



2023 SUMMARY OF ENACTED LEGISLATION

The full text of each bill summarized can be accessed on the Georgia General Assembly's webpage: <http://www.legis.ga.gov/Legislation/en-US/Search.aspx>

Income Tax

HB 128 (O.C.G.A. §§ 48-2-21, 48-7-27, 48-7-38, 50-5-130, 50-5-131, 50-5-132, and 50-5-133)

This bill establishes the definition "classified subcontractor," which expands the definition of "minority business enterprise" (MBE), to now include women-owned and veteran-owned businesses and allows the Department of Administrative Services to accept additional certifications of minority-owned businesses. This expands the pool of subcontractors a prime contractor can contract with to be eligible for a tax deduction. The bill is effective for taxable years beginning on or after January 1, 2024.

HB 162 (O.C.G.A. § 48-1-20.2)

This bill creates a one-time tax refund for individual taxpayers who filed income tax returns for both 2021 and 2022 taxable years in the amount of \$250.00 for a single taxpayer or married couples filing separately, \$375.00 for a head of household, or \$500.00 for a married couple filing a joint return. If a taxpayer's 2021 income tax liability is less than any of the designated amounts, the taxpayer will be refunded their 2021 liability.

HB 412 (O.C.G.A. § 48-7-23)

This bill repeals a limitation on the types of partnerships that may elect to pay income taxes at the entity level. This bill also provides that an election to pay income taxes at the entity level shall have no impact on the accounting or tax treatment of distributions for an electing pass-through entity. This bill is effective July 1, 2023, and is applicable to all taxable years beginning on or after January 1, 2023.

HB 482 (O.C.G.A. § 48-7-40.17)

This bill clarifies the definition of "taxpayer" in O.C.G.A. § 48-7-40.17 relating to an income tax credit for establishing or relocating quality jobs (QJTC). Taxpayers who are exempt from tax pursuant to O.C.G.A § 48-7-25 are eligible for the QJTC only to the extent that a trade or business operated by such organizations generates unrelated business income. This bill is effective July 1, 2023, and is applicable to all taxable years beginning on or after January 1, 2023.

SB 56 (O.C.G.A. §§ 48-1-2, 48-7-20, 48-7-26, 48-7-27, 48-7-27.1, 48-7-29.22, and 48-7-40.24)

The following sections of this bill affect income tax:

Section 2-1

This section updates O.C.G.A. § 48-1-2 to conform to the 2023 Internal Revenue Code (IRC) and decouples Georgia from IRC 174. Section 2-1 applies to taxable years beginning on or after January 1, 2022.

Section 2-2

This section updates language in O.C.G.A. § 48-7-20 to create a reduction in the state income tax rate to 5.49% for taxable years beginning on or after January 1, 2024, and decreases the rate by .1 % annually until the rate equals 4.99%. The tax rate reduction will be delayed 1 year in the event of (1) the Governor’s revenue estimate for the succeeding fiscal year being less than 3% more than the estimate for the current year, (2) the prior fiscal year net revenue being less than the preceding three years, and (3) the revenue shortfall reserve not containing an amount more than the decrease in state revenue projected to occur from the future reduction in the tax rates in the following year.

Section 2-3

This section revises subsection (b) of O.C.G.A. § 48-7-26 to reverse the personal exemptions from 2022’s HB 1437 and establishes a \$3,000.00 exemption for dependents of taxpayers.

Section 2-4

This section amends Code Section § 48-7-27 to provide for a standard deduction in the amount of \$24,000.00 for a married couple filing jointly and \$12,000.000 in the case of a single taxpayer, head of household, or married taxpayer filing separately.

Section 2-5

This section creates O.C.G.A. § 48-7-27.1 which defines “eligible itemizer” as “any resident taxpayer who files an individual income tax return for a taxable year and makes the election under O.C.G.A. § 48-7-27 to deduct the itemized nonbusiness deductions used in computing such taxpayer's federal taxable income.” Each eligible itemizer shall be entitled to a credit in the amount of \$300.00 per taxpayer against the tax imposed by O.C.G.A. § 48-7-20 on or after January 1, 2024. The credit shall be deducted from a taxpayer’s individual income liability but in no event shall the total amount exceed a taxpayer’s income tax liability, nor the credit be allowed to be carried forward or applied to previous or future tax liabilities.

Section 2-6

This section extends the sunset on tax credits for certain medical preceptor rotations to December 31, 2026.

Sections 2-2 through 2-6 are effective and applicable to all taxable years occurring on or after January 1, 2024.

Section 2-7

This section revises the definition of “force majeure” to include global pandemics in O.C.G.A. § 48-7-40.24 relating to tax credits for jobs associated with the mega project tax credit. Section 2-7 is effective July 1, 2023, and applicable to projects certified on or after this date.

Sales Tax

HB 86 (O.C.G.A. § 48-8-3)

This bill reinstates the sales and use tax exemption of tangible personal property used for or in the renovation or expansion of certain aquariums or zoological institutions. These exemptions begin July 1, 2023, and sunset December 31, 2026.

HB 230 (O.C.G.A. § 48-8-6)

This bill allows qualified consolidated governments to levy a special purpose local option sales tax (SPLOST) to fund coliseum capital outlay projects and their costs.

Section 1

This section creates Part 3 of Article 3 of Chapter 48 in the Georgia Code.

Section 2

“Part 3” of Article 3 of Chapter 8 of Title 48

- O.C.G.A. § 48-8-145 includes the definition for new terms including “coliseum capital outlay project” which is any capital outlay project within the special district that consists of construction, renovation or improvement to multiuse coliseums or civic centers, or combination of such facilities, operating on the same site for a minimum of 35 years and including an arena constructed with a minimum of 5,000 permanent seats.
- O.C.G.A. § 48-8-146 gives the governing authority of any qualified consolidated government the authority to impose, within the special district, a special sales and use tax for a limited period of time for the purpose of funding coliseum capital outlay projects and project costs. Any sales and use tax imposed under this part shall be at the rate of 0.5 percent. It applies to sales of motor fuels as prepaid local tax and shall be applicable to the sale of food and food ingredients and alcoholic beverages. The tax on motor fuels shall be at the rate of 0.5 percent of the retail sales price of the motor fuel which is not more than \$3.00 per gallon.
- O.C.G.A. § 48-8-147 provides for rules and regulations pertaining to the imposition of the sales and use tax imposed under this part, including but not limited to an election for the purpose of submitting the imposition of the tax to the voters.
- O.C.G.A. § 48-8-148 provides the effective date, proper proceedings, and end date for instituting and collecting this tax.
- O.C.G.A. § 48-8-149 states taxes levied pursuant to this part are exclusively administered and collected by the State Revenue Commissioner.

- O.C.G.A. § 48-8-150 creates a requirement that each sales and use tax return remitting sales and use taxes collected under this part shall separately identify the location of each retail establishment at which any of the sales and use taxes remitted were collected and shall specify the amount of sales and the amount of taxes collected at each establishment for the period covered by the return.
- O.C.G.A. § 48-8-151 requires 1% of the funds to be paid to the state general fund for administration and the remaining shall go to the local governing authority.
- O.C.G.A. § 48-8-152 allows local sales and use taxes paid on tangible personal property in another local tax jurisdictions, within or out of the state, to be credited against this SPLOST imposed on the same property. The State Revenue Commissioner may require proof of payment to verify.
- O.C.G.A. § 48-8-153 states this tax will not be imposed on sales of tangible personal property ordered and delivered to the purchaser outside the area of the consolidated local government.
- O.C.G.A. § 48-8-154 requires that this tax will not be levied on the sale of building or construction materials made prior to voter approval.
- O.C.G.A. § 48-8-155 grants powers to the State Revenue Commissioner to promulgate rules and regulations necessary for the effective and efficient administration and enforcement of the collection of the tax.
- O.C.G.A. § 48-8-156 makes this tax in addition to any other local sales and use tax and the imposition of any other tax will not affect this tax.
- O.C.G.A. § 48-8-157 requires the proceeds from this tax to only apply to coliseum capital outlay projects costs and the qualified consolidated government shall keep record of every project cost and they will be audited. Unless the qualified consolidated government determines it necessary, no general obligation debt shall be issued in conjunction with the imposition of the tax. The tax must be applied to debts prior to all other project costs and excess proceeds will be used solely for the purpose of reducing any indebtedness other than what is incurred in the construction of the coliseum.

This bill is effective July 1, 2023, with the tax applying to the first day of the next succeeding calendar quarter following its election.

HB 408 (O.C.G.A. § 48-8-3)

This bill extends the sunset for exemptions from sales and use tax for competitive projects of regional significance to December 31, 2026. This bill is effective July 1, 2023

SB 56 (O.C.G.A. §§ 48-8-2, 48-8-3, 48-8-30, and 48-8-38)

The following sections of this bill affect sales and use tax:

Section 3-1

This section adds a new subparagraph to O.C.G.A. § 48-8-2 defining “digital audio-visual works,” “digital audio works,” “digital code,” “end user,” “internet access service,” “other digital goods,” “specified digital products,” and “transferred electronically.”

Section 3-3

This section revises a subsection of O.C.G.A. § 48-8-30 to create and impose a tax on the retail purchase or retail sale of specified digital products, other digital goods, or digital codes sold to an end user in this state, provided that such end user receives or will receive the right of permanent use of such product and is not subscription based. The tax applies regardless of if the goods or codes are maintained by the seller or third party. The tax imposed by this article on specified digital products, other digital goods, and digital codes shall be levied, collected, remitted, and administered in the same manner and at the same rate as is provided in this article for the retail purchase, retail sale, rental, storage, use, or consumption of tangible personal property.

Section 3-4

This section adds a new subsection to O.C.G.A. § 48-8-38 establishing that the sale of any specified digital product, good, or code shall be considered a sale for resale if it is subsequently sold, licensed, leased, broadcast, transmitted, or distributed, in whole or in part, as an integral, inseparable component part of a service or another such product, good, or code by the purchaser of the specified digital product, good, or code to an ultimate consumer. The purchaser of the specified digital product, good, or code for resale shall maintain records that substantiate such resale in a manner consistent with this subsection, as determined by the State Revenue Commissioner.

Sections 3-1 through 3-4 of this bill are effective January 1, 2024, and applicable to transactions occurring on or after January 1, 2024.

Motor Vehicles

HB 121 (O.C.G.A. §§ 40-1-1, 40-2-27, 40-2-31, 40-2-33, 40-2-151, 40-3-30.1, 40-6-359, 40-6-360, 40-6-361, and 40-6-362)

Provides for the registration and plating of multipurpose off-highway vehicles.

Section 2-1

This section modifies the speed requirements for multipurpose off-highway vehicles by increasing the maximum speed allowed for these vehicles from 50 to 65 miles per hour.

Section 2-2

This section adds multipurpose off-highway vehicles manufactured after January 1, 2000 to the list of vehicles exempt from emissions requirements.

Section 2-3

This section authorizes the State Revenue Commissioner to determine the size of license plates for low-speed vehicles and multipurpose off-highway vehicles.

Section 2-4

This section adds a new paragraph to O.C.G.A. § 40-2-33 to grant the State Revenue Commissioner the authority to issue temporary operating permits for multipurpose off-highway vehicles and requires that license plates are to be issued no later than January 1, 2024

Section 2-5

This section amends O.C.G.A. § 40-2-151 relating to annual licensing fees by adding multipurpose off-highway vehicles at \$20 for each vehicle.

Section 2-6

This section provides for the registering of multipurpose off-highway vehicles under O.C.G.A. § 40-3-30.1 following proper application and payment of the required fee.

Section 2-7

This section creates O.C.G.A. § 40-6-359 and requires multipurpose off-highway vehicles to be equipped with

- Headlights
- Brake lights
- Taillights
- Rear view mirror; and
- Safety belts

This bill also amends O.C.G.A. § 40-3-360 through O.C.G.A. § 40-3-362 by allowing off-highway vehicles to (1) be entitled to the full use of lanes and subject to most rules on low-speed vehicles and (2) only operate on highways that are part of the county road system.

This bill is effective July 1, 2023, with a requirement for issuance of license plates by January 1, 2024.

HB 175 (O.C.G.A. §§ 40-2-61, 40-2-65, 40-2-66, 40-2-86, and 48-5-478)

Section 1

This section amends O.C.G.A. § 40-2-61 requiring the State Revenue Commissioner to provide for the design and issuance of a distinctive license plate for state constitutional officers and members of the Public Service Commission. Constitutional officers include Governor, Lieutenant Governor, Secretary of State, State School Superintendent, Commissioner of Agriculture, Commissioner of Labor, Attorney General, and Commissioner of Insurance.

Sections 2 and 3

These sections amend O.C.G.A. § 40-2-65 and 40-2-66 to provide for the design of special license plates issued to retired members of the active reserve components and the Georgia National Guard. “Retired” will be put in place of name of the county of issuance for active reserve license plates and Georgia National Guard license plates.

Section 4

This section amends O.C.G.A. § 40-2-86 to establish a specialty license plate to honor the Kappa Alpha Psi Fraternity, Inc., with funds distributed to the Southeastern Education and Leadership Foundation, and establishes a specialty license plate honoring Alpha Phi Alpha Fraternity, Inc. with funds distributed to the Alpha Georgia Education Foundation.

Section 5

This section amends O.C.G.A. § 48-5-478 to remove a requirement that a motor vehicle display a disabled veteran's license plate to qualify for an exemption from ad valorem taxation under O.C.G.A. § 48-5C-1, and limits applicability of such exemption to a single vehicle. The Department may issue rules and regulations as are necessary to implement this section.

This bill is effective January 1, 2024.

HB 183 (O.C.G.A. §§ 16-11-112, 40-2-8, 40-2-20, 40-2-29, 40-2-33, 40-14-18, and 40-6-163)

Sections 1 and 2

These sections replace the term “temporary license plates” in O.C.G.A. §§ 16-11-112 and 40-2-8 with “temporary operating permits.”

Section 3

This section amends O.C.G.A. § 40-2-20 to add language to include “revalidation decals.”

Section 4

This section provides cleanup language for O.C.G.A. § 40-2-29 regarding Temporary Operating Permits (TOPS). TOPS will be valid for 30 days after issuance pursuant to O.C.G.A. § 40-2-26. The State Revenue Commissioner may provide rules and regulations for one 30-day extension, which may be granted by the county tag agent. The 30-day TOP issued in these circumstances may only be issued for a renewing registration and only if the vehicle cannot pass emissions. All other requirements for renewal must be met.

Section 5

This section removes language that allows the State Revenue Commissioner to issue temporary operating permits for low-speed vehicles in O.C.G.A. § 40-2-33.

Section 6

This section amends O.C.G.A. § 40-14-18 relating to enforcement of speed limits in school zones via cameras by (1) removing language that requires the Department of Revenue to place holds on titles of the vehicles and by (2) removing the requirement of the Department of Revenue to mail notices that registration and title holds have been placed on the vehicle.

Section 7

This section amends O.C.G.A. § 40-6-163 relating to enforcement of school bus laws via cameras by (1) removing language that requires the Department of Revenue to place holds on titles of the vehicles and by (2) removing the requirement of the Department of Revenue to mail notices that registration and title holds have been placed on the vehicle.

This bill is effective July 1, 2023.

HB 529 (O.C.G.A. § 33-1-24)

This bill amends O.C.G.A. § 33-1-24 to require transportation companies to provide minimum insurance to drivers in the form of:

- \$300,000 for bodily injuries and death of all persons in any one incident
- Maximum of \$100,000 for bodily injuries or death of one person; and
- \$25,000 for loss or damage of property to others.

This bill is effective July 1, 2023.

Motor Fuel Tax

SB 146 (O.C.G.A. §§ 48-9-2, 48-9-3, 48-9-8, 48-9-9, 48-9-12, and 40-2-151)

This bill provides for the sale and taxation of electricity and hydrogen as “motor fuels.”

Section 3-1

This section amends O.C.G.A. § 48-9-2 relating to the motor fuel tax by revising language to include electricity and charging stations.

Section 3-2

This section amends O.C.G.A. § 48-9-3 by adding the gallon equivalent of electricity to the motor fuel tax up to 11 kilowatt-hours and hydrogen up to 2.2 lbs. and removing language that would sunset the use of the Consumer Price Index in establishing an excise tax rate.

Section 3-4

This section amends O.C.G.A. § 48-9-9 to add electricity to motor fuel delivery reports.

Section 4-1

This section amends O.C.G.A. § 40-2-151 to update the language to maintain the use of the Consumer Price Index when calculating the motor fuel tax.

This bill is effective July 1, 2023, with the exception of sections 3-1 through 3-4 becoming effective January 1, 2025.

Local Government Services

SB 215 (O.C.G.A. § 50-18-78)

This bill creates O.C.G.A. § 50-18-78 which establishes that personally identifiable information of any law enforcement officer shall be removed from all property records that are publicly available by the local government within 30 days of receiving a written request from such law enforcement officer. This bill also requires each local government to provide a form on its website for law enforcement officers to use when requesting removal of personally identifiable information. This bill is effective July 1, 2023, and the removal request forms will be available on or before January 1, 2024.

HB 311 (O.C.G.A. § 48-5-33)

This bill amends O.C.G.A. § 48-5-33 by providing an optional mechanism to grant temporary tax relief to buildings located in disaster areas. Further, it establishes the requirements and authority of each local emergency management directors in making reports of determinations regarding such buildings that have incurred a degree of damage sufficient to qualify as “major” or “destroyed” as a result of the disaster.

Following the report, this bill authorizes the local government to adopt a resolution consenting to provide an optional temporary tax relief to certain properties located in national disaster areas. If the local government adopts such resolution, eligible tax parcels or eligible destroyed tax parcels will automatically qualify to receive such temporary tax relief without need of application or action by the owner. If a governing authority consents to such temporary tax relief, the resolution shall specify that for such tax year, the taxpayer shall be authorized either to receive a tax credit on the taxpayer's tax bill or the taxpayer shall be authorized to claim a refund in the same manner as otherwise provided under O.C.G.A. § 48-5-380. Any credits, reductions, or refunds approved or allowed under this Code Section shall be paid by funds of the county, consolidated government, municipality, or independent board of education to which the taxes were or were to have been paid.

Finally, the bill grants the right of appeal to owners of real property who, in good faith, believe their property was overlooked or improperly given a classification other than as an eligible tax parcel.

This bill is effective March 16, 2023, and applicable to property tax assessments issued on or after April 1, 2023.

Administration

SB 103 (O.C.G.A. §§ 44-12-192, 44-12-209, 44-12-217, 44-12-218, 44-12-220, 44-12-221, 44-12-222, 44-12-224, 44-12-228, 44-12-229, 44-12-239, 44-12-239.1, and 44-12-239.2)

This bill modifies the Georgia Disposition of Unclaimed Property Act (“DUPA”) in a several ways, particularly by altering the regime that allows a person to collect a fee for claiming property on another’s behalf as a “claimant’s designated representative”. SB 103 removes the two-year hold previously applicable to representative claims and creates a process for persons to

register as designated representatives, submit a claim on behalf of another, and collect a portion of an approved claim as a fee. The bill also expands the Department's role in responding to those claims and creates administrative enforcement mechanisms for designated representatives who violate the statutory provisions or Department rules. In addition, the bill modifies provisions of DUPA related to (1) the handling of will and trust instruments found in safe deposit boxes and (2) the sale by auction of certain abandoned property held by the Department. Finally, SB 103 permits the Department to retain 1% of annual funds collected for administration of the unclaimed property program.

This bill is effective July 1, 2024.

SB 56 (O.C.G.A. § 48-5-184)

Section 1-1

This section of the bill creates a new code section that requires the State Revenue Commissioner to contract the Board of Trustees of the Employee's Retirement System of Georgia (ERS) to administer a deferred compensation plan for eligible county tax commissioners. County tax commissioners or tax collectors are eligible if they are compensated according to O.C.G.A § 48-5-183 and, as of March 1, 2023, were not able to participate in any retirement system or preferred compensation plan. The Board of Trustees of the ERS will investigate and approve a deferred compensation plan that provides tax benefits and offers a qualified Roth contribution program. The state will also contribute an equal amount to the eligible county tax commissioner's plan up to five percent.

Section 1-1 of SB 56 is effective July 1, 2023.