House Bill 494

By: Representatives Buckner of the 137th, Smyre of the 135th, Smith of the 134th, Hugley of the 136th, and Smith of the 133rd

A BILL TO BE ENTITLED

AN ACT

To amend Code Section 48-7-29.8 of the Official Code of Georgia Annotated, relating to tax credits for the rehabilitation of historic structures and conditions and limitations, so as to change the time when a taxpayer is allowed a tax credit; to change the projects earning limitation for the aggregate per calendar year cap; to provide for carry forward of credits for other certified structures; to change requirements for the transfer of credits; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Code Section 48-7-29.8 of the Official Code of Georgia Annotated, relating to tax credits for the rehabilitation of historic structures and conditions and limitations, is amended by revising subsection (b), paragraph (3) of subsection (c), subparagraphs (e)(2)(A) and (e)(2)(B), and adding a new paragraph to subsection (e) to read as follows:

"(b) A taxpayer shall be allowed a tax credit against the tax imposed by this chapter ~~for the taxable year in which~~ at such time as the certified rehabilitation is completed:

(1) In the case of a historic home, equal to 25 percent of qualified rehabilitation expenditures, except that, in the case of a historic home located within a target area, an additional credit equal to 5 percent of qualified rehabilitation expenditures shall be allowed; and

(2) In the case of any other certified structure, equal to 25 percent of qualified rehabilitation expenditures.

Qualified rehabilitation expenditures may only be counted once in determining the amount of the tax credit available, and more than one entity may not claim a credit for the same qualified rehabilitation expenditures."

"(3) In no event shall credits issued under this Code section for projects earning more than ~~$300,000.00~~ $500,000.00 in credits exceed in the aggregate ~~$25 million~~ $50 million per calendar year. If in any calendar year the aggregate amount available is not fully applied, allocated, and used, the balance of the unused aggregate amount shall increase the aggregate maximum of the subsequent calendar year by such balance.″

″(1.1) If the credit allowed under paragraph (2) of subsection (b) of this Code section in any taxable year exceeds the total tax otherwise payable by the taxpayer for that taxable year, the taxpayer may apply the excess as a credit for the succeeding ten years.″

″(A) An applicant or ~~A~~ taxpayer who makes qualified rehabilitation expenditures may sell or assign all or part of the tax credit that may be claimed for such costs and expenses to one or more entities~~, but no further sale or assignment of any credit previously sold or assigned pursuant to this subparagraph shall be allowed~~. All such transfers shall be subject to the maximum total limits provided by subsection (c) of this Code section;

(B) An applicant or ~~A~~ taxpayer who sells or assigns a credit under this Code section and the entity to which the credit is sold or assigned shall jointly submit written notice of the sale or assignment to the department not later than 30 days after the date of the sale or assignment. The notice ~~must~~ shall include:

(i) The date of the sale or assignment;

(ii) The amount of the credit sold or assigned;

(iii) The names and federal tax identification numbers of the entity that sold or assigned the credit or part of the credit and the entity to which the credit or part of the credit was sold or assigned; and

(iv) The amount of the credit owned by the selling or assigning entity before the sale or assignment and the amount the selling or assigning entity retained, if any, after the sale or assignment;″

SECTION 2.

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