

House Bill 1157

By: Representative Scott of the 153rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to
2 computation of taxable net income for state income tax purposes, so as to increase the
3 limitation on the amount of the earned income allowance with respect to retirement income;
4 to provide an effective date; to provide for 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 48-7-27 of the Official Code of Georgia Annotated, relating to computation of
9 taxable net income for state income tax purposes, is amended by revising subparagraph
10 (a)(5)(E) as follows:

11 "(E) For the purposes of this paragraph, retirement income shall include but not be
12 limited to interest income, dividend income, net income from rental property, capital
13 gains income, income from royalties, income from pensions and annuities, and no more
14 than ~~\$4,000.00~~ \$16,000.00 of an individual's earned income. Earned income in excess
15 of ~~\$4,000.00~~ \$16,000.00, including but not limited to net business income earned by an
16 individual from any trade or business carried on by such individual, wages, salaries,
17 tips, and other employer compensation, shall not be regarded as retirement income. The
18 receipt of earned income shall not diminish any taxpayer's eligibility for the retirement
19 income exclusion allowed by this paragraph except to the extent of the express
20 limitation provided in this subparagraph."

21 **SECTION 2.**

22 This Act shall become effective on January 1, 2009, and shall be applicable to all taxable
23 years beginning on or after that date.

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SECTION 3.

2 All laws and parts of laws in conflict with this Act are repealed.