

House Bill 407

By: Representatives Gilliard of the 162<sup>nd</sup>, Crawford of the 89<sup>th</sup>, Holly of the 116<sup>th</sup>, Tran of the 80<sup>th</sup>, Schofield of the 63<sup>rd</sup>, and others

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 provide for a tax credit for costs of doing business with Georgia grown  
3 hemp owners and suppliers; to provide for terms and conditions; to provide for related  
4 matters; to provide for a short title; to provide for an effective date and applicability; to  
5 repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 This Act shall be known and may be cited as the "Georgia Hemp Industry Growth and  
9 Business Partnership Tax Credit Act."

10 **SECTION 2.**

11 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,  
12 is amended by adding a new Code section to read as follows:

13 "48-7-29.27.

14 (a) For taxable years beginning on or after January 1, 2026, each taxpayer shall be allowed  
15 an income tax credit against the tax imposed by this article equal to 10 percent of such

16 taxpayer's costs of doing business with Georgia grown hemp owners and suppliers,  
17 or \$100,000.00 per taxpayer, whichever is less.

18 (b) The Commissioner of Agriculture shall provide clear guidelines for the application and  
19 distribution of the tax credit.

20 (c) The Commissioner of Agriculture shall provide annual reports on the status of the tax  
21 credit program, including the number of applicants, the amount of tax credits issued, and  
22 the impact of the tax credit on the Georgia grown hemp industry.

23 (d) Noncompliance with the provisions of this Code section may result in revocation of  
24 the tax credit.

25 (e) In no event shall the total amount of any tax credit allowed under this Code section for  
26 a taxable year exceed the taxpayer's income tax liability. No such tax credit shall be  
27 allowed the taxpayer against prior years' tax liability. Any unused tax credit shall be  
28 allowed to be carried forward to apply to the taxpayer's next five years' tax liability."

29 **SECTION 3.**

30 This Act shall become effective on January 1, 2026, and shall be applicable to taxable years  
31 beginning on or after January 1, 2026.

32 **SECTION 4.**

33 All laws and parts of laws in conflict with this Act are repealed.