

House Bill 72

By: Representatives Petrea of the 166th, Stephens of the 164th, Kelley of the 16th, Gasaway of the 28th, Werkheiser of the 157th, and others

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 the imposition, rate, and computation of and exemptions from state income taxes,
3 so as to create an income tax credit for employers who hire certain veterans for full-time
4 jobs; to provide for rules and regulations related to such income tax credit; to provide for
5 certain conditions and limitations; to require annual reporting of certain statistics related to
6 such credit; to provide for definitions; to provide for an effective date and applicability; to
7 repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 style="text-align:center">**SECTION 1.**

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

13 "48-7-40.32.

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

15 (1) 'Employer' means an enterprise or organization, whether corporation, partnership,
16 limited liability company, proprietorship, association, trust, business trust, real estate
17 trust, or other form of organization, and its affiliates, which is registered and authorized
18 to use the federal employment verification system known as 'E-Verify' or any successor
19 federal employment verification system and is engaged in or carrying on any business
20 activities within this state.

21 (2) 'Full-time job' means employment which:

22 (A) Is located in this state;

23 (B) Involves a regular work week of 30 hours or more;

24 (C) Has no predetermined end date; and

25 (D) Pays at or above the average hourly wage of the county with the lowest average
 26 hourly wage in the state, as reported in the most recently available annual issue of the
 27 Georgia Employment and Wages Averages Report of the Department of Labor.

28 (3) 'Veteran' means an individual who served on active duty in the armed forces of the
 29 United States and was honorably discharged from such service.

30 (b)(1) For the period beginning on or after January 1, 2018, and before January 1, 2021,
 31 an employer that employs a veteran in a full-time job for at least 40 weeks during a 12
 32 month period shall be eligible for an income tax credit in the amount of \$2,000.00 for
 33 each veteran so employed against the tax imposed under this article during such 12 month
 34 period; provided, however, that a veteran first employed in a full-time job by such
 35 employer before January 1, 2018, shall not qualify.

36 (2) An employer shall only be eligible to receive credits provided by this subsection in
 37 an amount up to \$50,000.00 per taxable year.

38 (3) An employer shall only be eligible to receive the credit provided by this subsection
 39 once per individual.

40 (c) In no event shall the credit provided by subsection (b) of this Code section for a taxable
 41 year exceed the employer's income tax liability. Any unused portion of the credit provided
 42 by subsection (b) of this Code section shall be permitted to be carried forward and applied
 43 to the employer's tax liability for the subsequent three years. The credit provided by
 44 subsection (b) of this Code section shall not be applied against the employer's prior years'
 45 tax liabilities.

46 (d) On or before September 1 of 2019, 2020, and 2021, the commissioner shall issue a
 47 report to the chairpersons of the Senate Finance Committee and the House Committee on
 48 Ways and Means concerning the tax credit created by this Code section, which shall
 49 include the following statistics for the preceding taxable year:

50 (1) The total number of employers that claimed a credit provided by this Code section;
 51 and

52 (2) The number and total value of all credits earned and all credits applied during such
 53 tax year pursuant to this Code section.

54 (e) The commissioner shall promulgate rules and regulations and forms necessary to
 55 implement and administer the provisions of this Code section."

56 **SECTION 2.**

57 This Act shall become effective upon its approval by the Governor or upon its becoming law
 58 without such approval and shall be applicable to taxable years beginning on or after
 59 January 1, 2018.

60

SECTION 3.

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