

The House Committee on Ways and Means offers the following substitute to HB 425:

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 certain
4 convenience stores and skilled nursing facilities; to provide terms, conditions, and
5 procedures; to limit the tax credit and carry-forward period; to provide for an aggregate cap;
6 to provide for automatic repeal; 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 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 and has less than 10,000 square feet of
25 retail floor space.

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

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

30 (B) Any transfer switch or switches; or

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

33 (3) 'Skilled nursing facility' means an institution or a distinct part of such institution
34 which is primarily engaged in providing inpatient skilled nursing care and related services
35 for patients who require medical or nursing care or rehabilitation services for the
36 rehabilitation of injured, disabled, or sick persons.

37 (c)(1) A taxpayer shall be allowed a tax credit against the tax imposed under this article
38 for expenditures made between July 1, 2025, and December 31, 2026, for the purchase
39 and installation of emergency power generators and related components, provided that
40 any such purchase is not for the purpose of resale.

41 (2) The tax credit allowed under this Code section shall only be applied over a period of
42 five taxable years and shall not exceed \$5,000.00 for any taxable year, and no amount
43 shall be allowed or carried forward after such years.

44 (3) A taxpayer shall only be eligible for the tax credit allowed under this Code section
45 once per convenience store or skilled nursing facility owned or operated by such
46 taxpayer. No taxpayer shall be eligible for the tax credit allowed under this Code section
47 for more than five convenience stores.

48 (d) To claim a tax credit allowed pursuant to this Code section, a taxpayer shall attach to
49 such taxpayer's state tax return certification from the taxpayer that the requirements of this
50 Code section have been met and any other information required by the commissioner.

51 (e)(1) Any tax credit allowed pursuant to this Code section shall be claimed on the
52 taxpayer's 2026 tax return.

53 (2) In no event shall the aggregate amount of tax credits allowed under this Code section
54 exceed \$5 million.

55 (3) In no event shall the total amount of any tax credit allowed under this Code section
56 for a taxable year exceed the taxpayer's income tax liability. No such tax credit shall be
57 allowed the taxpayer against prior years' tax liability. Except as provided in
58 subsection (c) of this Code section, no amount of the tax credit shall be allowed to be
59 carried forward to apply to the taxpayer's succeeding years' tax liability.

60 (f) A taxpayer seeking to claim a tax credit pursuant to this Code section shall submit an
61 application to the department for preapproval of such tax credit, in the manner specified
62 by the department. The department shall preapprove the tax credits within 30 days based
63 on the order in which properly completed applications were submitted. In the event that
64 two or more applications were submitted on the same day and the amount of funds
65 available will not be sufficient to fully fund the tax credits requested, the commissioner
66 shall prorate the available funds between or among the applicants.

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

69 (h) This Code section shall stand repealed on December 31, 2031."

70

SECTION 2.

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