

House Bill 425

By: Representatives Burchett of the 176th, Hagan of the 156th, Camp of the 135th, Hatchett of the 155th, O'Steen of the 169th, 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 imposition, rate, computation, exemptions, and credits, so as to provide for a tax
3 credit for the purchase of an emergency power generator and related components to
4 convenience stores and grocery stores; to provide for taxpayer certification of tax credits; to
5 provide for sunsets of the tax credit and carry-forward period; to provide for applicability;
6 to provide for pursuit of remedies; to provide for rules and regulations; to provide for
7 definitions; to provide for legislative findings; to provide for related matters; to repeal
8 conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
12 imposition, rate, computation, exemptions, and credit, is amended by adding a new Code
13 section to read as follows:

14 "48-7-29.27.

15 (a)(1) The General Assembly finds and determines that Hurricane Helene has had a
16 catastrophic impact on the citizens and the economy of Georgia.

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17 (2) The General Assembly further finds and declares that it is appropriate and advisable
18 to ensure the state is better prepared for future weather events by incentivizing the
19 purchase and installation of generators in certain critical businesses such that the entire
20 region will be able to recover faster.

21 (b) For purposes of this Code section, the term:

22 (1) 'Convenience store' means a retail establishment which offers for sale packaged or
23 unprepared food and grocery items for consumption off the premises and may sell fuel
24 products, household items, or tobacco products. Such term shall not include
25 establishments that offer for sale more than 20 different cuts of refrigerated meats or
26 more than 50 types of whole produce.

27 (2) 'Emergency power generator and related components' means an alternate backup
28 power source that provides electricity during utility power outages. Such term shall refer
29 to any one or more of the following:

30 (A) A generator itself, whether fixed or mobile;

31 (B) Any transfer switch or switches; or

32 (C) The lines, fuel tanks, or other mechanisms needed to provide power to a generator
33 using diesel, natural gas, propane, or any other fuel source.

34 (3) 'Grocery store' means a retail establishment which offers for sale packaged or
35 unprepared food and grocery items for consumption off the premises and may sell fuel
36 products, household items, or tobacco products. Such term shall include establishments
37 that offer for sale more than 20 different cuts of refrigerated meats or more than 50 types
38 of whole produce.

39 (c) A taxpayer shall be allowed tax credits for expenditures made for the purchase,
40 installation, readying, or retrofitting of an emergency power generator and related
41 components against the tax imposed by Code Section 48-7-20 as follows:

42 (1) For a convenience store, in an amount equal to \$100,000.00 per corporate entity;
43 provided, however, that the amount of the tax credit shall not exceed the amount the

44 entity paid to purchase, install, and ready an emergency power generator and related
45 components. If a corporate entity owns more than one convenience store, the amount of
46 the tax credit shall be increased by \$10,000.00 per store location up to a maximum of
47 \$250,000.00 per corporate entity; and

48 (2) For a grocery store, in an amount equal to \$700,000.00 per corporate entity;
49 provided, however, that the amount of the tax credit shall not exceed the amount the
50 entity paid to purchase, install, and ready an emergency power generator and related
51 components. If a corporate entity owns more than one grocery store, the amount of the
52 tax credit shall be increased by \$25,000.00 per store location up to a maximum of
53 \$1.5 million per corporate entity.

54 (d) In order to claim the tax credits provided for in this Code section, a taxpayer shall
55 attach to such taxpayer's state tax return certification from the taxpayer that the
56 requirements of this Code section have been met and any other information required by the
57 commissioner.

58 (e)(1) Any tax credits allowed pursuant to this Code section shall be claimed on or before
59 December 31, 2026.

60 (2)(A) The total amount of the tax credits allowed pursuant to this Code section for a
61 taxable year may exceed the taxpayer's income tax liability.

62 (B) Tax credits claimed pursuant to this Code section may be carried forward for ten
63 years from the close of the taxable year in which the credits are claimed, provided that
64 no such tax credit may be claimed after December 31, 2035.

65 (f)(1) A taxpayer claiming, transferring, or selling tax credits allowed pursuant to this
66 Code section shall be required to reimburse the department for any department initiated
67 audits relating to the tax credits, provided that such amount shall not exceed the value of
68 the credits claimed by the taxpayer. This paragraph shall not apply to routine tax audits
69 of such taxpayer that may include the review of the tax credits provided in this Code
70 section.

71 (2) The commissioner may pursue all remedies available by law as necessary to
72 recapture tax credits wrongfully allowed, or claimed by a taxpayer or a taxpayer's
73 transferee.

74 (g) The commissioner shall be authorized to promulgate any rules and regulations
75 necessary to implement and administer this Code section."

76 **SECTION 2.**

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