

House Bill 1001

By: Representatives Wade of the 9<sup>th</sup>, Gambill of the 15<sup>th</sup>, Seabaugh of the 34<sup>th</sup>, Hong of the 103<sup>rd</sup>, Blackmon of the 146<sup>th</sup>, 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 the imposition, rate, computation, exemptions, and credits relative to income  
3 taxes, so as to reduce the rate of the tax; to provide for related matters; to provide for an  
4 effective date and applicability; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the  
8 imposition, rate, computation, exemptions, and credits relative to income taxes, is amended  
9 by revising subsection (a.1) of Code Section 48-7-20, relating to individual tax rates, credit  
10 for withholding and other payments, and applicability to estates and trusts, as follows:

11 ~~"(a.1)(1) On and after January 1, 2025~~ 2026, the tax imposed pursuant to subsection (a)  
12 of this Code section shall be ~~5.19~~ 4.99 percent for taxable years beginning on or after  
13 January 1, ~~2025~~ 2026; ~~provided, however, that such rate shall be reduced by 0.10 percent~~  
14 ~~annually beginning on January 1, 2026, until the rate reaches 4.99 percent, provided that~~  
15 ~~such annual reductions in the tax rate shall be subject to delays as provided in~~  
16 ~~paragraph (2) of this subsection.~~

H. B. 1001

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, 2026, and shall apply 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.