

House Bill 628

By: Representatives Camp of the 135th, Crowe of the 118th, Lumsden of the 12th, and Wiedower of the 121st

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 for income taxes, so as to
3 revise an income tax credit for contributions to law enforcement foundations; to increase the
4 annual amount of contributions allowed; to extend the sunset date; to provide for procedures;
5 to provide for related matters; to provide for an effective date and applicability; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
10 imposition, rate, computation, exemptions, and credits for income taxes is amended in Code
11 Section 48-7-29.25, relating to income tax credits for contributions to law enforcement
12 foundations, by revising subsections (b) and (e) as follows:

13 "(b)(1) The aggregate amount of tax credits allowed under this Code section shall not
14 exceed \$75 million per calendar year. Each qualified law enforcement foundation shall
15 be limited to accepting ~~\$3~~ \$5 million per year of contributions made under this Code
16 section.

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17 (2) Subject to the aggregate limit provided in paragraph (1) of this subsection, for taxable
 18 years beginning on or after January 1, 2023, and ending on or before December 31, ~~2027~~
 19 2032, each taxpayer shall be allowed a credit against the tax imposed by this chapter for
 20 qualified contributions made by the taxpayer as follows:

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

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

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

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

38 (3) Nothing in this Code section shall be construed to limit the ability of a local law
 39 enforcement unit to receive gifts, grants, and other benefits from any source allowed by
 40 law; provided, however, that no local law enforcement unit shall, under this Code section,
 41 accept or receive more than ~~\$3~~ \$5 million in contributions in any calendar year."

42 "(e)(1) Prior to making a contribution to any qualified law enforcement foundation, the
 43 taxpayer shall request preapproval by electronically ~~notify~~ notifying the department, in

44 a manner specified by the commissioner, of the total amount of contribution that such
45 taxpayer intends to make to such qualified law enforcement foundation.

46 (2) Within 30 days after receiving a request for preapproval of contributions, the
47 commissioner shall preapprove, deny, or prorate requested amounts on a first come, first
48 served basis and shall provide notice to such taxpayer and the qualified law enforcement
49 foundation of such preapproval, denial, or proration. Such notices shall not require any
50 signed release or notarized approval by the taxpayer. The preapproval of contributions
51 by the commissioner shall be based ~~solely~~ on the availability of tax credits subject to the
52 limits established under paragraph (1) of subsection (b) of this Code section.

53 (3) Within 60 days after receiving the preapproval notice issued by the commissioner
54 pursuant to paragraph (2) of this subsection, the taxpayer shall contribute the preapproved
55 amount to the qualified law enforcement foundation or such preapproved contribution
56 amount shall expire. The commissioner shall not include such expired amounts in
57 determining the remaining ~~amount~~ amounts available under the ~~aggregate limit~~ limits
58 provided in paragraph (1) of subsection (b) of this Code section for the respective
59 calendar year."

60 **SECTION 2.**

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

63 **SECTION 3.**

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