

House Bill 1197

By: Representative Kelley of the 16th

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

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,
10 is amended by adding a new Code section to read as follows:

11 "48-7-29.24.

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

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

15 (2) 'Georgia qualified first-year wages' means the qualified first-year wages, as such term
16 is defined in Section 51 of the Internal Revenue Code, that are paid by a Georgia
17 employer to a Georgia employee.

18 (b) A credit against the tax imposed under this article shall be allowed in an amount equal
19 to the total amount of the federal work opportunity tax credit properly claimed for a given
20 taxable year by a taxpayer on its federal income tax return, provided that such amount shall
21 be limited to the amount of the federal work opportunity tax credit allowed on the basis of
22 Georgia qualified first-year wages.

23 (c)(1) If all or a portion of any federal work opportunity tax credit taken is required to
24 be recaptured from a taxpayer, then the commissioner shall recapture a proportionate
25 amount of the corresponding credit allowed to such taxpayer under this Code section.

26 (2) In the event that the recapture of any tax credit allowed under this Code section is
27 required, any amended return submitted to the commissioner as provided in this Code
28 section shall include the proportion of the state tax credit required to be recaptured, the
29 identity of each taxpayer subject to the recapture, and the amount of tax credit previously
30 allocated to such taxpayer.

31 (d) In no event shall the amount of the tax credit allowed under this Code section for a
32 taxable year exceed a taxpayer's income tax liability for such year. In no event shall the
33 credit provide for in this Code section be allowed to a taxpayer against any succeeding or
34 prior year's tax liability.

35 (e) The commissioner is authorized to promulgate any rules and regulations necessary to
36 implement and administer this Code section."

37 **SECTION 2.**

38 This Act shall become effective on January 1, 2023, and shall be applicable to all taxable
39 years beginning on or after January 1, 2023.

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SECTION 3.

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