

House Bill 1004

By: Representative Stephens of the 164<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, and computation and exemptions regarding income taxes, so as  
3 to provide for income tax credits for higher education for the Fort Gordon Cyber Security  
4 and Information Technology Innovation Corridor and the Savannah Logistics Technology  
5 Innovation Corridor; to provide for definitions; to provide for applicability and eligibility;  
6 to provide for limitations; to provide for related matters; to repeal conflicting laws; and for  
7 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, and computation and exemptions regarding income taxes, is amended by  
12 adding new Code sections to read as follows:

13 "48-7-43.

14 As used in this Code section, the term:

15 (1) 'Accredited community college, college, or university' means an educational  
16 institution that is accredited by a regional accrediting association or by one of the  
17 specialized accrediting agencies recognized by the United States secretary of education.

18 (2) 'Cyber security technology' means applying innovative technologies, processes, and  
19 practices designed to protect networks, devices, programs, and data from attack, damage,  
20 or unauthorized access.

21 (3) 'Employer' has the same meaning as the term 'employing unit' as defined in Code  
22 Section 34-8-34.

23 (4) 'Financial aid package' means financial aid, including student loans, obtained by a  
24 qualified individual to attend an accredited community college, college, or university.

25 This term includes a loan that refinanced a loan that was part of the original financial aid

26 package if the refinanced loan remains separate from other debt, including debt incurred  
 27 in an educational program other than the degree program for which a credit is claimed.

28 (5) 'Fort Gordon Cyber Security and Information Technology Innovation Corridor' as  
 29 designated by the General Assembly in 2018 Resolution Act No. 480 means the cyber  
 30 security technology innovation corridor encompassing the Counties of  
 31 Augusta-Richmond, Burke, Columbia, Lincoln, and McDuffie that furthers cyber security  
 32 technology efforts in the state.

33 (6) 'Full-time' means employment with a normal work week of 32 hours or more.

34 (7) 'Logistics technology' means applying innovative technologies to logistics processes,  
 35 including designing, developing, implementing, or operating technology solutions. Such  
 36 terms shall include data transport, data analytics, supply chain, robotics, warehouse  
 37 automation, machine learning, artificial intelligence, data science, drones, software,  
 38 sensors, tracking systems, autonomous vehicles, and mobility services, and internet of  
 39 things devices that use the internet for connectivity and that can be remotely monitored  
 40 and controlled.

41 (8) 'Part time' means employment with a normal work week of between 16 and 32 hours.

42 (9) 'Qualified individual' means an individual, including the spouse filing a joint return  
 43 with the individual, who is eligible for the credit provided for in this Code section and  
 44 who attended and obtained an associate's, bachelor's, or master's degree from an  
 45 accredited community college, college, or university after December 31, 1999. The  
 46 individual also must have done at least one of the following:

47 (A)(i) Earned an associate's, bachelor's, or master's degree in a STEM, cyber security  
 48 technology, or logistics technology field from an accredited community college,  
 49 college, or university, but need not obtain the degree from the institution in which that  
 50 individual originally enrolled so long as all course work for the degree has been  
 51 performed at an accredited community college, college, or university and at least three  
 52 years have elapsed since the individual's graduation date; or

53 (ii) Have at least three years of prior work experience in a STEM, cyber security  
 54 technology, or logistics technology field as defined by the Department of Economic  
 55 Development; and

56 (B)(i) Worked at least three months full time or part time during the taxable year in  
 57 a STEM field in the Fort Gordon Cyber Security and Information Technology  
 58 Innovation Corridor or the Savannah Logistics Technology Innovation Corridor, in  
 59 a cyber security technology field within the Fort Gordon Cyber Security and  
 60 Information Technology Innovation Corridor, or in a logistics technology field within  
 61 the Savannah Logistics Technology Innovation Corridor; or

62 (ii) Had a primary residence at the end of the taxable year in the Fort Gordon Cyber  
 63 Security and Information Technology Innovation Corridor or the Savannah Logistics  
 64 Technology Innovation Corridor.

65 An individual who worked full time or part time in a STEM field within the Fort  
 66 Gordon Cyber Security and Information Technology Innovation Corridor or the  
 67 Savannah Logistics Technology Innovation Corridor, in the cyber security technology  
 68 field within the Fort Gordon Cyber Security and Information Technology Innovation  
 69 Corridor, or in the logistics technology field within the Savannah Logistics Technology  
 70 Innovation Corridor, for any part of a month is considered to have worked in a STEM,  
 71 cyber security technology, or logistics technology field in the applicable location for  
 72 the entire month.

73 (10) 'Savannah Logistics Technology Innovation Corridor' as designated by the General  
 74 Assembly in 2019 Resolution Act No. 308 means the technology innovation corridor  
 75 located in the Savannah metropolitan area that furthers logistics technology efforts in the  
 76 state.

77 (11) 'STEM' means the study, research, or other occupation in science, technology,  
 78 engineering, and mathematics.

79 48-7-43.1.

80 (a) A qualified individual is allowed a credit against the tax imposed by this chapter in  
 81 accordance with the provisions of this Code section and Code Sections 48-7-43.2  
 82 and 48-7-43.3.

83 (b) The credit authorized under this Code section and Code Sections 48-7-43.2  
 84 and 48-7-43.3 shall not reduce the tax otherwise due under this chapter to less than zero.

85 (c) The credit authorized under this Code section and Code Sections 48-7-43.2  
 86 and 48-7-43.3 is not otherwise refundable.

87 (d) A taxpayer entitled to the credit authorized under this Code section and Code  
 88 Sections 48-7-43.2 and 48-7-43.3 for any taxable year may carry over and apply the  
 89 portion, as reduced from year to year, of any unused credits to the tax liability for any one  
 90 or more of the next succeeding ten years.

91 48-7-43.2.

92 (a) Subject to subsection (c) of this Code section, a qualified individual may apply for a  
 93 credit equal to the amount of interest and principal paid by the qualified individual during  
 94 the taxable year with respect to student loans which were part of a financial aid package  
 95 used by the qualified individual to obtain an associate's, bachelor's, or master's degree from

96 an accredited community college, college, or university after December 31, 1999,  
97 multiplied by the proration factor described in subsection (b) of this Code section.  
98 (b) The proration factor is the amount derived by dividing the total number of academic  
99 credit hours earned for an associate's, bachelor's, or master's degree after December  
100 31,1999, by the total number of academic credit hours earned for the associate's, bachelor's,  
101 or master's degree.  
102 (c) The amount of any interest and principal paid by the qualified individual during the  
103 taxable year in excess of the amounts required to be paid by the qualified individual during  
104 the taxable year under the applicable loan documents shall not qualify for the credit.  
105 Provisions under the loan documents which allow for the forbearance or the deferment of  
106 loan payments otherwise required to be made shall be disregarded for the purpose of this  
107 subsection and do not affect the eligibility of interest and loan payments actually made  
108 during the taxable year for the credit provided for under this Code section.

109 48-7-43.3.

110 (a) A credit claimed by a qualified individual may be claimed only on returns filed for tax  
111 years beginning on or after January 1, 2021. A credit based on loan payments made prior  
112 to January 1, 2021, shall not be available to any individual.

113 (b) A qualified individual may claim a credit valued up to \$4,500.00 annually under this  
114 Code section for a maximum of five years.

115 (c) The credit under this Code section shall be provided for the tax years beginning on  
116 January 1, 2021, and ending on December 31, 2025.

117 (d) The state shall provide \$2,500,000.00 per year for the Savannah Logistics Technology  
118 Innovation Corridor for the tax years beginning on January 1, 2021, and ending on  
119 December 31, 2025, for an aggregate value of \$12,500,000.00 for the Savannah Logistics  
120 Technology Innovation Corridor and \$2,500,000.00 per year for the Fort Gordon Cyber  
121 Security and Information Technology Innovation Corridor for tax years beginning on  
122 January 1, 2021, and ending on December 31, 2025, for an aggregate value of  
123 \$12,500,000.00 for the Fort Gordon Cyber Security and Information Technology  
124 Innovation Corridor. The commissioner shall allow the tax credits on a first come, first  
125 served basis. A qualified individual's receipt of a credit in one year shall in no way  
126 guarantee that the qualified individual will receive the credit in the next year.

127 (e) Before claiming a credit under this Code section, the qualified individual shall notify  
128 the department, in a manner specified by the department, of the total amount of credit that  
129 the qualified individual intends to claim. The commissioner shall preapprove, deny, or  
130 prorate the requested amount within 30 days after receiving the request from the qualified  
131 individual and shall provide notice to the qualified individual of such preapproval, denial,

132 or proration which shall not require any signed release or notarized approval by the  
133 qualified individual. The qualified individual shall not claim the credit unless the  
134 department gives preapproval. The department shall establish an approval process to  
135 implement this subsection.

136 (f) Preapproval of contributions by the department shall be based solely on the availability  
137 of tax credits subject to the aggregate total limit established under subsection (d) of this  
138 Code section. The department shall maintain an ongoing current list on its website of the  
139 amount of tax credits available under this Code section."

140

**SECTION 2.**

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