

House Bill 1181

By: Representatives Martin of the 49th, Blackmon of the 146th, Williamson of the 112th,
Stephens of the 164th, and Buckner of the 137th

A BILL TO BE ENTITLED

AN ACT

1 To amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
2 income taxes, so as to limit the carry-forward periods of certain income tax credits; to
3 provide for expirations of certain credits; to reduce the carry-forward periods for certain
4 credits; to provide for sunset dates for certain credits; to amend Code Sections 3-6-70,
5 33-8-13, 48-5C-1, 48-8-3, and 48-11-2 of the Official Code of Georgia Annotated, relating
6 to exemptions from excise tax on wine, exemption of certain insurance companies from
7 taxes, definitions, exemption from taxation, allocation and disbursement of proceeds
8 collected by tag agents, fair market value of vehicle appealable, and report relative to
9 alternative ad valorem tax on motor vehicles, state sales and use tax exemptions, and excise
10 tax imposed, rates for tobacco and vaping products, exemptions, collection and payment, and
11 tax separately identified, respectively, so as to provide for sunset dates; to provide for related
12 matters; to provide for an effective date and applicability; to repeal conflicting laws; and for
13 other purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

H. B. 1181

- 1 -

PART I**SECTION 1-1.**

17 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,
18 is amended by revising subsection (b) of Code Section 48-7-29.4, relating to tax credits for
19 disaster assistance funds received, as follows:

20 "(b) In no event shall the total amount of the tax credit under this Code section for a
21 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be
22 allowed the taxpayer against no more than three succeeding years' tax liability. No such
23 credit shall be allowed the taxpayer against prior years' tax liability."

SECTION 1-2.

24 Said chapter is further amended by revising subsection (a) of Code Section 48-7-29.7,
25 relating to tax credits for depository financial institutions, as follows:

27 "(a) There shall be a dollar-for-dollar credit against the state income tax liability of
28 depository financial institutions which shall be equal to the amount of taxes, if any, paid
29 by such taxpayers pursuant to Code ~~Section~~ Sections 48-6-93 and ~~Code Section~~ 48-6-95.
30 If the liability of any such institutions under the taxes authorized by Code ~~Section~~ Sections
31 48-6-93 and ~~Code Section~~ 48-6-95 exceeds the income tax liability of such institution for
32 any year, the amount of any unused credit under this Code section may be credited over a
33 period of five years from the tax year in which the unused credit arose. If the assets of an
34 institution are acquired by another institution in a transaction described in Section 381(a)
35 of the Internal Revenue Code of 1986, the acquiring institution shall succeed to and take
36 into account any unused credit of the distributor or transferor institution. If a depository
37 financial institution has elected Subchapter 'S' status pursuant to the conditions specified
38 in subparagraph (b)(7)(B) of Code Section 48-7-21, the credits authorized by this
39 subsection may be passed through on a pro rata basis to the institution's shareholders. If

40 the amount of any such pro rata credit exceeds a shareholder's individual income tax
41 liability, then such unused credit may be credited over a period of ~~five~~ three years from the
42 tax year in which the unused credit arose. No such credit shall be allowed the taxpayer
43 against prior years' tax liability."

44 **SECTION 1-3.**

45 Said chapter is further amended by revising subsection (d) of Code Section 48-7-29.9,
46 relating to tax credits for qualified life insurance premiums for National Guard and Air
47 National Guard members, as follows:

48 "(d) In no event shall the total amount of the tax credit under this Code section for a
49 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be
50 allowed the taxpayer against no more than three succeeding years' tax liability. No such
51 credit shall be allowed the taxpayer against prior years' tax liability."

52 **SECTION 1-4.**

53 Said chapter is further amended by revising paragraph (1) of subsection (d) of Code Section
54 48-7-29.12, relating to tax credits for qualified donation of real property, as follows:

55 "(d)(1) In no event shall the total amount of any tax credit under this Code section for a
56 taxable year exceed the taxpayer's income tax liability. In no event shall the total amount
57 of the tax credit allowed to a taxpayer under subsection (b) of this Code section exceed
58 \$250,000.00 with respect to tax liability determined under Code Section 48-7-20 or
59 \$500,000.00 with respect to tax liability determined under Code Section 48-7-21. Any
60 unused tax credit shall be allowed to be carried forward to apply to the taxpayer's
61 succeeding ~~ten~~ five years' tax liability. However, the amount in excess of such annual
62 dollar limits shall not be eligible for carryover to the taxpayer's succeeding years' tax
63 liability nor shall such excess amount be claimed by or reallocated to any other taxpayer.
64 No such tax credit shall be allowed the taxpayer against prior years' tax liability."

65 **SECTION 1-5.**

66 Said chapter is further amended by revising subsection (c) of Code Section 48-7-29.13,
67 relating to tax credits for qualified health insurance expenses, as follows:

68 "(c) In no event shall the total amount of the tax credit under this Code section for a
69 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be
70 allowed the taxpayer against no more than three succeeding years' tax liability. No such
71 credit shall be allowed the taxpayer against prior years' tax liability."

72 **SECTION 1-6.**

73 Said chapter is further amended by revising subparagraph (b)(6)(B) of Code Section
74 48-7-29.14, relating to tax credits for clean energy property, as follows:

75 "(B) In no event shall the total amount of the tax credit under paragraph (2) of
76 subsection (b) of this Code section for a taxable year exceed the taxpayer's income tax
77 liability. Any unused tax credit shall be allowed the taxpayer against no more than
78 three succeeding years' tax liability. No such credit shall be allowed the taxpayer
79 against prior years' tax liability."

80 **SECTION 1-7.**

81 Said chapter is further amended by revising subsection (e) of Code Section 48-7-29.16,
82 relating to tax credits for contributions to student scholarship organizations, as follows:

83 "(e) In no event shall the total amount of the tax credit allowed to any taxpayer or business
84 enterprise under this Code section for a taxable year exceed such taxpayer's income tax
85 liability or such business enterprise's state insurance premium tax liability owed pursuant
86 to Code Section 33-8-4, provided that any unused tax credit shall be allowed the taxpayer
87 or business enterprise against up to its succeeding ~~five~~ three years' tax liability. No such
88 credit shall be allowed the taxpayer or business enterprise against prior years' tax liability."

89 **SECTION 1-8.**

90 Said chapter is further amended by revising subsection (c) of Code Section 48-7-29.17,
91 relating to a tax credit for the purchase of one eligible single-family residence, as follows:

92 "(c) The amount of the tax credit under subsection (b) of this Code section which may be
93 claimed and allowed in a single tax year shall not exceed the taxpayer's income tax liability
94 or one-third of the total amount of the credit allowed under subsection (b) of this Code
95 section, whichever is less. Any excess or unused tax credit amount shall be carried forward
96 to apply to ~~the taxpayer's~~ no more than three succeeding years' tax liability. No such tax
97 credit shall be allowed the taxpayer against prior years' tax liability."

98 **SECTION 1-9.**

99 Said chapter is further amended by revising subsection (e) of Code Section 48-7-29.21,
100 relating to tax credits for qualified education donations for the purpose of awarding grants
101 to public schools, as follows:

102 "(e) In no event shall the total amount of the tax credit under this Code section for a
103 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be
104 allowed the taxpayer against the succeeding ~~five~~ three years' tax liability. No such credit
105 shall be allowed the taxpayer against prior years' tax liability."

106 **SECTION 1-10.**

107 Said chapter is further amended by revising paragraph (2) of subsection (k) of Code Section
108 48-7-29.24, relating to tax credits for contributions to foster child support organizations, as
109 follows:

110 "(2) In no event shall the total amount of the tax credit under this Code section for a
111 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be
112 allowed the taxpayer against the succeeding ~~five~~ three years' tax liability. No such credit
113 shall be allowed the taxpayer against prior years' tax liability."

114 **SECTION 1-11.**

115 Said chapter is further amended by revising paragraph (2) of subsection (k) of Code Section
116 48-7-29.25, relating to tax credits for contributions to law enforcement foundations, as
117 follows:

118 "(2) In no event shall the total amount of the tax credit under this Code section for a
119 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be
120 allowed the taxpayer against the succeeding ~~five~~ three years' tax liability. No such credit
121 shall be allowed the taxpayer against prior years' tax liability."

122 **SECTION 1-12.**

123 Said chapter is further amended by revising subsection (h) of Code Section 48-7-40, relating
124 to designation of counties as less developed areas and tax credits for certain business
125 enterprises, as follows:

126 "(h) Any credit claimed under this Code section but not used in any taxable year may be
127 carried forward for ~~ten~~ five years from the close of the taxable year in which the qualified
128 jobs were established, subject to forfeiture as provided in paragraph (1) of subsection (e)
129 of this Code section, but in tiers 3 and 4 the credit established by this Code section taken
130 in any one taxable year shall be limited to an amount not greater than 50 percent of the
131 taxpayer's state income tax liability which is attributable to income derived from operations
132 in this state for that taxable year. In tier 1 and 2 counties, the credit allowed under this
133 Code section against taxes imposed under this article in any taxable year shall be limited
134 to an amount not greater than 100 percent of the taxpayer's state income tax liability
135 attributable to income derived from operations in this state for such taxable year."

136 **SECTION 1-13.**

137 Said chapter is further amended by revising subsection (h) of Code Section 48-7-40.1,
138 relating to tax credits for business enterprises in less developed areas, as follows:

139 "(h) Any credit claimed under this Code section but not used in any taxable year may be
140 carried forward for ~~ten~~ five years from the close of the taxable year in which the qualified
141 jobs were established, subject to forfeiture as provided in subsection (e) of this Code
142 section, but the credit established by this Code section taken in any one taxable year shall
143 be limited to an amount not greater than 100 percent of the taxpayer's state income tax
144 liability which is attributable to income derived from operations in this state for that taxable
145 year."

146 **SECTION 1-14.**

147 Said chapter is further amended by revising paragraph (2) of subsection (c) of Code Section
148 48-7-40.1A, relating to additional job tax credits for manufacturers of personal protective
149 equipment, as follows:

150 "(2) Any tax credit claimed under subsection (b) of this Code section, but not used in any
151 taxable year, may be carried forward for ~~ten~~ five years from the close of the taxable year
152 in which the qualified jobs were established."

153 **SECTION 1-15.**

154 Said chapter is further amended by revising paragraph (1) of subsection (c) of Code Section
155 48-7-40.1B, relating to tax credits for jobs created by manufacturers of medical equipment,
156 medical supplies, pharmaceuticals, or medicine, as follows:

157 "(1) Any tax credit claimed under subsection (b) of this Code section but not used in any
158 taxable year may be carried forward for ~~ten~~ five years from the close of the taxable year
159 in which the qualified jobs were established; and"

160 **SECTION 1-16.**

161 Said chapter is further amended by revising subparagraph (c)(2)(A) of Code Section
162 48-7-40.2, relating to tax credits for existing manufacturing and telecommunications facilities
163 in tier 1 counties, as follows:

164 "(2)(A) Any credit claimed under this Code section but not used in any taxable year
165 may be carried forward for ~~ten~~ five years from the close of the taxable year in which
166 the qualified investment property was acquired, provided that such qualified investment
167 property remains in service."

168 **SECTION 1-17.**

169 Said chapter is further amended by revising subparagraph (c)(2)(A) of Code Section
170 48-7-40.3, relating to tax credits for existing manufacturing and telecommunications facilities
171 in tier 2 counties, as follows:

172 "(2)(A) Any credit claimed under this Code section but not used in any taxable year
173 may be carried forward for ~~ten~~ five years from the close of the taxable year in which
174 the qualified investment property was acquired, provided that such qualified investment
175 property remains in service."

176 **SECTION 1-18.**

177 Said chapter is further amended by revising paragraph (2) of subsection (c) of Code Section
178 48-7-40.4, relating to tax credits for existing manufacturing and telecommunications facilities
179 in tier 3 or 4 counties, as follows:

180 "(2) Any credit claimed under this Code section but not used in any taxable year may be
181 carried forward for ~~ten~~ five years from the close of the taxable year in which the qualified
182 investment property was acquired, provided that such qualified investment property
183 remains in service. The credit established by this Code section taken in any one taxable
184 year shall be limited to an amount not greater than 50 percent of the taxpayer's state

185 income tax liability which is attributable to income derived from operations in this state
186 for that taxable year. The sale, merger, acquisition, or bankruptcy of any taxpayer shall
187 not create new eligibility in any succeeding taxpayer, but any unused credit may be
188 transferred and continued by any transferee of the taxpayer;"

189 **SECTION 1-19.**

190 Said chapter is further amended by revising subsection (c) of Code Section 48-7-40.5,
191 relating to tax credits for employers providing approved retraining programs, as follows:

192 "(c) Any tax credit claimed under this Code section for any taxable year beginning on or
193 after January 1, 1998, but not used for any such taxable year may be carried forward for
194 ~~ten~~ five years from the close of the taxable year in which the tax credit was granted. The
195 tax credit granted to any employer pursuant to this Code section shall not exceed 50 percent
196 of the amount of the taxpayer's income tax liability for the taxable year as computed
197 without regard to this Code section. Notwithstanding Code Section 48-2-35, any tax credit
198 claimed under this Code section shall be claimed within one year of the earlier of the date
199 the original return was filed or the date such return was due as prescribed in subsection (a)
200 of Code Section 48-7-56, including any approved extensions."

201 **SECTION 1-20.**

202 Said chapter is further amended by revising subsection (b) of Code Section 48-7-40.7,
203 relating to optional tax credits for existing manufacturing and telecommunications facilities
204 in tier 1 counties, as follows:

205 "(b) In the case of a taxpayer which has operated for the immediately preceding three years
206 an existing manufacturing or telecommunications facility or manufacturing or
207 telecommunications support facility and which first places in service during a taxable year
208 qualified investment property in this state in a tier 1 county designated pursuant to Code
209 Section 48-7-40, there shall be allowed an optional credit against the tax imposed under

210 this article for the ensuing ~~ten~~ five taxable years following the taxable year the qualified
211 investment property was first placed in service, provided that such qualified investment
212 property remains in service. Such optional credit shall be at the irrevocable election of the
213 taxpayer and shall be in lieu of the credit under Code Section 48-7-40.2. No taxpayer who
214 claims the credit under Code Section 48-7-40.2 for any taxable year for a given project
215 shall be eligible to receive the credit under this Code section with respect to the same
216 project for any taxable year. The aggregate amount of the credit allowed under this Code
217 section shall equal 10 percent of the cost of all qualified investment property purchased or
218 acquired by the taxpayer and first placed in service during a taxable year. The annual
219 amount of such credit shall be computed as follows:

220 (1) The taxable year in which such qualified investment property is first placed in service
221 shall be the base year for purposes of calculating the credit provided for by this Code
222 section;

223 (2) The amount of tax owed by the taxpayer for the base year and for each of the two
224 immediately preceding taxable years shall be determined without regard to any credits
225 and shall be added together and divided by three. The resulting figure shall be the base
226 year average; and

227 (3) The credit available to the taxpayer to apply against the tax liability of any year
228 following the base year but no later than the ~~tenth~~ fifth year shall be the lesser of the
229 following amounts:

230 (A) Ninety percent of the excess of the tax of the applicable year determined without
231 regard to any credits over the base year average; or

232 (B) The excess of the aggregate amount of the credit allowed for the qualified
233 investment property over the sum of the amounts of credit already used in the years
234 following the base year."

235 **SECTION 1-21.**

236 Said chapter is further amended by revising subsection (b) of Code Section 48-7-40.8,
237 relating to optional tax credits for existing manufacturing and telecommunications facilities
238 in tier 2 counties, as follows:

239 "(b) In the case of a taxpayer which has operated for the immediately preceding three years
240 an existing manufacturing or telecommunications facility or manufacturing or
241 telecommunications support facility and which first places in service during a taxable year
242 qualified investment property in this state in a tier 2 county designated pursuant to Code
243 Section 48-7-40, there shall be allowed an optional credit against the tax imposed under
244 this article for the ensuing ~~ten~~ five taxable years following the taxable year the qualified
245 investment property was first placed in service, provided that such qualified investment
246 property remains in service. Such optional credit shall be at the irrevocable election of the
247 taxpayer and shall be in lieu of the credit under Code Section 48-7-40.3. No taxpayer who
248 claims the credit under Code Section 48-7-40.3 for any taxable year for a given project
249 shall be eligible to receive the credit under this Code section with respect to the same
250 project for any taxable year. The aggregate amount of the credit allowed under this Code
251 section shall equal 8 percent of the cost of all qualified investment property purchased or
252 acquired by the taxpayer and first placed in service during a taxable year. The annual
253 amount of such credit shall be computed as follows:

254 (1) The taxable year in which such qualified investment property is first placed in service
255 shall be the base year for purposes of calculating the credit provided for by this Code
256 section;

257 (2) The amount of tax owed by the taxpayer for the base year and for each of the two
258 immediately preceding taxable years shall be determined without regard to any credits
259 and shall be added together and divided by three. The resulting figure shall be the base
260 year average; and

261 (3) The credit available to the taxpayer to apply against the tax liability of any year
262 following the base year but no later than the ~~tenth~~ fifth year shall be the lesser of the
263 following amounts:

264 (A) Ninety percent of the excess of the tax of the applicable year determined without
265 regard to any credits over the base year average; or

266 (B) The excess of the aggregate amount of the credit allowed for the qualified
267 investment property over the sum of the amounts of credit already used in the years
268 following the base year."

269 **SECTION 1-22.**

270 Said chapter is further amended by revising subsection (b) of Code Section 48-7-40.9,
271 relating to optional tax credits for existing manufacturing and telecommunications facilities
272 in tier 3 or 4 counties, as follows:

273 "(b) In the case of a taxpayer which has operated for the immediately preceding three years
274 an existing manufacturing or telecommunications facility or manufacturing or
275 telecommunications support facility and which first places in service during a taxable year
276 qualified investment property in this state in a tier 3 or a tier 4 county designated pursuant
277 to Code Section 48-7-40, there shall be allowed an optional credit against the tax imposed
278 under this article for the ensuing ~~ten~~ five taxable years following the taxable year the
279 qualified investment property was first placed in service, provided that such qualified
280 investment property remains in service. Such optional credit shall be at the irrevocable
281 election of the taxpayer and shall be in lieu of the credit under Code Section 48-7-40.4. No
282 taxpayer who claims the credit under Code Section 48-7-40.4 for any taxable year for a
283 given project shall be eligible to receive the credit under this Code section with respect to
284 the same project for any taxable year. The aggregate amount of the credit allowed under
285 this Code section shall equal 6 percent of the cost of all qualified investment property

286 purchased or acquired by the taxpayer and first placed in service during a taxable year. The
287 annual amount of such credit shall be computed as follows:

288 (1) The taxable year in which such qualified investment property is first placed in service
289 shall be the base year for purposes of calculating the credit provided for by this Code
290 section;

291 (2) The amount of tax owed by the taxpayer for the base year and for each of the two
292 immediately preceding taxable years shall be determined without regard to any credits
293 and shall be added together and divided by three. The resulting figure shall be the base
294 year average; and

295 (3) The credit available to the taxpayer to apply against the tax liability of any year
296 following the base year but no later than the ~~tenth~~ fifth year shall be the lesser of the
297 following amounts:

298 (A) Ninety percent of the excess of the tax of the applicable year determined without
299 regard to any credits over the base year average; or

300 (B) The excess of the aggregate amount of the credit allowed for the qualified
301 investment property over the sum of the amounts of credit already used in the years
302 following the base year."

303 **SECTION 1-23.**

304 Said chapter is further amended by revising subsection (d) of Code Section 48-7-40.12,
305 relating to tax credits for qualified research expenses, as follows:

306 "(d) Any unused credit claimed under this Code section may be carried forward ~~ten~~ five
307 years from the close of the taxable year in which the qualified research expenses were
308 made. The credit taken in any one taxable year shall not exceed 50 percent of the business
309 enterprise's remaining Georgia net income tax liability after all other credits have been
310 applied."

311 **SECTION 1-24.**

312 Said chapter is further amended by revising paragraphs (2) and (3) of subsection (e) of Code
313 Section 48-7-40.15, relating to alternative tax credits for base year port traffic increases, as
314 follows:

315 "(2)(A) Any tax credit claimed under subsection (b) of this Code section but not used
316 in any taxable year may be carried forward for ~~ten~~ five years from the close of the
317 taxable year in which the qualified jobs were established, provided that the increase in
318 port traffic remains above the minimum levels established in Code Section 48-7-40 or
319 48-7-40.1 and this Code section, respectively.

320 (B) Any tax credit claimed under subsection (c) of this Code section in lieu of Code
321 Section 48-7-40.2, 48-7-40.3, or 48-7-40.4 but not used in any taxable year may be
322 carried forward for ~~ten~~ five years from the close of the taxable year in which the
323 qualified investment property was acquired, provided that the increase in port traffic
324 remains above the minimum level established in this Code section and the qualified
325 investment property remains in service.

326 (3)(A) Any tax credit claimed under subsection (c) of this Code section in lieu of Code
327 Section 48-7-40.7, 48-7-40.8, or 48-7-40.9 shall be allowed for the ensuing ~~ten~~ five
328 taxable years following the taxable year the qualified investment property was first
329 placed in service, provided that the increase in port traffic remains above the minimum
330 level established in this Code section and the qualified investment property remains in
331 service.

332 (B) The tax credit established by this Code section in lieu of Code Section 48-7-40.2,
333 48-7-40.3, or 48-7-40.4 and taken in any one taxable year shall be limited to an amount
334 not greater than 50 percent of the taxpayer's state income tax liability which is
335 attributable to income derived from operations in this state for that taxable year.

336 (C) The tax credit established by this Code section in addition to that pursuant to Code
337 Section 48-7-40 or 48-7-40.1 and taken in any one taxable year shall be limited to an

338 amount not greater than 50 percent of the taxpayer's state income tax liability which is
339 attributable to income derived from operations in this state for that taxable year.

340 (D) The sale, merger, acquisition, or bankruptcy of any taxpayer shall not create new
341 eligibility for any succeeding taxpayer, but any unused credit may be transferred and
342 continued by any transferee of the taxpayer."

343 **SECTION 1-25.**

344 Said chapter is further amended by revising paragraph (3) of subsection (d) of Code Section
345 48-7-40.15A, relating to increased job tax credit based on increase in port traffic, as follows:

346 "(3)(A) Any tax credit claimed under subsection (b) of this Code section but not used
347 in any taxable year may be carried forward for ~~ten~~ five years from the close of the
348 taxable year in which the qualified jobs were established, provided that the increase in
349 port traffic remains above the minimum levels established in Code Section 48-7-40 and
350 this Code section, respectively.

351 (B) The tax credit established by this Code section in lieu of Code Section 48-7-40.2,
352 48-7-40.3, or 48-7-40.4 and taken in any one taxable year shall be limited to an amount
353 not greater than 50 percent of the taxpayer's state income tax liability which is
354 attributable to income derived from operations in this state for that taxable year.

355 (C) The tax credit established by this Code section in addition to that pursuant to Code
356 Section 48-7-40 and taken in any one taxable year shall be limited to an amount not
357 greater than 50 percent of the taxpayer's state income tax liability which is attributable
358 to income derived from operations in this state for that taxable year.

359 (D) The sale, merger, acquisition, or bankruptcy of any taxpayer shall not create new
360 eligibility for any succeeding taxpayer, but any unused credit may be transferred and
361 continued by any transferee of the taxpayer."

362 **SECTION 1-26.**

363 Said chapter is further amended by revising paragraph (4) of subsection (e) of Code Section
364 48-7-40.16, relating to tax credits for alternative fuel, low-emission and zero-emission
365 vehicles, and electric vehicle chargers, as follows:

366 "(4) Any credit claimed under this Code section but not used in any taxable year may be
367 carried forward for ~~five~~ three years from the close of the taxable year in which a new
368 clean fueled vehicle was purchased or leased or a conventionally fueled vehicle was
369 changed into a converted vehicle, provided that the applicable certification required in
370 paragraph (1) or (2) of this subsection accompanies any such claim;"

371 **SECTION 1-27.**

372 Said chapter is further amended by revising subsection (e) of Code Section 48-7-40.17,
373 relating to tax credits for establishing or relocating quality jobs, as follows:

374 "(e) Any credit claimed under this Code section but not used in any taxable year may be
375 carried forward for ~~ten~~ five years from the close of the taxable year in which the new
376 quality jobs were established."

377 **SECTION 1-28.**

378 Said chapter is further amended by revising subsection (c) of Code Section 48-7-40.20,
379 relating to tax credits for businesses engaged in manufacturing cigarettes for exportation,
380 amount, and required information, as follows:

381 "(c) The credit allowed under this Code section may not exceed the lesser of \$6 million or
382 50 percent of the amount of tax imposed by this article for the taxable year reduced by the
383 sum of all other credits allowable, except tax payments made by or on behalf of the
384 taxpayer. This limitation applies to the cumulative amount of the credit allowed in any tax
385 year, including carry forwards claimed by the taxpayer under this Code section for previous

386 tax years. Any unused portion of a credit allowed in this Code section may be carried
387 forward for the next succeeding ~~five~~ three years."

388 **SECTION 1-29.**

389 Said chapter is further amended by revising subsection (d) of Code Section 48-7-40.22,
390 relating to tax credits for business enterprises for leased motor vehicles, daily ridership, and
391 implementation, as follows:

392 "(d) In no event shall the aggregate amount of the tax credit provided by this Code section
393 exceed the income tax liability of the business enterprise. Any unused tax credit shall be
394 allowed to be carried forward to apply to the three succeeding years' tax liability of such
395 business enterprise. No such credit shall be allowed the business enterprise against prior
396 years' tax liability."

397 **SECTION 1-30.**

398 Said chapter is further amended by revising subsection (h) of Code Section 48-7-40.24,
399 relating to tax credits for jobs associated with large-scale projects, as follows:

400 "(h) Any credit claimed under this Code section but not fully used in the manner prescribed
401 in subsection (d) of this Code section may be carried forward for ~~ten~~ five years from the
402 close of the taxable year in which the qualified job was established."

403 **SECTION 1-31.**

404 Said chapter is further amended by revising paragraph (2) of subsection (e) of Code Section
405 48-7-40.25, relating to tax credits for investment in expanding existing manufacturing
406 facilities, and enhancements for high-impact aerospace defense projects, as follows:

407 "(2) Any credit claimed under this Code section but not fully used in the manner
408 prescribed in subsection (d) of this Code section may be carried forward for ~~15~~ five years
409 from the close of the later of:

- 410 (A) The taxable year in which the qualified investment property was acquired; or
411 (B) The taxable year in which both the job requirement and investment requirement are
412 satisfied.

413 The sale, merger, acquisition, or bankruptcy of any business enterprise shall not create
414 new eligibility in any succeeding business entity but any unused investment tax credit
415 may be transferred and continued by any transferee of the business enterprise;"

416 **SECTION 1-32.**

417 Said chapter is further amended by revising paragraph (3) of subsection (h) of Code Section
418 48-7-40.26, relating to tax credits for film, gaming, video, or digital production, as follows:

419 "(3) In no event shall the amount of the tax credit under this Code section for a taxable
420 year exceed the production company's or qualified interactive entertainment production
421 company's income tax liability. Any unused credit amount shall be allowed to be carried
422 forward for ~~five~~ three years from the close of the taxable year in which the investment
423 occurred. No such credit shall be allowed the production company or qualified
424 interactive entertainment production company against prior years' tax liability."

425 **SECTION 1-33.**

426 Said chapter is further amended by revising paragraph (2) of subsection (h) of Code Section
427 48-7-40.26A, relating to tax credits for postproduction expenditures, as follows:

428 "(2) Where the amount of tax credits under this Code section exceeds the postproduction
429 company's income tax liability in a taxable year, any unused credit amount:

430 (A) May be carried forward for ~~five~~ three years from the close of the taxable year in
431 which the investment occurred; or

432 (B) May be taken as a credit against such postproduction company's quarterly or
433 monthly payment under Code Section 48-7-103. Each employee whose employer
434 receives credit against such postproduction company's quarterly or monthly payment

435 under Code Section 48-7-103 shall receive credit against his or her income tax liability
436 under Code Section 48-7-20 for the corresponding taxable year for the full amount
437 which would be credited against such liability prior to the application of the credit
438 provided for in this subparagraph. Credits against quarterly or monthly payments under
439 Code Section 48-7-103 and credits against liability under Code Section 48-7-20
440 established by this subparagraph shall not constitute income to the postproduction
441 company.

442 No such credit shall be allowed the postproduction company against prior years' tax
443 liability; and"

444 **SECTION 1-34.**

445 Said chapter is further amended by revising paragraph (1) of subsection (c) of Code Section
446 48-7-40.27, relating to tax credits for qualified investments in a research fund, as follows:

447 "(1) In no event shall the credit for a taxable year exceed the taxpayer's income tax
448 liability. Any unused portion of the credit shall be permitted to be carried forward and
449 applied to the taxpayer's tax liability for the subsequent ~~ten~~ five years. The credit shall
450 not be applied against the taxpayer's prior years' tax liabilities;"

451 **SECTION 1-35.**

452 Said chapter is further amended by revising paragraph (1) of subsection (c) of Code Section
453 48-7-40.28, relating to limitation on the aggregate amount of tax credits allowed for qualified
454 investments in a research fund, as follows:

455 "(1) In no event shall the credit for a taxable year exceed the taxpayer's income tax
456 liability. Any unused portion of the credit shall be permitted to be carried forward and
457 applied to the taxpayer's tax liability for the subsequent ~~ten~~ five years. The credit shall
458 not be applied against the taxpayer's prior years' tax liabilities;"

459 **SECTION 1-36.**

460 Said chapter is further amended by revising subsection (e) of Code Section 48-7-40.29,
461 relating to tax credits for certain qualified equipment that reduces business or domestic
462 energy or water usage, as follows:

463 "(e) In no event shall the amount of the tax credit allowed by this Code section for a
464 taxable year exceed the taxpayer's income tax liability. Any unused credit amount shall be
465 allowed to be carried forward for ~~five~~ three years from the close of the taxable year in
466 which the qualified equipment was placed in service. No such credit shall be allowed the
467 taxpayer against prior years' tax liability."

468 **SECTION 1-37.**

469 Said chapter is further amended by revising paragraph (3) of subsection (f) of Code Section
470 48-7-40.30, relating to tax credits for certain qualified investments for limited period of time,
471 as follows:

472 "(3) In no event shall the amount of the tax credit allowed an individual under this Code
473 section for a taxable year exceed such individual's net income tax liability. Any unused
474 credit amount shall be allowed to be carried forward for ~~five~~ three years from the close
475 of the taxable year in which the qualified investment was made. No such credit shall be
476 allowed against prior years' tax liability;"

477 **SECTION 1-38.**

478 Said chapter is further amended by revising paragraph (2) of subsection (d) and subsection
479 (f) of Code Section 48-7-40.32, relating to revitalization zone tax credits, as follows:

480 "(2) The amount of the tax credit per project shall be 25 percent of the purchase price and
481 shall not exceed \$125,000.00; provided, however, that the entire credit shall not be taken
482 in the year in which the property is placed in commercial service but shall be prorated

483 equally in ~~five~~ three installments over ~~five~~ three taxable years, beginning with the taxable
484 year in which the property is placed in service; and"

485 "(f) In no event shall the amount of the tax credits allowed by this Code section for a
486 taxable year exceed a certified entity's or certified investor's state income tax liability. Any
487 credit claimed under this Code section by a certified entity or certified investor but not used
488 in any taxable year may be carried forward for ~~ten~~ five years from the close of the taxable
489 year in which the credit is claimed. No such credit shall be allowed by the taxpayer against
490 prior years' tax liability."

491 **SECTION 1-39.**

492 Said chapter is further amended by revising subsection (e) of Code Section 48-7-40.34,
493 relating to tax credits for Class III railroads and reporting, as follows:

494 "(e)(1) The tax credits given to a Class III railroad by this Code section that are not used
495 by such Class III railroad shall be freely assignable one time between January 1, 2019,
496 and January 1, 2027, by written agreement to a taxpayer subject to the tax imposed by
497 this chapter.

498 (2) In no event shall tax credits allowed under this Code section for a taxable year exceed
499 any taxpayer's state income tax liability. Any credit allowed to any taxpayer under this
500 Code section but not used in a taxable year may be carried forward for up to three years
501 from the close of the taxable year in which the credit was first claimed. No such tax
502 credit shall be allowed by the taxpayer against prior years' tax liability."

503 **PART II**

504 **SECTION 2-1.**

505 Said chapter is further amended by revising Code Section 48-7-29.13, relating to tax credits
506 for qualified health insurance expenses, by adding a new subsection to read as follows:

507 "(f) This Code section shall stand repealed and reserved on December 31, 2029."

508 **SECTION 2-2.**

509 Said chapter is further amended by revising Code Section 48-7-40.16, relating to tax credits
510 for alternative fuel, low-emission and zero-emission vehicles, and electric vehicle chargers,
511 by adding a new subsection to read as follows:

512 "(h) This Code section shall stand repealed and reserved on December 31, 2029."

513 **SECTION 2-3.**

514 Said chapter is further amended by revising Code Section 48-7-40.22, relating to tax credits
515 for business enterprises for leased motor vehicles, daily ridership, and implementation, by
516 adding a new subsection to read as follows:

517 "(h) This Code section shall stand repealed and reserved on December 31, 2029."

518 **SECTION 2-4.**

519 Said chapter is further amended by revising Code Section 48-7-40.27, relating to tax credits
520 for qualified investments in a research fund, by adding a new subsection to read as follows:

521 "(g) This Code section shall stand repealed and reserved on December 31, 2029."

522 **SECTION 2-5.**

523 Said chapter is further amended by revising Code Section 48-7-40.28, relating to limitation
524 on the aggregate amount of tax credits allowed for qualified investments in a research fund,
525 by adding a new subsection to read as follows:

526 "(f) This Code section shall stand repealed and reserved on December 31, 2029."

527

PART III

528

SECTION 3-1.

529 Code Section 3-6-70 of the Official Code of Georgia Annotated, relating to exemptions from
530 excise tax on wine, is amended by revising paragraph (1) as follows:

531 "(1) Wine sold to and used by established and recognized churches and synagogues for
532 use in sacramental services only, on or before December 31, 2029;"

533

SECTION 3-2.

534 Code Section 33-8-13 of the Official Code of Georgia Annotated, relating to exemption of
535 certain insurance companies from taxes, is amended by designating the existing provisions
536 as subsection (a) and adding a new subsection to read as follows:

537 "(b) This Code section shall stand repealed on December 31, 2029."

538

SECTION 3-3.

539 Code Section 48-5C-1 of the Official Code of Georgia Annotated, relating to definitions,
540 exemption from taxation, allocation and disbursement of proceeds collected by tag agents,
541 fair market value of vehicle appealable, and report relative to alternative ad valorem tax on
542 motor vehicles, is amended by revising paragraph (.1) of subsection (a) and subparagraph
543 (d)(7)(C) as follows:

544 "(.1) 'Disabled first responder' means a law enforcement officer, firefighter, publicly
545 employed emergency medical technician, or surviving spouse of such an individual
546 receiving payments pursuant to Code Section 45-9-85 due to total permanent disability,
547 partial permanent disability, organic brain damage, or death occurring in the line of duty,
548 provided that such law enforcement officer, firefighter, or publicly employed emergency
549 medical technician is not facing pending charges for and has not been convicted of a
550 crime related to his or her conduct in the line of duty, and his or her state licensure as a

551 law enforcement officer, firefighter, or emergency medical technician is not subject to
 552 pending action for suspension or revocation and has not been revoked or suspended due
 553 to his or her bad conduct. This paragraph shall stand repealed on December 31, 2029."

554 "(C) Each disabled first responder shall be allowed an exemption from state and local
 555 title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section
 556 levied on a maximum of \$50,000.00 in aggregate of the fair market value combined for
 557 all motor vehicles that he or she registers in this state during any three-year period.
 558 This subparagraph shall stand repealed on December 31, 2029."

559 SECTION 3-4.

560 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to state sales and
 561 use tax exemptions, is amended by revising paragraphs (6.2), (6.3), (7.2), (11), (14), (15.1),
 562 (30), (34.2), (36), (38), (48), (56), (57.1), (57.3), (60), (63), (65), (67), (71), (72), (97), and
 563 (104) as follows:

564 "(6.2)(A) Sales to any local government authority created on or after January 1, 1980,
 565 by local law, which authority has as its principal purpose or one of its principal
 566 purposes the construction, ownership, or operation of a coliseum and related facilities
 567 to be used for athletic contests, games, meetings, trade fairs, expositions, political
 568 conventions, agricultural events, theatrical and musical performances, conventions, or
 569 other public entertainments or any combination of such purposes.

570 (B) This paragraph shall stand repealed and reserved on December 31, 2029;

571 (6.3)(A) Sales to any agricultural commodities commission created by and regulated
 572 pursuant to Chapter 8 of Title 2.

573 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

574 "(7.2)(A) Sales of tangible personal property or services to any chapter of the Georgia
 575 State Society of the Daughters of the American Revolution which is tax exempt under

576 Section 501(c)(3) of the Internal Revenue Code and obtains an exemption
577 determination letter from the commissioner.

578 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

579 "(11)(A) Sales of tangible personal property or services to, and the purchase of tangible
580 personal property or services by, any educational or cultural institute which:

581 (A)(i) Is tax exempt under Section 501(c)(3) of the Internal Revenue Code;

582 (B)(ii) Furnishes at least 50 percent of its programs through universities and other
583 institutions of higher education in support of their educational programs;

584 (C)(iii) Is paid for by government funds of a foreign country; and

585 (D)(iv) Is an instrumentality, agency, department, or branch of a foreign government
586 operating through a permanent location in this state.

587 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

588 "(14)(A) Sales of objects of art and of anthropological, archeological, geological,
589 horticultural, or zoological objects or artifacts and other similar tangible personal
590 property to or for the use by any museum or organization which is tax exempt under
591 Section 501(c)(3) of the Internal Revenue Code of such tangible personal property for
592 display or exhibition in a museum within this state when the museum is open to the
593 public and has been approved by the commissioner as an organization eligible to
594 receive tax deductible contributions.

595 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

596 "(15.1)(A) Sales of pipe organs or steeple bells to any church which is qualified as an
597 exempt religious organization under Section 501(c)(3) of the Internal Revenue Code
598 of 1986, as amended.

599 (B) This paragraph shall stand repealed on December 31, 2029;"

600 "(30)(A) The sale of a vehicle to a service connected disabled veteran when the veteran
601 received a grant from the United States Department of Veterans Affairs to purchase and
602 specially adapt the vehicle to his or her disability.

603 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

604 "(34.2)(A) The sale or use of machinery or equipment, or both, which is used in the
605 remanufacture of aircraft engines or aircraft engine parts or components in a
606 remanufacturing facility located in this state. For purposes of this paragraph,
607 'remanufacture of aircraft engines or aircraft engine parts or components' means the
608 substantial overhauling or rebuilding of aircraft engines or aircraft engine parts or
609 components.

610 (B) Any person making a sale of machinery or equipment, or both, for the
611 remanufacture of aircraft engines or aircraft engine parts or components shall collect
612 the tax imposed on the sale by this article unless the purchaser furnishes a certificate
613 issued by the commissioner certifying that the purchaser is entitled to purchase the
614 machinery or equipment without paying the tax.

615 (C) This paragraph shall stand repealed and reserved on December 31, 2029;"

616 "(36)(A) The sale of machinery and equipment and any repair, replacement, or
617 component parts for such machinery and equipment which is used for the primary
618 purpose of reducing or eliminating air or water pollution;

619 (B) Any person making a sale of machinery and equipment or repair, replacement, or
620 component parts for such machinery and equipment for the purposes specified in this
621 paragraph shall collect the tax imposed on the sale by this article unless the purchaser
622 furnishes ~~him with~~ a certificate issued by the commissioner certifying that the purchaser
623 is entitled to purchase the machinery and equipment or repair, replacement, or
624 component parts for such machinery and equipment without paying the tax.

625 (C) This paragraph shall stand repealed and reserved on December 31, 2029;"

626 "(38)(A) Sales of tangible personal property and fees and charges for services by the
627 Rock Eagle 4-H Center.

628 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

629 "(48)(A) Sales to licensed commercial fishermen of bait for taking crabs and the use
630 by licensed commercial fishermen of bait for taking crabs.

631 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

632 "(56)(A) Sales by any parent-teacher organization qualified as a ~~tax-exempt~~ tax-exempt
633 organization under Section 501(c)(3) of the Internal Revenue Code.

634 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

635 "(57.1)(A) Sales of food and food ingredients to a qualified food bank.

636 (B) As used in this paragraph, the term 'qualified food bank' means any food bank
637 which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code
638 and which is operated primarily for the purpose of providing hunger relief to
639 low-income persons residing in this state.

640 (C) Notwithstanding Code Sections 48-2-15, 48-7-60, and 48-7-61, any taxpayer
641 seeking to claim the exemption provided for within subparagraph (A) of this paragraph
642 shall electronically submit to the department, at the time of application for the
643 exemption and any such annual renewal, the total number of clients served in the
644 previous calendar year, total pounds of food donated by retailers, and total amount of
645 exempt purchases made in the preceding year. The department shall then issue a report
646 to the chairpersons of the House Committee on Ways and Means and the Senate
647 Finance Committee detailing the total number of clients served, total pounds of food
648 donated by retailers, and total amount of sales and use tax exempted sales for the
649 previous calendar year, by June 30 each year.

650 (D) The commissioner is authorized to promulgate rules and regulations deemed
651 necessary in order to administer and effectuate this paragraph.

652 (E) This paragraph shall stand repealed and reserved on December 31, 2029;"

653 "(57.3)(A) The use of food and food ingredients which is donated following a natural
654 disaster and which is used for disaster relief purposes.

655 (B) For the purposes of this paragraph, the term 'food and food ingredients' as defined
656 in Code Section 48-8-2 shall not include drugs or over-the-counter drugs.

657 (C) The commissioner is authorized to promulgate rules and regulations deemed
658 necessary in order to administer and effectuate this paragraph.

659 (D) This paragraph shall stand repealed on December 31, 2029;"

660 "(60)(A) The sale of machinery and equipment which is incorporated into any
661 telecommunications manufacturing facility and used for the primary purpose of
662 improving air quality in advanced technology clean rooms of Class 100,000 or less,
663 provided such clean rooms are used directly in the manufacture of tangible personal
664 property.

665 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

666 "(63)(A) The sale or use of funeral merchandise, outer burial containers, and cemetery
667 markers as defined in Code Section 43-18-1, which are purchased with funds received
668 from the Georgia Crime Victims Emergency Fund under Chapter 15 of Title 17.

669 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

670 "(65)(A) Sales of dyed diesel fuel exclusively used to operate vessels or boats in the
671 commercial fishing trade by licensed commercial fishermen.

672 (B) Any person making a sale of dyed diesel fuel for the purposes specified in this
673 paragraph shall collect the tax imposed on the sale by this article unless the purchaser
674 furnishes such person with a certificate issued by the commissioner certifying that the
675 purchaser is entitled to purchase the dyed diesel fuel without paying the tax.

676 (C) This paragraph shall stand repealed and reserved on December 31, 2029;"

677 "(67)(A) Sales of coins or currency or a combination of coins and currency, provided
678 that the dealer maintains proper documentation, as specified by rule or regulation to be
679 promulgated by the department, to identify each sale or portion of a sale which is
680 exempt under this paragraph.

681 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

682 "(71)(A) Sales to or by any nonprofit organization which has as its primary purpose the
683 raising of funds for books, materials, and programs for public libraries if such
684 organization qualifies as a tax-exempt organization under Section 501(c)(3) of the
685 Internal Revenue Code.

686 (B) This paragraph shall stand repealed and reserved on December 31, 2029;

687 (72)(A) The sale or use of all mobility enhancing equipment prescribed by a physician.

688 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

689 "(97)(A) Sales of admissions to nonrecurring major sporting events in this state
690 expected to generate over \$50 million in the host locality.

691 (B) As used in this paragraph, the term 'major sporting event' means the National
692 Football League championship game; any semifinal game or championship game of a
693 national collegiate tournament; a Major League Baseball, Major League Soccer, or
694 National Basketball Association all-star game; any match of a FIFA World Cup; or any
695 other nonrecurring major sporting event determined by the commissioner of economic
696 development and the state revenue commissioner to be a major sporting event.

697 (C) As used in this paragraph, the term 'nonrecurring' means not occurring in this state
698 more than once every three years.

699 (D) The revenue projections for purposes of this paragraph shall include, but not be
700 limited to, lodging, meals, vehicle rentals, and admissions to tourist attractions.

701 (E) Determinations made under this paragraph by the commissioners on or after July 1,
702 2016, shall be made prior to the date of the convening of the General Assembly
703 immediately preceding the awarding of the sales tax exemption for a major sporting
704 event. Such a determination shall become effective either 30 days prior to the major
705 sporting event or on the first fiscal day of the fiscal year immediately following a year
706 during which such determination was made, whichever is earlier. Such a determination
707 may be rendered null and void by a joint resolution passed by both chambers of the
708 General Assembly. In the event that the presiding officers of the General Assembly,

709 in their discretion, choose to introduce such a joint resolution, a special committee in
 710 each respective chamber of the General Assembly will be appointed by the presiding
 711 officers of both chambers of the General Assembly for the purpose of considering such
 712 a joint resolution, subject to the rules of both respective chambers.

713 (F) This paragraph shall stand automatically repealed on December 31, ~~2031~~ 2029;
 714 provided, however, that this repeal shall not apply to any event for which an application
 715 has been submitted prior to December 31, ~~2031~~ 2029;"

716 "(104)(A) Sales to or by any nonprofit organization which has as its primary purpose
 717 providing poultry diagnostic and disease monitoring services if such organization
 718 qualifies as a tax-exempt organization under Section 501(c)(5) of the Internal Revenue
 719 Code.

720 (B) This paragraph shall stand repealed and reserved on December 31, 2029."

721

722

SECTION 3-5.

723 Code Section 48-11-2 of the Official Code of Georgia Annotated, relating to excise tax
 724 imposed, rates for tobacco and vaping products, exemptions, collection and payment, and tax
 725 separately identified, is amended by revising subsection (c) as follows:

726 "(c)(1) The taxes imposed by this chapter are levied on the purchase or use of cigars,
 727 cigarettes, or loose or smokeless tobacco by the state or any department, institution, or
 728 agency of the state and by the political subdivisions of the state and their departments,
 729 institutions, and agencies.

730 (2) The taxes imposed by this chapter are not imposed on cigars, cigarettes, or loose or
 731 smokeless tobacco purchased exclusively for use by the patients at the Georgia War
 732 Veterans Home and the Georgia War Veterans Nursing Home. This paragraph shall
 733 stand repealed and reserved on December 31, 2029."

734

PART IV

735

SECTION 4-1.

736 This Act shall become effective on January 1, 2025. Part I shall be applicable to all taxable
737 years beginning on or after January 1, 2025.

738

SECTION 4-2.

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