

House Bill 597

By: Representatives Donatucci of the 105th, McCollum of the 30th, Schofield of the 63rd, Seabaugh of the 34th, and Scott of the 76th

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 relative to income taxes,
3 so as to enact the "Fire and Emergency Services Support Act"; to provide for tax credits for
4 certain contributions made by taxpayers to certain local fire rescue foundations; to provide
5 for an aggregate annual limit; to provide for terms and conditions; to provide for applications
6 and certifications; to provide for the revocation of qualified status; to provide for certain
7 penalties; to provide for confidentiality; to require annual reporting; to provide for rules and
8 regulations; to provide definitions; to provide for construction; to provide for a short title;
9 to provide for related matters; to provide for an effective date and applicability; to repeal
10 conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 **SECTION 1.**

13 This Act shall be known and may be cited as the "Fire and Emergency Services Support
14 Act."

SECTION 2.

15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41

Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to imposition, rate, computation, exemptions, and credits relative to income taxes, is amended by adding a new Code section to read as follows:

"48-7-29.27.

(a) As used in this Code section, the term:

(1) 'Fire rescue foundation' means any domestic nonprofit corporation with the sole function of supporting one local fire rescue unit through a formal relationship recognized by such local fire rescue unit and which maintains nonprofit status under Section 501(c)(3) of the Internal Revenue Code and tax exempt status under Code Section 48-7-25.

(2) 'Local fire rescue unit' means any agency, office, or department of a county, municipality, or consolidated government of this state whose primary functions include the protection of life and property against fire, explosions, hazardous materials, and other hazards.

(3) 'Qualified contributions' means the preapproved contribution of funds by a taxpayer to a qualified fire rescue foundation under the terms and conditions of this Code section.

(4) 'Qualified expenditures' means expenditures made by a qualified fire rescue foundation:

(A)(i) For salary supplements or training provided directly to fire rescue personnel employed by the local fire rescue unit affiliated with such qualified fire rescue foundation; or

(ii) For the purchase, lease, maintenance, or improvement of equipment to be used by such personnel; or

(B) To cover any costs incurred by the local fire rescue unit in collaborating with other agencies to address emergency situations, provided that such costs shall not include salaries or other regular compensation.

42 (5) 'Qualified fire rescue foundation' means any fire rescue foundation that has been
43 designated as the sole local fire rescue foundation for a single local fire rescue unit and
44 has been certified and listed by the commissioner pursuant to subsection (d) of this Code
45 section.

46 (b)(1) The aggregate amount of tax credits allowed under this Code section shall not
47 exceed \$75 million per calendar year. Each qualified fire rescue foundation shall be
48 limited to accepting \$3 million per year of contributions made under this Code section.

49 (2) Subject to the aggregate limit provided in paragraph (1) of this subsection, each
50 taxpayer shall be allowed a credit against the tax imposed by this chapter for qualified
51 contributions made by the taxpayer as follows:

52 (A) In the case of a single individual or a head of household, the actual amount of
53 qualified contributions made or \$5,000.00 per tax year, whichever is less;

54 (B) In the case of a married couple filing a joint return, the actual amount of qualified
55 contributions made or \$10,000.00 per tax year, whichever is less;

56 (C) Anything to the contrary contained in subparagraph (A) or (B) of this paragraph
57 notwithstanding, in the case of an individual taxpayer who is a member of a limited
58 liability company duly formed under state law, a shareholder of a Subchapter 'S'
59 corporation, or a partner in a partnership, the actual amount of qualified contributions
60 it made or \$10,000.00 per tax year, whichever is less; provided, however, that tax
61 credits pursuant to this paragraph shall only be allowed for the portion of the income
62 on which such tax was actually paid by such member of the limited liability company,
63 shareholder of a Subchapter 'S' corporation, or partner in a partnership; or

64 (D) A corporation or other entity not provided for in subparagraphs (A) through (C)
65 of this paragraph shall be allowed a credit against the tax imposed by this chapter, for
66 qualified contributions in an amount not to exceed the actual amount of qualified
67 contributions made or 75 percent of such corporation's or other entity's income tax
68 liability, whichever is less.

69 (3) Nothing in this Code section shall be construed to limit the ability of a local fire
70 rescue unit to receive gifts, grants, and other benefits from any source allowed by law;
71 provided, however, that no local fire rescue unit shall, under this Code section, accept or
72 receive more than \$3 million in contributions in any calendar year.

73 (c) The commissioner shall establish a web page on the department's public website for
74 the purpose of implementing this Code section. Such web page shall contain, at a
75 minimum:

76 (1) The application and requirements to be certified as a qualified fire rescue foundation;

77 (2) The current list of all qualified fire rescue foundations and their affiliate fire rescue
78 units;

79 (3) The total amount of tax credits remaining and available for preapproval for each year;

80 (4) A web based method for taxpayers seeking the preapproval status for contributions;
81 and

82 (5) The information received by the department from each qualified fire rescue
83 foundation pursuant to paragraph (1) of subsection (g), except for division (g)(1)(B)(iv)
84 of this Code section.

85 (d) Any qualified fire rescue foundation shall be certified by the commissioner following
86 the commissioner's receipt of a properly completed application and after the commissioner
87 has confirmed that a single local fire rescue unit has validly designated the applicant as its
88 sole fire rescue foundation. Such application shall be prescribed by the commissioner and
89 shall include an agreement by the applicant to fully comply with the terms and conditions
90 of this Code section.

91 (e)(1) Prior to making a contribution to any qualified fire rescue foundation, the taxpayer
92 shall electronically notify the department, in a manner specified by the commissioner, of
93 the total amount of contribution that such taxpayer intends to make to such qualified fire
94 rescue foundation.

95 (2) Within 30 days after receiving a request for preapproval of contributions, the
96 commissioner shall preapprove, deny, or prorate requested amounts on a first come, first
97 served basis and shall provide notice to such taxpayer and the qualified fire rescue
98 foundation of such preapproval, denial, or proration. Such notices shall not require any
99 signed release or notarized approval by the taxpayer. The preapproval of contributions
100 by the commissioner shall be based solely on the availability of tax credits subject to the
101 limits established under paragraph (1) of subsection (b) of this Code section.

102 (3) Within 60 days after receiving the preapproval notice issued by the commissioner
103 pursuant to paragraph (2) of this subsection, the taxpayer shall contribute the preapproved
104 amount to the qualified fire rescue foundation or such preapproved contribution amount
105 shall expire. The commissioner shall not include such expired amounts in determining
106 the remaining amount available under the aggregate limit for the respective calendar year.

107 (f)(1) Each qualified fire rescue foundation shall issue to each contributor a letter of
108 confirmation of contribution, which shall include the taxpayer's name, address, tax
109 identification number, the amount of the qualified contribution, the date of the qualified
110 contribution, and the total amount of the credit allowed to the taxpayer.

111 (2) In order for a taxpayer to claim the tax credit allowed under this Code section, all
112 such applicable letters as provided for in paragraph (1) of this subsection shall be attached
113 to the taxpayer's tax return. When the taxpayer files an electronic return such
114 confirmation shall only be required to be electronically attached to the return if the
115 Internal Revenue Service allows such attachments to be affixed and transmitted to the
116 department. In any such event, the taxpayer shall maintain such confirmation and such
117 confirmation shall only be made available to the commissioner upon request.

118 (3) The commissioner shall allow tax credits for any preapproved contributions made to
119 a local fire rescue foundation at the time the contributions were made if such foundation
120 was a qualified fire rescue foundation at the time of the commissioner's preapproval of
121 the contributions and the taxpayer has otherwise complied with this Code section.

122 (g)(1) Each qualified fire rescue foundation shall annually submit to the department:

123 (A) A complete copy of its IRS Form 990 and other applicable attachments, or for any
124 qualified fire rescue foundation that is not required by federal law to file an IRS
125 Form 990, such foundation shall submit to the commissioner equivalent information on
126 a form prescribed by the commissioner; and

127 (B) A report detailing the contributions received during the calendar year pursuant to
128 this Code section on a date determined by, and on a form provided by, the
129 commissioner which shall include:

130 (i) The total number and dollar value of individual contributions and tax credits
131 approved. Individual contributions shall include contributions made by those filing
132 income tax returns as a single individual or head of household and those filing joint
133 returns;

134 (ii) The total number and dollar value of corporate contributions and tax credits
135 approved;

136 (iii) The total number and dollar value of all qualified expenditures made; and

137 (iv) A list of contributors, including the dollar value of each contribution and the
138 dollar value of each approved tax credit.

139 (2) Except for the information published in accordance with paragraph (c) or (h) of this
140 Code section, all information or reports relative to this Code section that were provided
141 by qualified fire rescue foundations to the department shall be confidential taxpayer
142 information, governed by Code Sections 48-2-15, 48-7-60, and 48-7-61, whether such
143 information relates to the contributor or the qualified fire rescue foundation.

144 (h) Each qualified fire rescue foundation shall publish on its public website a copy of its
145 affiliated local fire rescue unit's prior year's annual budget containing the total amount of
146 funds received from its local governing body. If a qualified fire rescue foundation does not
147 maintain a public website, such information shall be otherwise made available by the
148 qualified fire rescue foundation to the public upon request.

149 (i)(1) A taxpayer shall not be allowed to designate or direct the taxpayer's qualified
150 contributions to any particular purpose or for the direct benefit of any particular
151 individual.

152 (2) A taxpayer that operates, owns, is affiliated with, or is a subsidiary of an association,
153 organization, or other entity that contracts directly with a qualified fire rescue foundation
154 or the local fire rescue unit that is affiliated with a qualified fire rescue foundation shall
155 not be eligible for tax credits allowed under this Code section for contributions made to
156 such qualified fire rescue foundation.

157 (3) In soliciting contributions, no person shall represent or direct that, in exchange for
158 making qualified contributions to any qualified fire rescue foundation, a taxpayer shall
159 receive any direct or particular benefit. The status as a qualified fire rescue foundation
160 shall be revoked for any fire rescue foundation determined to be in violation of this
161 paragraph and shall not be renewed for at least two years.

162 (j)(1) Qualified contributions shall only be used for qualified expenditures. Each
163 qualified fire rescue foundation shall maintain accurate and current records of all
164 expenditures of qualified contributions and provide such records to the commissioner
165 upon his or her request.

166 (2) A qualified fire rescue foundation that fails to comply with any of the requirements
167 under this Code section shall be given written notice by the department of such failure
168 to comply by certified mail and shall have 90 days from the receipt of such notice to
169 correct all deficiencies.

170 (3) Upon failure to correct all deficiencies within 90 days, the department shall revoke
171 the fire rescue foundation's status as a qualified fire rescue foundation and such entity
172 shall be immediately removed from the department's list of qualified fire rescue
173 foundations. All applications for preapproval of tax credits for contributions to such fire
174 rescue foundation under this Code section made on or after the date of such removal shall
175 be rejected.

176 (4) Each fire rescue foundation that has had its status revoked and has been delisted
177 pursuant to this Code section, shall immediately cease all expenditures of funds received
178 relative to this Code section, and shall transfer all of such funds that are not yet expended,
179 to a properly operating qualified fire rescue foundation within 30 calendar days of its
180 removal from the department's list of qualified fire rescue foundations.

181 (k)(1) No credit shall be allowed under this Code section to a taxpayer for any amount
182 of qualified contributions that were utilized as deductions or exemptions from taxable
183 income.

184 (2) In no event shall the total amount of the tax credit under this Code section for a
185 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be
186 allowed the taxpayer against the succeeding three years' tax liability. No such credit shall
187 be allowed the taxpayer against prior years' tax liability.

188 (l) The commissioner shall promulgate rules and regulations necessary to implement and
189 administer the provisions of this Code section."

190 **SECTION 3.**

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

193 **SECTION 4.**

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