

Senate Bill 453

By: Senators Summers of the 13th, Goodman of the 8th, Watson of the 11th, Strickland of the 42nd, Hickman of the 4th and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to  
2 computation of taxable net income, so as to exempt from taxation all income received by  
3 certain rural residents; to provide for methods of proving residence; to provide for penalties;  
4 to provide for rules and regulations; to provide for related matters; to provide a short title;  
5 to provide for an effective date and applicability; to repeal conflicting laws; and for other  
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Rural Incentive Act."

10 **SECTION 2.**

11 Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of  
12 taxable net income, is amended in subsection (a) by striking "and" at the end of paragraph  
13 (14), by replacing the period at the end of paragraph (15) with "; and", and by adding a new  
14 paragraph to read as follows:

S. B. 453

15 “(16)(A) All income received by a resident of a rural county, as such term is defined  
16 in Code Section 48-7-40.17, between 16 and 35 years of age.

17 (B) The residence of any taxpayer shall be held to be in that place in which such  
18 taxpayer's habitation is fixed, without any present intention of removing therefrom.

19 (C) The department shall require any taxpayer seeking to claim the deduction  
20 authorized under subparagraph (A) of this paragraph to submit proof of residence for  
21 each taxable year in which the deduction is sought. Such proof shall include one or  
22 more of the following items issued during the taxable year in which the deduction is  
23 sought:

24 (i) Property documents, including mortgage statements, property tax bills, and lease  
25 agreements;

26 (ii) Utility bills, including electricity, water, and gas bills; or

27 (iii) Financial statements, including bank statements and pay stubs.

28 (D) Any taxpayer who files documents required under subparagraph (C) of this  
29 paragraph knowing that such documents are false or contain materially false, fictitious,  
30 or fraudulent statements or representations shall be subject to the penalties provided in  
31 subsection (c) of Code Section 16-10-20.1.

32 (E) The department is authorized to adopt rules and regulations to provide for the  
33 administration of the tax credit provided by this paragraph.”

34 **SECTION 3.**

35 This Act shall become effective on July 1, 2026, and shall be applicable to all taxable years  
36 beginning on or after January 1, 2027.

37 **SECTION 4.**

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