

House Bill 54

By: Representatives Duncan of the 26th, Powell of the 171st, England of the 116th, Meadows of the 5th, and Shaw of the 176th

A BILL TO BE ENTITLED
AN ACT

To amend Article 1 of Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to hospital care for the indigent generally, so as to provide for an additional reporting requirement for rural hospitals; to amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the imposition, computation, rate, and exemptions from income taxes, so as to change certain amounts eligible for the credit; to provide for related matters; to provide for an effective date and applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 1 of Chapter 8 of Title 31 of the Official Code of Georgia Annotated, relating to hospital care for the indigent generally, is amended by revising subsection (c) of Code Section 31-8-9.1, relating to tax credits for donations to certain rural hospitals, as follows:

"(c)(1) A rural hospital organization that receives donations pursuant to Code Section 48-7-29.20 shall:

(A) Utilize such donations for the provision of ~~health care-related~~ care related services for residents of a rural county or for residents of the area served by a critical access hospital; and

(B) Report on a form provided by the department:

(i) ~~all~~ All contributions received from individual and corporate donors pursuant to Code Section 48-7-29.20 ~~and show~~ detailing the manner ~~or purpose~~ in which the contributions received were expended by the rural hospital organization; and

(ii) Any payments made to a third party to solicit, administer, or manage the donations received by the rural hospital organization pursuant to this Code section or Code Section 48-7-29.20.

(2) The department shall annually prepare a report compiling the information received pursuant to paragraph (1) of this subsection for the chairpersons of the House Committee on Ways and Means and the Senate Health and Human Services Committee."

SECTION 2.

Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the imposition, rate, computation, and exemptions from income taxes, is amended by revising subsections (b), (c), and (e) of Code Section 48-7-29.20, relating to tax credits for contributions to rural hospital organizations, as follows:

"(b) An individual taxpayer shall be allowed a credit against the tax imposed by this chapter for qualified rural hospital organization expenses as follows:

(1) In the case of a single individual or a head of household, ~~70~~ 90 percent of the actual amount expended or \$2,500.00 per tax year, whichever is less; or

(2) In the case of a married couple filing a joint return, ~~70~~ 90 percent of the actual amount expended or \$5,000.00 per tax year, whichever is less.

(c) A corporation or other entity shall be allowed a credit against the tax imposed by this chapter for qualified rural hospital organization expenses in an amount not to exceed ~~70~~ 90 percent of the actual amount expended or 75 percent of the corporation's income tax liability, whichever is less."

"(e)(1) In no event shall the aggregate amount of tax credits allowed under this Code section exceed ~~\$50~~ \$60 million in 2017, \$60 million in 2018, and ~~\$70~~ \$60 million in 2019.

(2)(A) No more than \$4 million of the aggregate limit established by paragraph (1) of this subsection shall be contributed to any individual rural hospital organization in any taxable year. From January 1 to June 30 each taxable year, the commissioner shall only preapprove contributions submitted by individual taxpayers in an amount not to exceed \$2 million, and from corporate donors in an amount not to exceed \$2 million. From July 1 to December 31 each taxable year, subject to the aggregate limit in paragraph (1) of this subsection and the individual rural hospital organization limit in this paragraph, the commissioner shall approve contributions submitted by individual taxpayers and corporations or other entities.

(B) In the event an individual or corporate donor desires to make a contribution to an individual rural hospital organization that has received the maximum amount of contributions for that taxable year, the Department of Community Health shall provide the individual or corporate donor with a list, ranked in order of financial need, as determined by the Department of Community Health, of rural hospital organizations still eligible to receive contributions for the taxable year.

(3) For purposes of paragraphs (1) and (2) of this subsection, a rural hospital organization shall notify a potential donor of the requirements of this Code section. Before making a contribution to a rural hospital organization, the taxpayer shall electronically notify the department, in a manner specified by the department, of the total amount of contribution that the taxpayer intends to make to the rural hospital organization. The commissioner shall preapprove or deny the requested amount ~~with~~ within 30 days after receiving the request from the taxpayer and shall provide written notice to the taxpayer and rural hospital organization of such preapproval or denial which shall not require any signed release or notarized approval by the taxpayer. In order to receive a tax credit under this Code section, the taxpayer shall make the contribution to the rural hospital organization within 60 days after receiving notice from the department that the requested amount was preapproved. If the taxpayer does not comply with this paragraph, the commissioner shall not include this preapproved contribution amount when calculating the limits prescribed in paragraphs (1) and (2) of this subsection.

(4) Preapproval of contributions by the commissioner shall be based solely on the availability of tax credits subject to the aggregate total limit established under paragraph (1) of this subsection and the individual rural hospital organization limit established under paragraph (2) of this subsection.

(5) Notwithstanding any laws to the contrary, the department shall not take any adverse action against donors to rural hospital organizations if the commissioner preapproved a donation for a tax credit prior to the date the rural hospital organization is removed from the Department of Community Health list pursuant to Code Section 31-8-9.1, and all such donations shall remain as preapproved tax credits subject only to the donor's compliance with paragraph (3) of this subsection."

SECTION 3.

This Act shall become effective on July 1, 2017, and shall be applicable to all taxable years beginning on or after January 1, 2017.

SECTION 4.

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