

Senate Bill 168

By: Senator Moore of the 53rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-7-20 of the Official Code of Georgia Annotated, relating to
2 individual tax rates, credit for withholding and other payments, and applicability to estates
3 and trusts, so as to revise provisions for the reduction of the state income tax over time; to
4 remove certain conditions for such rate reduction; to provide for related matters; to provide
5 an effective date and applicability; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 48-7-20 of the Official Code of Georgia Annotated, relating to individual tax
9 rates, credit for withholding and other payments, and applicability to estates and trusts, is
10 amended by revising subsection (a.1) as follows:

11 "(a.1)(~~1~~) On and after January 1, 2024, the tax imposed pursuant to subsection (a) of this
12 Code section shall be 5.39 percent for taxable years beginning on or after January 1, 2024;
13 provided, however, that such rate shall be reduced by ~~0.10~~ 1 percent annually beginning
14 on January 1, ~~2025~~ 2026, until the rate reaches ~~4.99~~ 0 percent, ~~provided such annual~~
15 ~~reductions in the tax rate shall be subject to delays as provided in paragraph (2) of this~~
16 ~~subsection.~~

17 ~~(2) Each prospective annual reduction in the tax rate that would otherwise occur as~~
18 ~~provided in paragraph (1) of this subsection shall be delayed by one year for each year~~
19 ~~that any of the following are true as of December 1:~~

20 ~~(A) The Governor's revenue estimate for the succeeding fiscal year is not at least 3~~
21 ~~percent above the Governor's revenue estimate for the present fiscal year;~~

22 ~~(B) The prior fiscal year's net revenue collection was not higher than each of the~~
23 ~~preceding three fiscal years' net tax revenue collection; or~~

24 ~~(C) The Revenue Shortfall Reserve provided for in Code Section 45-12-93 does not~~
25 ~~contain a sum that exceeds the amount of the decrease in state revenue projected to~~
26 ~~occur as a result of the prospective reduction in the tax rates set to occur the following~~
27 ~~year.~~

28 ~~(3) The Office of Planning and Budget shall make the determinations necessary to~~
29 ~~implement the provisions of paragraph (2) of this subsection and shall report its~~
30 ~~determinations by December 1 of each year to the department, the Speaker of the House~~
31 ~~of Representatives, the President of the Senate, and the chairpersons of the House~~
32 ~~Appropriations Committee, the House Ways and Means Committee, the Senate~~
33 ~~Appropriations Committee, and the Senate Finance Committee. This paragraph shall not~~
34 ~~be applicable after the final reduction to the rate of 4.99 percent occurs."~~

35 **SECTION 2.**

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

38 **SECTION 3.**

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