

House Bill 193

By: Representatives Turner of the 21st, Kelley of the 16th, Teasley of the 37th, Watson of the 172nd, Cantrell of the 22nd, 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 state income taxes, so as to adjust the
3 amounts of the standard deductions based on the Consumer Price Index; to provide for
4 related matters; to provide for an effective date and applicability; to repeal conflicting laws;
5 and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to the
9 imposition, rate, and computation of state income taxes, is amended by revising paragraph
10 (1) of subsection (a) of Code Section 48-7-27, relating to the computation of taxable net
11 income, as follows:

12 "(1) Either the sum of all itemized nonbusiness deductions used in computing federal
13 taxable income if the taxpayer used itemized nonbusiness deductions in computing
14 federal taxable income or, if the taxpayer could not or did not itemize nonbusiness
15 deductions, then a standard deduction as provided for in the following subparagraphs:

16 (A) In the case of a single taxpayer or a head of household, \$2,300.00;

17 (B) In the case of a married taxpayer filing a separate return, \$1,500.00;

18 (C) In the case of a married couple filing a joint return, \$3,000.00;

19 (D) An additional deduction of \$1,300.00 for the taxpayer if the taxpayer has attained
20 the age of 65 before the close of the taxpayer's taxable year. An additional deduction
21 of \$1,300.00 for the spouse of the taxpayer shall be allowed if a joint return is made by
22 the taxpayer and the taxpayer's spouse and the spouse has attained the age of 65 before
23 the close of the taxable year; ~~and~~

24 (E) An additional deduction of \$1,300.00 for the taxpayer if the taxpayer is blind at the
25 close of the taxable year. An additional deduction of \$1,300.00 for the spouse of the
26 taxpayer shall be allowed if a joint return is made by the taxpayer and the taxpayer's

27 spouse and the spouse is blind at the close of the taxable year. For the purposes of this
28 subparagraph, the determination of whether the taxpayer or the spouse is blind shall be
29 made at the close of the taxable year except that, if either the taxpayer or the spouse
30 dies during the taxable year, the determination shall be made as of the time of the death;

31 and

32 (F) The department shall establish and maintain rules governing annual cost-of-living
33 adjustments to reflect the effects of the rate of inflation and deflation. Such rules shall
34 include the determination and use of an appropriate cost-of-living index which reflects
35 the effects of inflation and deflation on persons receiving benefits in the State of
36 Georgia. The rules may use for this purpose the Consumer Price Index as reported by
37 the Bureau of Labor Statistics of the United States Department of Labor or any other
38 similar index established by the federal government, if the department determines that
39 such federal index reflects the effects of inflation and deflation in the State of Georgia;"

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SECTION 2.

41 This Act shall become effective on July 1, 2017, and shall be applicable to all taxable years
42 beginning on or after January 1, 2018.

43

SECTION 3.

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