

House Bill 328

By: Representatives Carpenter of the 4th, Hilton of the 48th, Carson of the 46th, Ridley of the 6th, Gaines of the 120th, 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 income tax imposition, rate, computation, exemptions, and credits, so as to
3 increase the annual aggregate limit for tax credits available for certain contributions to
4 student scholarship organizations; to increase the time allowed after being preapproved to
5 make the contributions; to provide for related matters; to provide for an effective date and
6 applicability; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
10 income tax imposition, rate, computation, exemptions, and credits, is amended in Code
11 Section 48-7-29.16, relating to tax credits for contributions to student scholarship
12 organizations, by revising paragraphs (1), (1.1), and (3) of subsection (f) as follows:

13 "(f)(1) The aggregate amount of tax credits allowed under this Code section shall not
14 exceed:

15 (A) ~~Fifty-eight million dollars for the year ending on December 31, 2018;~~

16 (B) ~~For 2019 through 2022, \$100 million per year; and~~

H. B. 328

17 ~~(C) For 2023 and all subsequent years, \$120~~ \$200 million per year.

18 (1.1) In no event shall the aggregate amount of tax credits allowed under this Code
19 section to all business enterprises for state insurance premium tax liability owed pursuant
20 to Code Section 33-8-4 exceed ~~\$6 million~~ 6 percent of the aggregate amount of tax
21 credits allowed under this Code section for any year as provided in paragraph (1) of this
22 subsection."

23 "(3) For the purposes of paragraph (1) of this subsection, a student scholarship
24 organization shall notify a potential donor of the requirements of this Code section.
25 Before making a contribution to a student scholarship organization, the taxpayer or
26 business enterprise shall electronically notify the department, in a manner specified by
27 the department, of the total amount of contributions that the taxpayer or business
28 enterprise intends to make to the student scholarship organization. The commissioner
29 shall preapprove, deny, or prorate the requested amount within 30 days after receiving
30 the request from the taxpayer or business enterprise and shall provide notice to the
31 taxpayer or business enterprise and the student scholarship organization of such
32 preapproval, denial, or proration which shall not require any signed release or notarized
33 approval by the taxpayer or business enterprise. In order to receive a tax credit under this
34 Code section, the taxpayer or business enterprise shall make the contribution to the
35 student scholarship organization within ~~60~~ 120 days after receiving notice from the
36 department that the requested amount was preapproved. If the taxpayer or business
37 enterprise does not comply with this paragraph, the commissioner shall not include this
38 preapproved contribution amount when calculating the limit prescribed in paragraph (1)
39 of this subsection or the additional limitation specific to business enterprises prescribed
40 in paragraph (1.1) of this subsection. The department shall establish a web based
41 donation approval process to implement this subsection."

42 **SECTION 2.**

43 This Act shall become effective on July 1, 2025, and shall be applicable to taxable years
44 beginning on or after January 1, 2026.

45 **SECTION 3.**

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