

Senate Bill 59

By: Senators Watson of the 11th, Hickman of the 4th, Goodman of the 8th, Anderson of the 24th, Summers of the 13th and others

AS PASSED

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 revise the
3 aggregate cap and application process for tax credits for timber producers incurring losses
4 from Hurricane Helene; to provide for related matters; to provide for an effective date and
5 applicability; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
9 imposition, rate, computation, exemptions, and credits, is amended in Code
10 Section 48-7-40.37, relating to tax credits for timber producers incurring losses from
11 Hurricane Helene, by revising subsections (c) through (f) as follows:
12 "(c)(1) A taxpayer shall be allowed tax credits against the tax imposed by this article in
13 an amount equal to 100 percent of such taxpayer's timber casualty loss; provided,
14 however, that the credit amount shall not exceed the number of the taxpayer's affected
15 acres of eligible timber property in such disaster areas multiplied by \$550.00.

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16 (2) To be allowed such tax credits, a taxpayer shall submit an application for preapproval
17 of such credits based on timber casualty losses incurred by such taxpayer by
18 December 31, 2025; provided, however, that preapproval shall not be required for
19 applications received on or after January 1, 2026.

20 (d)(1) The commissioner shall require preapproval applications to contain such
21 information as is necessary to substantiate a taxpayer's eligibility for tax credits allowed
22 pursuant to this Code section.

23 (2) The commissioner is authorized to require electronic submission of preapproval
24 applications in the manner specified by the commissioner.

25 (3) The commissioner shall review completed preapproval applications in the order in
26 which such applications were submitted and shall provide notice to each taxpayer that
27 submitted an application within 30 days of receipt stating whether such taxpayer's
28 application is complete or incomplete.

29 (4) In no event shall the commissioner preapprove tax credits pursuant to this Code
30 section in an amount that exceeds ~~\$200~~ \$250 million in aggregate.

31 (5) In the event that properly completed and timely submitted preapproval applications
32 are submitted for an amount that exceeds the amount of funds available to fully fund the
33 tax credits requested, the commissioner shall prorate the available funds between or
34 among the applicants.

35 (6) The commissioner shall approve properly completed and timely submitted
36 preapproval applications and issue a preapproval certificate to the taxpayer by
37 January 31, 2026, certifying the amount of credits such taxpayer is eligible to claim if the
38 taxpayer meets the conditions of this Code section.

39 (e) In no event shall the amount of the tax credits allowed pursuant to this Code section
40 exceed ~~\$200~~ \$250 million in aggregate.

41 (f)(1)(A)(i) Except as otherwise provided in division (ii) of this subparagraph, tax
42 Tax credits allowed pursuant to this Code section shall be eligible to be claimed only
43 by the taxpayer to which the commissioner issued a preapproval certificate.

44 (ii) On and after January 1, 2026, tax credits allowed pursuant to this Code section
45 shall be eligible to be claimed by taxpayers without the issuance of a preapproval
46 certificate up to the maximum aggregate provided for in subsection (e) of this Code
47 section in order of receipt of applications by the commissioner, and the commissioner
48 shall:

49 (I) Begin accepting such applications no later than July 1, 2026; and

50 (II) Within 45 days of submission of an application by each taxpayer, provide
51 notice to such taxpayer of acceptance or rejection of such application.

52 (B) Tax credits allowed pursuant to this Code section shall only be claimed in the
53 taxable year in which the taxpayer first completes:

54 (i) The restoration of each acre for which timber casualty losses were incurred to a
55 condition that has an adequately stocked stand that is expected to result in forest
56 products or ecological services in the foreseeable future; or

57 (ii) The replanting of timber in a quantity projected to yield at maturity at least 90
58 percent of the value of the timber casualty loss claimed. Such timber shall be planted
59 within the same county in which the eligible timber property was being grown when
60 the timber casualty loss was incurred. Timber market conditions as of
61 September 25, 2024, shall be used for the purposes of establishing projected value.

62 (2) To claim tax credits allowed pursuant to this Code section, a taxpayer shall attach to
63 such taxpayer's state tax return certification from the taxpayer that the requirements of
64 this Code section have been met and any other information required by the commissioner,
65 including information which demonstrates that it has completed the restoration or
66 replanting of timber required pursuant to paragraph (1) of this subsection.

67 (3) Any tax credits allowed pursuant to this Code section shall be claimed on or before
68 December 31, 2030."

69 **SECTION 2.**

70 This Act shall become effective upon its approval by the Governor or upon its becoming law
71 without such approval, and shall be applicable to all taxable years beginning on or after
72 January 1, 2026.

73 **SECTION 3.**

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