

House Bill 388

By: Representatives Clark of the 100th, Bonner of the 73rd, Hitchens of the 161st, Martinez of the 111th, Cannon of the 172nd, 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, rate, computation, exemptions, and credits for state income tax,
3 so as to exempt from state income tax income received as personal compensation for active
4 duty service in the United States armed forces while stationed outside Georgia; to provide
5 for related matters; to provide for an effective date and applicability; to repeal conflicting
6 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 the
10 imposition, rate, computation, exemptions, and credits for state income tax, is amended in
11 subsection (a) of Code Section 48-7-27, relating to the computation of taxable net income,
12 by adding a new paragraph to read as follows:

13 "(12.6) Income received as personal compensation for active duty service in the United
14 States armed forces while stationed outside Georgia;"

15 **SECTION 2.**

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

18 **SECTION 3.**

19 All laws and parts of laws in conflict with this Act are repealed.