

House Bill 519 (AS PASSED HOUSE AND SENATE)

By: Representatives Stephens of the 164<sup>th</sup>, Mathis of the 133<sup>rd</sup>, Reeves of the 99<sup>th</sup>, and Williams of the 148<sup>th</sup>

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, exemption, and credits, so as to provide that the  
3 amount of the federal work opportunity credit claimed by a taxpayer shall also be allowed  
4 as a tax credit against state income taxes; to provide for conditions, eligibility, limitations,  
5 and recaptures; to provide for definitions; to provide for rules and regulations; to provide for  
6 automatic repeal; to provide for related matters; to provide for an effective date and  
7 applicability; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to  
11 imposition, rate, computation, exemption, and credits, is amended by adding a new Code  
12 section to read as follows:

13 "48-7-29.27.

14 (a) As used in this Code section, the term:

15 (1) 'Federal work opportunity tax credit' means the work opportunity credit allowed  
16 under Section 51 of the Internal Revenue Code.

17 (2) 'Qualified wages' shall have the same meaning as provided in Section 51 of the  
18 Internal Revenue Code.

19 (3) 'Targeted group' shall have the same meaning as provided in the Internal Revenue  
20 Code.

21 (b)(1) A taxpayer subject to tax under this article shall be allowed a credit against such  
22 tax in an amount equal to 100 percent of the tax credit allowed to such taxpayer under  
23 Section 51 of the Internal Revenue Code attributable to qualified wages paid to a Georgia  
24 resident who is a member of a targeted group and to whom a certificate to that effect has  
25 been issued by the United States Department of Labor.

26 (2) Such credit shall not exceed \$500.00 per eligible employee per year in any given tax  
27 year.

28 (c) To claim a tax credit allowed by this Code section, the taxpayer shall provide any  
29 information required by the department. Each taxpayer claiming a tax credit under this  
30 Code section shall maintain and make available for inspection by the department any  
31 records that the department deems necessary to determine the amount of the tax credit to  
32 which the taxpayer is entitled. The burden of proving eligibility for a tax credit allowed  
33 by this Code section and the amount of such tax credit rests upon the taxpayer, and no such  
34 credit shall be allowed to a taxpayer that fails to maintain adequate records or to make such  
35 records available for inspection.

36 (d)(1) If, after the inspection of records as provided for in subsection (c) of this Code  
37 section, the department determines that all or a portion of any federal work opportunity  
38 tax credit taken should be recaptured from a taxpayer, the department shall recapture a  
39 proportionate amount of the corresponding tax credit allowed to such taxpayer under this  
40 Code section.

41 (2) In the event that the recapture of any tax credit allowed under this Code section is  
42 required, any amended return submitted to the department as provided in subsection (c)  
43 of this Code section shall include the proportion of the state tax credit required to be

44 recaptured, the identity of each taxpayer subject to the recapture, and the amount of tax  
45 credit previously allocated to such taxpayer.

46 (e) In no event shall the:

47 (1) Amount of the tax credit allowed under this Code section for a taxable year exceed  
48 a taxpayer's income tax liability for such year;

49 (2) Tax credit provided for in this Code section be allowed to a taxpayer against any  
50 succeeding or prior year's tax liability; or

51 (3) Aggregate limit of tax credits allowed under this Code section for any year exceed  
52 \$10 million.

53 (f) The commissioner is authorized to promulgate any rules and regulations necessary to  
54 implement and administer this Code section.

55 (g) This Code section shall stand repealed on December 31, 2030."

56 **SECTION 2.**

57 This Act shall become effective on January 1, 2026, and shall be applicable to all taxable  
58 years beginning on or after January 1, 2026.

59 **SECTION 3.**

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