

House Bill 79

By: Representatives Park of the 107<sup>th</sup>, Beverly of the 143<sup>rd</sup>, Evans of the 57<sup>th</sup>, Clark of the 108<sup>th</sup>, Reese of the 140<sup>th</sup>, and others

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 revise a state income tax credit based upon the federal qualified child  
3 and dependent care tax credit; to provide for a state income tax credit equal to 25 percent of  
4 the federal child tax credit; to provide for an income tax credit equal to 20 percent of the  
5 federal earned income tax credit; to provide for rules and regulations; to provide for a short  
6 title; to provide for related matters; 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 **SECTION 1.**

10 This Act shall be known and may be cited as the "Georgia Work and Family Credit Act."

11 **SECTION 2.**

12 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,  
13 is amended by revising Code Section 48-7-29.10, relating to tax credits for qualified child  
14 and dependent care tax credits, as follows:

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15 "48-7-29.10.

16 (a) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20  
17 for qualified child and dependent care expenses. Such credit shall be determined by  
18 applying a percentage to the amount of the credit provided for in Section 21 of the Internal  
19 Revenue Code which is claimed and allowed pursuant to the Internal Revenue Code. Such  
20 percentage shall be:

21 (1) Ten percent for all taxable years beginning on or after January 1, 2006, and prior to  
22 January 1, 2007;

23 (2) Twenty percent for all taxable years beginning on or after January 1, 2007, and prior  
24 to January 1, 2008; ~~and~~

25 (3) Thirty percent for all taxable years beginning on or after January 1, 2008, and prior  
26 to January 1, 2023; and

27 (4) One-hundred percent for all taxable years beginning on or after January 1, 2023.

28 (b) In no event shall the total amount of the tax credit under this Code section for a taxable  
29 year exceed the taxpayer's income tax liability. Any unused tax credit shall not be allowed  
30 to be carried forward to apply to the taxpayer's succeeding years' tax liability. No such tax  
31 credit shall be allowed the taxpayer against prior years' tax liability.

32 (b.1) Notwithstanding the provisions of subsection (b) of this Code section, for taxable  
33 years beginning on or after January 1, 2023, if the total amount of the tax credit provided  
34 for in this Code section exceeds the taxpayer's income tax liability for a taxable year, such  
35 excess funds shall be refunded to the taxpayer.

36 (c) The commissioner shall be authorized to promulgate any rules and regulations  
37 necessary to implement and administer this Code section."

38 **SECTION 3.**

39 Said chapter is further amended by adding a new Code section to read as follows:

40 "48-7-29.26.

41 (a) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20  
42 in an amount equal to 25 percent of the federal credit that such taxpayer is allowed under  
43 Section 24 of the Internal Revenue Code. Such credit shall be allowed only if the  
44 individual would have received the federal credit allowed under Section 24 of the Internal  
45 Revenue Code after adding any carryforward of a net operating loss that was deducted  
46 pursuant to such section in determining eligibility for the federal credit.

47 (b) If the total amount of the tax credit provided for in this Code section exceeds the  
48 taxpayer's income tax liability for a taxable year, such excess funds shall be refunded to the  
49 taxpayer.

50 (c) The commissioner shall be authorized to promulgate rules and regulations necessary  
51 to implement and administer the provisions of this Code section."

52 **SECTION 4.**

53 Said chapter is further amended by adding a new Code section to read as follows:

54 "48-7-29.27.

55 (a) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20  
56 in an amount equal to 20 percent of the federal credit that such taxpayer is allowed under  
57 Section 32 of the Internal Revenue Code. Such credit shall be allowed only if the  
58 individual would have received the federal credit allowed under Section 32 of the Internal  
59 Revenue Code after adding any carryforward of a net operating loss that was deducted  
60 pursuant to such section in determining eligibility for the federal credit.

61 (b) If the total amount of the tax credit provided for in this Code section exceeds the  
62 taxpayer's income tax liability for a taxable year, such excess funds shall be refunded to the  
63 taxpayer.

64 (c) The commissioner shall be authorized to promulgate rules and regulations necessary  
65 to implement and administer the provisions of this Code section."

66 **SECTION 5.**

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

69 **SECTION 6.**

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