

House Bill 1181 (AS PASSED HOUSE AND SENATE)

By: Representatives Martin of the 49<sup>th</sup>, Blackmon of the 146<sup>th</sup>, Williamson of the 112<sup>th</sup>, and Buckner of the 137<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to  
2 income taxes, so as to limit the carry-forward periods of certain income tax credits; to  
3 provide for expirations of certain credits; to reduce the carry-forward periods for certain  
4 credits; to provide for sunset dates for certain credits; to amend Code Sections 3-6-70,  
5 33-8-13, 48-5C-1, 48-8-3, and 48-11-2 of the Official Code of Georgia Annotated, relating  
6 to exemptions from excise tax on wine, exemption of certain insurance companies from  
7 taxes, definitions, exemption from taxation, allocation and disbursement of proceeds  
8 collected by tag agents, fair market value of vehicle appealable, and report relative to  
9 alternative ad valorem tax on motor vehicles, state sales and use tax exemptions, and excise  
10 tax imposed, rates for tobacco and vaping products, exemptions, collection and payment, and  
11 tax separately identified, respectively, so as to provide for sunset dates; to provide for related  
12 matters; to provide for an effective date and applicability; to repeal conflicting laws; and for  
13 other purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**PART I****SECTION 1-1.**

17 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,  
18 is amended by revising subsection (b) of Code Section 48-7-29.4, relating to tax credits for  
19 disaster assistance funds received, as follows:

20 "(b) In no event shall the total amount of the tax credit under this Code section for a  
21 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be  
22 allowed the taxpayer against no more than three succeeding years' tax liability. No such  
23 credit shall be allowed the taxpayer against prior years' tax liability."

**SECTION 1-2.**

24 Said chapter is further amended by revising subsection (a) of Code Section 48-7-29.7,  
25 relating to tax credits for depository financial institutions, as follows:

27 "(a) There shall be a dollar-for-dollar credit against the state income tax liability of  
28 depository financial institutions which shall be equal to the amount of taxes, if any, paid  
29 by such taxpayers pursuant to Code ~~Section~~ Sections 48-6-93 and ~~Code Section~~ 48-6-95.  
30 If the liability of any such institutions under the taxes authorized by Code ~~Section~~ Sections  
31 48-6-93 and ~~Code Section~~ 48-6-95 exceeds the income tax liability of such institution for  
32 any year, the amount of any unused credit under this Code section may be credited over a  
33 period of five years from the tax year in which the unused credit arose. If the assets of an  
34 institution are acquired by another institution in a transaction described in Section 381(a)  
35 of the Internal Revenue Code of 1986, the acquiring institution shall succeed to and take  
36 into account any unused credit of the distributor or transferor institution. If a depository  
37 financial institution has elected Subchapter 'S' status pursuant to the conditions specified  
38 in subparagraph (b)(7)(B) of Code Section 48-7-21, the credits authorized by this  
39 subsection may be passed through on a pro rata basis to the institution's shareholders. If

40 the amount of any such pro rata credit exceeds a shareholder's individual income tax  
41 liability, then such unused credit may be credited over a period of ~~five~~ three years from the  
42 tax year in which the unused credit arose. No such credit shall be allowed the taxpayer  
43 against prior years' tax liability."

44 **SECTION 1-3.**

45 Said chapter is further amended by revising subsection (d) of Code Section 48-7-29.9,  
46 relating to tax credits for qualified life insurance premiums for National Guard and Air  
47 National Guard members, as follows:

48 "(d) In no event shall the total amount of the tax credit under this Code section for a  
49 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be  
50 allowed the taxpayer against no more than three succeeding years' tax liability. No such  
51 credit shall be allowed the taxpayer against prior years' tax liability."

52 **SECTION 1-4.**

53 Said chapter is further amended by revising paragraph (1) of subsection (d) of Code Section  
54 48-7-29.12, relating to tax credits for qualified donation of real property, as follows:

55 "(d)(1) In no event shall the total amount of any tax credit under this Code section for a  
56 taxable year exceed the taxpayer's income tax liability. In no event shall the total amount  
57 of the tax credit allowed to a taxpayer under subsection (b) of this Code section exceed  
58 \$250,000.00 with respect to tax liability determined under Code Section 48-7-20 or  
59 \$500,000.00 with respect to tax liability determined under Code Section 48-7-21. Any  
60 unused tax credit shall be allowed to be carried forward to apply to the taxpayer's  
61 succeeding ~~ten~~ five years' tax liability. However, the amount in excess of such annual  
62 dollar limits shall not be eligible for carryover to the taxpayer's succeeding years' tax  
63 liability nor shall such excess amount be claimed by or reallocated to any other taxpayer.  
64 No such tax credit shall be allowed the taxpayer against prior years' tax liability."

65 **SECTION 1-5.**

66 Said chapter is further amended by revising subsection (c) of Code Section 48-7-29.13,  
67 relating to tax credits for qualified health insurance expenses, as follows:

68 "(c) In no event shall the total amount of the tax credit under this Code section for a  
69 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be  
70 allowed the taxpayer against no more than three succeeding years' tax liability. No such  
71 credit shall be allowed the taxpayer against prior years' tax liability."

72 **SECTION 1-6.**

73 Said chapter is further amended by revising subparagraph (b)(6)(B) of Code Section  
74 48-7-29.14, relating to tax credits for clean energy property, as follows:

75 "(B) In no event shall the total amount of the tax credit under paragraph (2) of  
76 subsection (b) of this Code section for a taxable year exceed the taxpayer's income tax  
77 liability. Any unused tax credit shall be allowed the taxpayer against no more than  
78 three succeeding years' tax liability. No such credit shall be allowed the taxpayer  
79 against prior years' tax liability."

80 **SECTION 1-7.**

81 Said chapter is further amended by revising subsection (e) of Code Section 48-7-29.16,  
82 relating to tax credits for contributions to student scholarship organizations, as follows:

83 "(e) In no event shall the total amount of the tax credit allowed to any taxpayer or business  
84 enterprise under this Code section for a taxable year exceed such taxpayer's income tax  
85 liability or such business enterprise's state insurance premium tax liability owed pursuant  
86 to Code Section 33-8-4, provided that any unused tax credit shall be allowed the taxpayer  
87 or business enterprise against up to its succeeding ~~five~~ three years' tax liability. No such  
88 credit shall be allowed the taxpayer or business enterprise against prior years' tax liability."

89 **SECTION 1-8.**

90 Said chapter is further amended by revising subsection (c) of Code Section 48-7-29.17,  
91 relating to a tax credit for the purchase of one eligible single-family residence, as follows:

92 "(c) The amount of the tax credit under subsection (b) of this Code section which may be  
93 claimed and allowed in a single tax year shall not exceed the taxpayer's income tax liability  
94 or one-third of the total amount of the credit allowed under subsection (b) of this Code  
95 section, whichever is less. Any excess or unused tax credit amount shall be carried forward  
96 to apply to ~~the taxpayer's~~ no more than three succeeding years' tax liability. No such tax  
97 credit shall be allowed the taxpayer against prior years' tax liability."

98 **SECTION 1-9.**

99 Said chapter is further amended by revising subsection (e) of Code Section 48-7-29.21,  
100 relating to tax credits for qualified education donations for the purpose of awarding grants  
101 to public schools, as follows:

102 "(e) In no event shall the total amount of the tax credit under this Code section for a  
103 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be  
104 allowed the taxpayer against the succeeding ~~five~~ three years' tax liability. No such credit  
105 shall be allowed the taxpayer against prior years' tax liability."

106 **SECTION 1-10.**

107 Said chapter is further amended by revising paragraph (2) of subsection (k) of Code Section  
108 48-7-29.24, relating to tax credits for contributions to foster child support organizations, as  
109 follows:

110 "(2) In no event shall the total amount of the tax credit under this Code section for a  
111 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be  
112 allowed the taxpayer against the succeeding ~~five~~ three years' tax liability. No such credit  
113 shall be allowed the taxpayer against prior years' tax liability."

114 **SECTION 1-11.**

115 Said chapter is further amended by revising paragraph (2) of subsection (k) of Code Section  
116 48-7-29.25, relating to tax credits for contributions to law enforcement foundations, as  
117 follows:

118 "(2) In no event shall the total amount of the tax credit under this Code section for a  
119 taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be  
120 allowed the taxpayer against the succeeding ~~five~~ three years' tax liability. No such credit  
121 shall be allowed the taxpayer against prior years' tax liability."

122 **SECTION 1-12.**

123 Said chapter is further amended by revising subsection (h) of Code Section 48-7-40, relating  
124 to designation of counties as less developed areas and tax credits for certain business  
125 enterprises, as follows:

126 "(h) Any credit claimed under this Code section but not used in any taxable year may be  
127 carried forward for ~~ten~~ five years from the close of the taxable year in which the qualified  
128 jobs were established, subject to forfeiture as provided in paragraph (1) of subsection (e)  
129 of this Code section, but in tiers 3 and 4 the credit established by this Code section taken  
130 in any one taxable year shall be limited to an amount not greater than 50 percent of the  
131 taxpayer's state income tax liability which is attributable to income derived from operations  
132 in this state for that taxable year. In tier 1 and 2 counties, the credit allowed under this  
133 Code section against taxes imposed under this article in any taxable year shall be limited  
134 to an amount not greater than 100 percent of the taxpayer's state income tax liability  
135 attributable to income derived from operations in this state for such taxable year."

136 **SECTION 1-13.**

137 Said chapter is further amended by revising subsection (h) of Code Section 48-7-40.1,  
138 relating to tax credits for business enterprises in less developed areas, as follows:

139 "(h) Any credit claimed under this Code section but not used in any taxable year may be  
140 carried forward for ~~ten~~ five years from the close of the taxable year in which the qualified  
141 jobs were established, subject to forfeiture as provided in subsection (e) of this Code  
142 section, but the credit established by this Code section taken in any one taxable year shall  
143 be limited to an amount not greater than 100 percent of the taxpayer's state income tax  
144 liability which is attributable to income derived from operations in this state for that taxable  
145 year."

146 **SECTION 1-14.**

147 Said chapter is further amended by revising paragraph (2) of subsection (c) of Code Section  
148 48-7-40.1A, relating to additional job tax credits for manufacturers of personal protective  
149 equipment, as follows:

150 "(2) Any tax credit claimed under subsection (b) of this Code section, but not used in any  
151 taxable year, may be carried forward for ~~ten~~ five years from the close of the taxable year  
152 in which the qualified jobs were established."

153 **SECTION 1-15.**

154 Said chapter is further amended by revising paragraph (1) of subsection (c) of Code Section  
155 48-7-40.1B, relating to tax credits for jobs created by manufacturers of medical equipment,  
156 medical supplies, pharmaceuticals, or medicine, as follows:

157 "(1) Any tax credit claimed under subsection (b) of this Code section but not used in any  
158 taxable year may be carried forward for ~~ten~~ five years from the close of the taxable year  
159 in which the qualified jobs were established; and"

160 **SECTION 1-16.**

161 Said chapter is further amended by revising subparagraph (c)(2)(A) of Code Section  
162 48-7-40.2, relating to tax credits for existing manufacturing and telecommunications facilities  
163 in tier 1 counties, as follows:

164 "(2)(A) Any credit claimed under this Code section but not used in any taxable year  
165 may be carried forward for ~~ten~~ five years from the close of the taxable year in which  
166 the qualified investment property was acquired, provided that such qualified investment  
167 property remains in service."

168 **SECTION 1-17.**

169 Said chapter is further amended by revising subparagraph (c)(2)(A) of Code Section  
170 48-7-40.3, relating to tax credits for existing manufacturing and telecommunications facilities  
171 in tier 2 counties, as follows:

172 "(2)(A) Any credit claimed under this Code section but not used in any taxable year  
173 may be carried forward for ~~ten~~ five years from the close of the taxable year in which  
174 the qualified investment property was acquired, provided that such qualified investment  
175 property remains in service."

176 **SECTION 1-18.**

177 Said chapter is further amended by revising paragraph (2) of subsection (c) of Code Section  
178 48-7-40.4, relating to tax credits for existing manufacturing and telecommunications facilities  
179 in tier 3 or 4 counties, as follows:

180 "(2) Any credit claimed under this Code section but not used in any taxable year may be  
181 carried forward for ~~ten~~ five years from the close of the taxable year in which the qualified  
182 investment property was acquired, provided that such qualified investment property  
183 remains in service. The credit established by this Code section taken in any one taxable  
184 year shall be limited to an amount not greater than 50 percent of the taxpayer's state



185 income tax liability which is attributable to income derived from operations in this state  
186 for that taxable year. The sale, merger, acquisition, or bankruptcy of any taxpayer shall  
187 not create new eligibility in any succeeding taxpayer, but any unused credit may be  
188 transferred and continued by any transferee of the taxpayer;"

189 **SECTION 1-19.**

190 Said chapter is further amended by revising subsection (c) of Code Section 48-7-40.5,  
191 relating to tax credits for employers providing approved retraining programs, as follows:

192 "(c) Any tax credit claimed under this Code section for any taxable year beginning on or  
193 after January 1, 1998, but not used for any such taxable year may be carried forward for  
194 ~~ten~~ five years from the close of the taxable year in which the tax credit was granted. The  
195 tax credit granted to any employer pursuant to this Code section shall not exceed 50 percent  
196 of the amount of the taxpayer's income tax liability for the taxable year as computed  
197 without regard to this Code section. Notwithstanding Code Section 48-2-35, any tax credit  
198 claimed under this Code section shall be claimed within one year of the earlier of the date  
199 the original return was filed or the date such return was due as prescribed in subsection (a)  
200 of Code Section 48-7-56, including any approved extensions."

201 **SECTION 1-20.**

202 Said chapter is further amended by revising subsection (b) of Code Section 48-7-40.7,  
203 relating to optional tax credits for existing manufacturing and telecommunications facilities  
204 in tier 1 counties, as follows:

205 "(b) In the case of a taxpayer which has operated for the immediately preceding three years  
206 an existing manufacturing or telecommunications facility or manufacturing or  
207 telecommunications support facility and which first places in service during a taxable year  
208 qualified investment property in this state in a tier 1 county designated pursuant to Code  
209 Section 48-7-40, there shall be allowed an optional credit against the tax imposed under

210 this article for the ensuing ~~ten~~ five taxable years following the taxable year the qualified  
211 investment property was first placed in service, provided that such qualified investment  
212 property remains in service. Such optional credit shall be at the irrevocable election of the  
213 taxpayer and shall be in lieu of the credit under Code Section 48-7-40.2. No taxpayer who  
214 claims the credit under Code Section 48-7-40.2 for any taxable year for a given project  
215 shall be eligible to receive the credit under this Code section with respect to the same  
216 project for any taxable year. The aggregate amount of the credit allowed under this Code  
217 section shall equal 10 percent of the cost of all qualified investment property purchased or  
218 acquired by the taxpayer and first placed in service during a taxable year. The annual  
219 amount of such credit shall be computed as follows:

220 (1) The taxable year in which such qualified investment property is first placed in service  
221 shall be the base year for purposes of calculating the credit provided for by this Code  
222 section;

223 (2) The amount of tax owed by the taxpayer for the base year and for each of the two  
224 immediately preceding taxable years shall be determined without regard to any credits  
225 and shall be added together and divided by three. The resulting figure shall be the base  
226 year average; and

227 (3) The credit available to the taxpayer to apply against the tax liability of any year  
228 following the base year but no later than the ~~tenth~~ fifth year shall be the lesser of the  
229 following amounts:

230 (A) Ninety percent of the excess of the tax of the applicable year determined without  
231 regard to any credits over the base year average; or

232 (B) The excess of the aggregate amount of the credit allowed for the qualified  
233 investment property over the sum of the amounts of credit already used in the years  
234 following the base year."

235 **SECTION 1-21.**

236 Said chapter is further amended by revising subsection (b) of Code Section 48-7-40.8,  
237 relating to optional tax credits for existing manufacturing and telecommunications facilities  
238 in tier 2 counties, as follows:

239 "(b) In the case of a taxpayer which has operated for the immediately preceding three years  
240 an existing manufacturing or telecommunications facility or manufacturing or  
241 telecommunications support facility and which first places in service during a taxable year  
242 qualified investment property in this state in a tier 2 county designated pursuant to Code  
243 Section 48-7-40, there shall be allowed an optional credit against the tax imposed under  
244 this article for the ensuing ~~ten~~ five taxable years following the taxable year the qualified  
245 investment property was first placed in service, provided that such qualified investment  
246 property remains in service. Such optional credit shall be at the irrevocable election of the  
247 taxpayer and shall be in lieu of the credit under Code Section 48-7-40.3. No taxpayer who  
248 claims the credit under Code Section 48-7-40.3 for any taxable year for a given project  
249 shall be eligible to receive the credit under this Code section with respect to the same  
250 project for any taxable year. The aggregate amount of the credit allowed under this Code  
251 section shall equal 8 percent of the cost of all qualified investment property purchased or  
252 acquired by the taxpayer and first placed in service during a taxable year. The annual  
253 amount of such credit shall be computed as follows:

254 (1) The taxable year in which such qualified investment property is first placed in service  
255 shall be the base year for purposes of calculating the credit provided for by this Code  
256 section;

257 (2) The amount of tax owed by the taxpayer for the base year and for each of the two  
258 immediately preceding taxable years shall be determined without regard to any credits  
259 and shall be added together and divided by three. The resulting figure shall be the base  
260 year average; and

261 (3) The credit available to the taxpayer to apply against the tax liability of any year  
262 following the base year but no later than the ~~tenth~~ fifth year shall be the lesser of the  
263 following amounts:

264 (A) Ninety percent of the excess of the tax of the applicable year determined without  
265 regard to any credits over the base year average; or

266 (B) The excess of the aggregate amount of the credit allowed for the qualified  
267 investment property over the sum of the amounts of credit already used in the years  
268 following the base year."

269 **SECTION 1-22.**

270 Said chapter is further amended by revising subsection (b) of Code Section 48-7-40.9,  
271 relating to optional tax credits for existing manufacturing and telecommunications facilities  
272 in tier 3 or 4 counties, as follows:

273 "(b) In the case of a taxpayer which has operated for the immediately preceding three years  
274 an existing manufacturing or telecommunications facility or manufacturing or  
275 telecommunications support facility and which first places in service during a taxable year  
276 qualified investment property in this state in a tier 3 or a tier 4 county designated pursuant  
277 to Code Section 48-7-40, there shall be allowed an optional credit against the tax imposed  
278 under this article for the ensuing ~~ten~~ five taxable years following the taxable year the  
279 qualified investment property was first placed in service, provided that such qualified  
280 investment property remains in service. Such optional credit shall be at the irrevocable  
281 election of the taxpayer and shall be in lieu of the credit under Code Section 48-7-40.4. No  
282 taxpayer who claims the credit under Code Section 48-7-40.4 for any taxable year for a  
283 given project shall be eligible to receive the credit under this Code section with respect to  
284 the same project for any taxable year. The aggregate amount of the credit allowed under  
285 this Code section shall equal 6 percent of the cost of all qualified investment property

286 purchased or acquired by the taxpayer and first placed in service during a taxable year. The  
287 annual amount of such credit shall be computed as follows:

288 (1) The taxable year in which such qualified investment property is first placed in service  
289 shall be the base year for purposes of calculating the credit provided for by this Code  
290 section;

291 (2) The amount of tax owed by the taxpayer for the base year and for each of the two  
292 immediately preceding taxable years shall be determined without regard to any credits  
293 and shall be added together and divided by three. The resulting figure shall be the base  
294 year average; and

295 (3) The credit available to the taxpayer to apply against the tax liability of any year  
296 following the base year but no later than the ~~tenth~~ fifth year shall be the lesser of the  
297 following amounts:

298 (A) Ninety percent of the excess of the tax of the applicable year determined without  
299 regard to any credits over the base year average; or

300 (B) The excess of the aggregate amount of the credit allowed for the qualified  
301 investment property over the sum of the amounts of credit already used in the years  
302 following the base year."

303 **SECTION 1-23.**

304 Said chapter is further amended by revising subsection (d) of Code Section 48-7-40.12,  
305 relating to tax credits for qualified research expenses, as follows:

306 "(d) Any unused credit claimed under this Code section may be carried forward ~~ten~~ five  
307 years from the close of the taxable year in which the qualified research expenses were  
308 made. The credit taken in any one taxable year shall not exceed 50 percent of the business  
309 enterprise's remaining Georgia net income tax liability after all other credits have been  
310 applied."

311 **SECTION 1-24.**

312 Said chapter is further amended by revising paragraphs (2) and (3) of subsection (e) of Code  
313 Section 48-7-40.15, relating to alternative tax credits for base year port traffic increases, as  
314 follows:

315 "(2)(A) Any tax credit claimed under subsection (b) of this Code section but not used  
316 in any taxable year may be carried forward for ~~ten~~ five years from the close of the  
317 taxable year in which the qualified jobs were established, provided that the increase in  
318 port traffic remains above the minimum levels established in Code Section 48-7-40 or  
319 48-7-40.1 and this Code section, respectively.

320 (B) Any tax credit claimed under subsection (c) of this Code section in lieu of Code  
321 Section 48-7-40.2, 48-7-40.3, or 48-7-40.4 but not used in any taxable year may be  
322 carried forward for ~~ten~~ five years from the close of the taxable year in which the  
323 qualified investment property was acquired, provided that the increase in port traffic  
324 remains above the minimum level established in this Code section and the qualified  
325 investment property remains in service.

326 (3)(A) Any tax credit claimed under subsection (c) of this Code section in lieu of Code  
327 Section 48-7-40.7, 48-7-40.8, or 48-7-40.9 shall be allowed for the ensuing ~~ten~~ five  
328 taxable years following the taxable year the qualified investment property was first  
329 placed in service, provided that the increase in port traffic remains above the minimum  
330 level established in this Code section and the qualified investment property remains in  
331 service.

332 (B) The tax credit established by this Code section in lieu of Code Section 48-7-40.2,  
333 48-7-40.3, or 48-7-40.4 and taken in any one taxable year shall be limited to an amount  
334 not greater than 50 percent of the taxpayer's state income tax liability which is  
335 attributable to income derived from operations in this state for that taxable year.

336 (C) The tax credit established by this Code section in addition to that pursuant to Code  
337 Section 48-7-40 or 48-7-40.1 and taken in any one taxable year shall be limited to an

338 amount not greater than 50 percent of the taxpayer's state income tax liability which is  
339 attributable to income derived from operations in this state for that taxable year.

340 (D) The sale, merger, acquisition, or bankruptcy of any taxpayer shall not create new  
341 eligibility for any succeeding taxpayer, but any unused credit may be transferred and  
342 continued by any transferee of the taxpayer."

343 **SECTION 1-25.**

344 Said chapter is further amended by revising paragraph (3) of subsection (d) of Code Section  
345 48-7-40.15A, relating to increased job tax credit based on increase in port traffic, as follows:

346 "(3)(A) Any tax credit claimed under subsection (b) of this Code section but not used  
347 in any taxable year may be carried forward for ~~ten~~ five years from the close of the  
348 taxable year in which the qualified jobs were established, provided that the increase in  
349 port traffic remains above the minimum levels established in Code Section 48-7-40 and  
350 this Code section, respectively.

351 (B) The tax credit established by this Code section in lieu of Code Section 48-7-40.2,  
352 48-7-40.3, or 48-7-40.4 and taken in any one taxable year shall be limited to an amount  
353 not greater than 50 percent of the taxpayer's state income tax liability which is  
354 attributable to income derived from operations in this state for that taxable year.

355 (C) The tax credit established by this Code section in addition to that pursuant to Code  
356 Section 48-7-40 and taken in any one taxable year shall be limited to an amount not  
357 greater than 50 percent of the taxpayer's state income tax liability which is attributable  
358 to income derived from operations in this state for that taxable year.

359 (D) The sale, merger, acquisition, or bankruptcy of any taxpayer shall not create new  
360 eligibility for any succeeding taxpayer, but any unused credit may be transferred and  
361 continued by any transferee of the taxpayer."

362 **SECTION 1-26.**

363 Said chapter is further amended by revising paragraph (4) of subsection (e) of Code Section  
364 48-7-40.16, relating to tax credits for alternative fuel, low-emission and zero-emission  
365 vehicles, and electric vehicle chargers, as follows:

366 "(4) Any credit claimed under this Code section but not used in any taxable year may be  
367 carried forward for ~~five~~ three years from the close of the taxable year in which a new  
368 clean fueled vehicle was purchased or leased or a conventionally fueled vehicle was  
369 changed into a converted vehicle, provided that the applicable certification required in  
370 paragraph (1) or (2) of this subsection accompanies any such claim;"

371 **SECTION 1-27.**

372 Said chapter is further amended by revising subsection (c) of Code Section 48-7-40.20,  
373 relating to tax credits for businesses engaged in manufacturing cigarettes for exportation,  
374 amount, and required information, as follows:

375 "(c) The credit allowed under this Code section may not exceed the lesser of \$6 million or  
376 50 percent of the amount of tax imposed by this article for the taxable year reduced by the  
377 sum of all other credits allowable, except tax payments made by or on behalf of the  
378 taxpayer. This limitation applies to the cumulative amount of the credit allowed in any tax  
379 year, including carry forwards claimed by the taxpayer under this Code section for previous  
380 tax years. Any unused portion of a credit allowed in this Code section may be carried  
381 forward for the next succeeding ~~five~~ three years."

382 **SECTION 1-28.**

383 Said chapter is further amended by revising subsection (d) of Code Section 48-7-40.22,  
384 relating to tax credits for business enterprises for leased motor vehicles, daily ridership, and  
385 implementation, as follows:



386 "(d) In no event shall the aggregate amount of the tax credit provided by this Code section  
387 exceed the income tax liability of the business enterprise. Any unused tax credit shall be  
388 allowed to be carried forward to apply to the three succeeding years' tax liability of such  
389 business enterprise. No such credit shall be allowed the business enterprise against prior  
390 years' tax liability."

391 **SECTION 1-29.**

392 Said chapter is further amended by revising paragraph (2) of subsection (e) of Code Section  
393 48-7-40.25, relating to tax credits for investment in expanding existing manufacturing  
394 facilities, and enhancements for high-impact aerospace defense projects, as follows:

395 "(2) Any credit claimed under this Code section but not fully used in the manner  
396 prescribed in subsection (d) of this Code section may be carried forward for ~~15~~ ten years  
397 from the close of the later of:

398 (A) The taxable year in which the qualified investment property was acquired; or

399 (B) The taxable year in which both the job requirement and investment requirement are  
400 satisfied.

401 The sale, merger, acquisition, or bankruptcy of any business enterprise shall not create  
402 new eligibility in any succeeding business entity but any unused investment tax credit  
403 may be transferred and continued by any transferee of the business enterprise;"

404 **SECTION 1-30.**

405 Said chapter is further amended by revising paragraph (3) of subsection (h) of Code Section  
406 48-7-40.26, relating to tax credits for film, gaming, video, or digital production, as follows:

407 "(3) In no event shall the amount of the tax credit under this Code section for a taxable  
408 year exceed the production company's or qualified interactive entertainment production  
409 company's income tax liability. Any unused credit amount shall be allowed to be carried  
410 forward for ~~five~~ three years from the close of the taxable year in which the investment

411 occurred. No such credit shall be allowed the production company or qualified  
412 interactive entertainment production company against prior years' tax liability."

413 **SECTION 1-31.**

414 Said chapter is further amended by revising paragraph (2) of subsection (h) of Code Section  
415 48-7-40.26A, relating to tax credits for postproduction expenditures, as follows:

416 "(2) Where the amount of tax credits under this Code section exceeds the postproduction  
417 company's income tax liability in a taxable year, any unused credit amount:

418 (A) May be carried forward for ~~five~~ three years from the close of the taxable year in  
419 which the investment occurred; or

420 (B) May be taken as a credit against such postproduction company's quarterly or  
421 monthly payment under Code Section 48-7-103. Each employee whose employer  
422 receives credit against such postproduction company's quarterly or monthly payment  
423 under Code Section 48-7-103 shall receive credit against his or her income tax liability  
424 under Code Section 48-7-20 for the corresponding taxable year for the full amount  
425 which would be credited against such liability prior to the application of the credit  
426 provided for in this subparagraph. Credits against quarterly or monthly payments under  
427 Code Section 48-7-103 and credits against liability under Code Section 48-7-20  
428 established by this subparagraph shall not constitute income to the postproduction  
429 company.

430 No such credit shall be allowed the postproduction company against prior years' tax  
431 liability; and"

432 **SECTION 1-32.**

433 Said chapter is further amended by revising paragraph (1) of subsection (c) of Code Section  
434 48-7-40.27, relating to tax credits for qualified investments in a research fund, as follows:

435 "(1) In no event shall the credit for a taxable year exceed the taxpayer's income tax  
436 liability. Any unused portion of the credit shall be permitted to be carried forward and  
437 applied to the taxpayer's tax liability for the subsequent ~~ten~~ five years. The credit shall  
438 not be applied against the taxpayer's prior years' tax liabilities;"

439 **SECTION 1-33.**

440 Said chapter is further amended by revising paragraph (1) of subsection (c) of Code Section  
441 48-7-40.28, relating to limitation on the aggregate amount of tax credits allowed for qualified  
442 investments in a research fund, as follows:

443 "(1) In no event shall the credit for a taxable year exceed the taxpayer's income tax  
444 liability. Any unused portion of the credit shall be permitted to be carried forward and  
445 applied to the taxpayer's tax liability for the subsequent ~~ten~~ five years. The credit shall  
446 not be applied against the taxpayer's prior years' tax liabilities;"

447 **SECTION 1-34.**

448 Said chapter is further amended by revising subsection (e) of Code Section 48-7-40.29,  
449 relating to tax credits for certain qualified equipment that reduces business or domestic  
450 energy or water usage, as follows:

451 "(e) In no event shall the amount of the tax credit allowed by this Code section for a  
452 taxable year exceed the taxpayer's income tax liability. Any unused credit amount shall be  
453 allowed to be carried forward for ~~five~~ three years from the close of the taxable year in  
454 which the qualified equipment was placed in service. No such credit shall be allowed the  
455 taxpayer against prior years' tax liability."

456 **SECTION 1-35.**

457 Said chapter is further amended by revising paragraph (3) of subsection (f) of Code Section  
458 48-7-40.30, relating to tax credits for certain qualified investments for limited period of time,  
459 as follows:

460 "(3) In no event shall the amount of the tax credit allowed an individual under this Code  
461 section for a taxable year exceed such individual's net income tax liability. Any unused  
462 credit amount shall be allowed to be carried forward for ~~five~~ three years from the close  
463 of the taxable year in which the qualified investment was made. No such credit shall be  
464 allowed against prior years' tax liability;"

465 **SECTION 1-36.**

466 Said chapter is further amended by revising paragraph (2) of subsection (d) and subsection  
467 (f) of Code Section 48-7-40.32, relating to revitalization zone tax credits, as follows:

468 "(2) The amount of the tax credit per project shall be 25 percent of the purchase price and  
469 shall not exceed \$125,000.00; provided, however, that the entire credit shall not be taken  
470 in the year in which the property is placed in commercial service but shall be prorated  
471 equally in ~~five~~ three installments over ~~five~~ three taxable years, beginning with the taxable  
472 year in which the property is placed in service; and"

473 "(f) In no event shall the amount of the tax credits allowed by this Code section for a  
474 taxable year exceed a certified entity's or certified investor's state income tax liability. Any  
475 credit claimed under this Code section by a certified entity or certified investor but not used  
476 in any taxable year may be carried forward for ~~ten~~ five years from the close of the taxable  
477 year in which the credit is claimed. No such credit shall be allowed by the taxpayer against  
478 prior years' tax liability."

479 **SECTION 1-37.**

480 Said chapter is further amended by revising subsection (e) of Code Section 48-7-40.34,  
481 relating to tax credits for Class III railroads and reporting, as follows:

482 "(e)(1) The tax credits given to a Class III railroad by this Code section that are not used  
483 by such Class III railroad shall be freely assignable one time between January 1, 2019,  
484 and January 1, 2027, by written agreement to a taxpayer subject to the tax imposed by  
485 this chapter.

486 (2) In no event shall tax credits allowed under this Code section for a taxable year exceed  
487 any taxpayer's state income tax liability. Any credit allowed to any taxpayer under this  
488 Code section but not used in a taxable year may be carried forward for up to three years  
489 from the close of the taxable year in which the credit was first claimed. No such tax  
490 credit shall be allowed by the taxpayer against prior years' tax liability."

491 **PART II**492 **SECTION 2-1.**

493 Said chapter is further amended by revising Code Section 48-7-29.13, relating to tax credits  
494 for qualified health insurance expenses, by adding a new subsection to read as follows:

495 "(f) This Code section shall stand repealed and reserved on December 31, 2029."

496 **SECTION 2-2.**

497 Said chapter is further amended by revising Code Section 48-7-40.16, relating to tax credits  
498 for alternative fuel, low-emission and zero-emission vehicles, and electric vehicle chargers,  
499 by adding a new subsection to read as follows:

500 "(h) This Code section shall stand repealed and reserved on December 31, 2029."

501 **SECTION 2-3.**

502 Said chapter is further amended by revising Code Section 48-7-40.22, relating to tax credits  
503 for business enterprises for leased motor vehicles, daily ridership, and implementation, by  
504 adding a new subsection to read as follows:

505 "(h) This Code section shall stand repealed and reserved on December 31, 2029."

506 **SECTION 2-4.**

507 Said chapter is further amended by revising Code Section 48-7-40.27, relating to tax credits  
508 for qualified investments in a research fund, by adding a new subsection to read as follows:

509 "(g) This Code section shall stand repealed and reserved on December 31, 2029."

510 **SECTION 2-5.**

511 Said chapter is further amended by revising Code Section 48-7-40.28, relating to limitation  
512 on the aggregate amount of tax credits allowed for qualified investments in a research fund,  
513 by adding a new subsection to read as follows:

514 "(f) This Code section shall stand repealed and reserved on December 31, 2029."

515 **PART III**516 **SECTION 3-1.**

517 Code Section 3-6-70 of the Official Code of Georgia Annotated, relating to exemptions from  
518 excise tax on wine, is amended by revising paragraph (1) as follows:

519 "(1) Wine sold to and used by established and recognized churches and synagogues for  
520 use in sacramental services only, on or before December 31, 2029;"

521 **SECTION 3-2.**

522 Code Section 33-8-13 of the Official Code of Georgia Annotated, relating to exemption of  
523 certain insurance companies from taxes, is amended by designating the existing provisions  
524 as subsection (a) and adding a new subsection to read as follows:

525 "(b) This Code section shall stand repealed on December 31, 2029."

526 **SECTION 3-3.**

527 Code Section 48-5C-1 of the Official Code of Georgia Annotated, relating to definitions,  
528 exemption from taxation, allocation and disbursement of proceeds collected by tag agents,  
529 fair market value of vehicle appealable, and report relative to alternative ad valorem tax on  
530 motor vehicles, is amended by revising paragraph (.1) of subsection (a) and subparagraph  
531 (d)(7)(C) as follows:

532 "(.1) 'Disabled first responder' means a law enforcement officer, firefighter, publicly  
533 employed emergency medical technician, or surviving spouse of such an individual  
534 receiving payments pursuant to Code Section 45-9-85 due to total permanent disability,  
535 partial permanent disability, organic brain damage, or death occurring in the line of duty,  
536 provided that such law enforcement officer, firefighter, or publicly employed emergency  
537 medical technician is not facing pending charges for and has not been convicted of a  
538 crime related to his or her conduct in the line of duty, and his or her state licensure as a  
539 law enforcement officer, firefighter, or emergency medical technician is not subject to  
540 pending action for suspension or revocation and has not been revoked or suspended due  
541 to his or her bad conduct. This paragraph shall stand repealed on December 31, 2029."

542 "(C) Each disabled first responder shall be allowed an exemption from state and local  
543 title ad valorem tax fees under paragraph (1) of subsection (b) of this Code section  
544 levied on a maximum of \$50,000.00 in aggregate of the fair market value combined for  
545 all motor vehicles that he or she registers in this state during any three-year period.  
546 This subparagraph shall stand repealed on December 31, 2029."

547

**SECTION 3-4.**

548 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to state sales and  
 549 use tax exemptions, is amended by revising paragraphs (6.2), (6.3), (7.2), (11), (14), (15.1),  
 550 (30), (34.2), (36), (38), (48), (56), (60), (63), (65), (67), (71), (72), and (104) as follows:

551 "(6.2)(A) Sales to any local government authority created on or after January 1, 1980,  
 552 by local law, which authority has as its principal purpose or one of its principal  
 553 purposes the construction, ownership, or operation of a coliseum and related facilities  
 554 to be used for athletic contests, games, meetings, trade fairs, expositions, political  
 555 conventions, agricultural events, theatrical and musical performances, conventions, or  
 556 other public entertainments or any combination of such purposes.

557 (B) This paragraph shall stand repealed and reserved on December 31, 2029;

558 (6.3)(A) Sales to any agricultural commodities commission created by and regulated  
 559 pursuant to Chapter 8 of Title 2.

560 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

561 "(7.2)(A) Sales of tangible personal property or services to any chapter of the Georgia  
 562 State Society of the Daughters of the American Revolution which is tax exempt under  
 563 Section 501(c)(3) of the Internal Revenue Code and obtains an exemption  
 564 determination letter from the commissioner.

565 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

566 "(11)(A) Sales of tangible personal property or services to, and the purchase of tangible  
 567 personal property or services by, any educational or cultural institute which:

568 (A)(i) Is tax exempt under Section 501(c)(3) of the Internal Revenue Code;

569 (B)(ii) Furnishes at least 50 percent of its programs through universities and other  
 570 institutions of higher education in support of their educational programs;

571 (C)(iii) Is paid for by government funds of a foreign country; and

572 (D)(iv) Is an instrumentality, agency, department, or branch of a foreign government  
 573 operating through a permanent location in this state.



574 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

575 "(14)(A) Sales of objects of art and of anthropological, archeological, geological,  
576 horticultural, or zoological objects or artifacts and other similar tangible personal  
577 property to or for the use by any museum or organization which is tax exempt under  
578 Section 501(c)(3) of the Internal Revenue Code of such tangible personal property for  
579 display or exhibition in a museum within this state when the museum is open to the  
580 public and has been approved by the commissioner as an organization eligible to  
581 receive tax deductible contributions.

582 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

583 "(15.1)(A) Sales of pipe organs or steeple bells to any church which is qualified as an  
584 exempt religious organization under Section 501(c)(3) of the Internal Revenue Code  
585 of 1986, as amended.

586 (B) This paragraph shall stand repealed on December 31, 2029;"

587 "(30)(A) The sale of a vehicle to a service connected disabled veteran when the veteran  
588 received a grant from the United States Department of Veterans Affairs to purchase and  
589 specially adapt the vehicle to his or her disability.

590 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

591 "(34.2)(A) The sale or use of machinery or equipment, or both, which is used in the  
592 remanufacture of aircraft engines or aircraft engine parts or components in a  
593 remanufacturing facility located in this state. For purposes of this paragraph,  
594 'remanufacture of aircraft engines or aircraft engine parts or components' means the  
595 substantial overhauling or rebuilding of aircraft engines or aircraft engine parts or  
596 components.

597 (B) Any person making a sale of machinery or equipment, or both, for the  
598 remanufacture of aircraft engines or aircraft engine parts or components shall collect  
599 the tax imposed on the sale by this article unless the purchaser furnishes a certificate

600 issued by the commissioner certifying that the purchaser is entitled to purchase the  
601 machinery or equipment without paying the tax.

602 (C) This paragraph shall stand repealed and reserved on December 31, 2029;"

603 "(36)(A) The sale of machinery and equipment and any repair, replacement, or  
604 component parts for such machinery and equipment which is used for the primary  
605 purpose of reducing or eliminating air or water pollution;

606 (B) Any person making a sale of machinery and equipment or repair, replacement, or  
607 component parts for such machinery and equipment for the purposes specified in this  
608 paragraph shall collect the tax imposed on the sale by this article unless the purchaser  
609 furnishes ~~him with~~ a certificate issued by the commissioner certifying that the purchaser  
610 is entitled to purchase the machinery and equipment or repair, replacement, or  
611 component parts for such machinery and equipment without paying the tax.

612 (C) This paragraph shall stand repealed and reserved on December 31, 2029;"

613 "(38)(A) Sales of tangible personal property and fees and charges for services by the  
614 Rock Eagle 4-H Center.

615 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

616 "(48)(A) Sales to licensed commercial fishermen of bait for taking crabs and the use  
617 by licensed commercial fishermen of bait for taking crabs.

618 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

619 "(56)(A) Sales by any parent-teacher organization qualified as a ~~tax exempt~~ tax-exempt  
620 organization under Section 501(c)(3) of the Internal Revenue Code.

621 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

622 "(60)(A) The sale of machinery and equipment which is incorporated into any  
623 telecommunications manufacturing facility and used for the primary purpose of  
624 improving air quality in advanced technology clean rooms of Class 100,000 or less,  
625 provided such clean rooms are used directly in the manufacture of tangible personal  
626 property.

627 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

628 "(63)(A) The sale or use of funeral merchandise, outer burial containers, and cemetery  
629 markers as defined in Code Section 43-18-1, which are purchased with funds received  
630 from the Georgia Crime Victims Emergency Fund under Chapter 15 of Title 17.

631 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

632 "(65)(A) Sales of dyed diesel fuel exclusively used to operate vessels or boats in the  
633 commercial fishing trade by licensed commercial fishermen.

634 (B) Any person making a sale of dyed diesel fuel for the purposes specified in this  
635 paragraph shall collect the tax imposed on the sale by this article unless the purchaser  
636 furnishes such person with a certificate issued by the commissioner certifying that the  
637 purchaser is entitled to purchase the dyed diesel fuel without paying the tax.

638 (C) This paragraph shall stand repealed and reserved on December 31, 2029;"

639 "(67)(A) Sales of coins or currency or a combination of coins and currency, provided  
640 that the dealer maintains proper documentation, as specified by rule or regulation to be  
641 promulgated by the department, to identify each sale or portion of a sale which is  
642 exempt under this paragraph.

643 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

644 "(71)(A) Sales to or by any nonprofit organization which has as its primary purpose the  
645 raising of funds for books, materials, and programs for public libraries if such  
646 organization qualifies as a tax-exempt organization under Section 501(c)(3) of the  
647 Internal Revenue Code.

648 (B) This paragraph shall stand repealed and reserved on December 31, 2029;

649 (72)(A) The sale or use of all mobility enhancing equipment prescribed by a physician.

650 (B) This paragraph shall stand repealed and reserved on December 31, 2029;"

651 "(104)(A) Sales to or by any nonprofit organization which has as its primary purpose  
652 providing poultry diagnostic and disease monitoring services if such organization

653 qualifies as a tax-exempt organization under Section 501(c)(5) of the Internal Revenue  
654 Code.

655 (B) This paragraph shall stand repealed and reserved on December 31, 2029."

656

657

### SECTION 3-5.

658 Code Section 48-11-2 of the Official Code of Georgia Annotated, relating to excise tax  
659 imposed, rates for tobacco and vaping products, exemptions, collection and payment, and tax  
660 separately identified, is amended by revising subsection (c) as follows:

661 "(c)(1) The taxes imposed by this chapter are levied on the purchase or use of cigars,  
662 cigarettes, or loose or smokeless tobacco by the state or any department, institution, or  
663 agency of the state and by the political subdivisions of the state and their departments,  
664 institutions, and agencies.

665 (2) The taxes imposed by this chapter are not imposed on cigars, cigarettes, or loose or  
666 smokeless tobacco purchased exclusively for use by the patients at the Georgia War  
667 Veterans Home and the Georgia War Veterans Nursing Home. This paragraph shall  
668 stand repealed and reserved on December 31, 2029."

669

## PART IV

670

### SECTION 4-1.

671 This Act shall become effective on January 1, 2025. Part I of this Act shall be applicable  
672 only to the unused tax credits generated during the taxable years beginning on or after  
673 January 1, 2025.

674

### SECTION 4-2.

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