
74 certification shall be attached to the taxpayer's income tax return when the credit is  
75 claimed. The Technical College System of Georgia shall adopt rules and regulations and  
76 forms necessary to implement and administer this income tax credit program. The  
77 department is expressly authorized and directed to work with the Technical College System  
78 of Georgia to ensure the proper granting of income tax credits pursuant to this Code  
79 section.

80 (e) In no event shall the aggregate amount of the income tax credits preapproved under this  
81 Code section exceed \$2 million per calendar year.

82 (f) The income tax credit granted to any employer pursuant to this Code section shall not  
83 exceed the amount of the employer's income tax liability for the taxable year as computed  
84 without regard to this Code section."

85 **SECTION 3.**

86 This Act shall become effective upon its approval by the Governor or upon its becoming law  
87 without such approval and shall be applicable to all taxable years beginning on or after  
88 January 1, 2016.

89 **SECTION 4.**

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