



# State of Georgia Department of Revenue 2024 Partnership Income Tax General Instructions

File Form 700 electronically. Visit our website [dor.georgia.gov](http://dor.georgia.gov) for more information.

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## CREDIT CARD PAYMENTS



The Georgia Department of Revenue accepts Visa, American Express, MasterCard, and Discover credit cards for payment of:

- ✓ Current-year Partnership Income Tax payments;
- ✓ Liabilities on Department of Revenue-issued assessment notices
- ✓ Partnership estimated tax payments.

## FROM THE COMMISSIONER

This booklet is designed to provide information and assist partnerships in filing their Georgia partnership tax returns. I recommend you review the Department's website if there are any changes affecting your return.

This booklet contains the instructions required by most partnerships. If you need forms, we encourage you to visit our website at [dor.georgia.gov](http://dor.georgia.gov). There you can download forms and always obtain up-to-date tax information and news from the Department of Revenue.

The Department of Revenue, as outlined in the Taxpayer Bill of Rights, (<https://dor.georgia.gov/taxpayer-bill-rights>) will provide "fair, courteous and timely service" to the taxpayers of Georgia. Our mission is to administer the tax laws of the state of Georgia fairly and efficiently in order to promote public confidence and compliance while providing excellent customer service.

Frank M. O'Connell  
Revenue Commissioner

## What's Inside?

<a href="#">Adjustments to Federal Income</a> .....	2
<a href="#">Amended Returns</a> .....	2
<a href="#">Computation of Income for Georgia Purposes</a> .....	4
<a href="#">Corporate Partners of Partnerships</a> .....	4
<a href="#">Federal Audit</a> .....	2
<a href="#">Filing Requirements</a> .....	2
<a href="#">Georgia Tax Center</a> .....	1
<a href="#">Guaranteed Payments</a> .....	4
<a href="#">Income Apportionment and Allocation</a> .....	3
<a href="#">Income to Partners</a> .....	4
<a href="#">Net Worth Tax</a> .....	4
<a href="#">Partnerships with Nonresident Partners</a> .....	4
<a href="#">Tax Credits</a> .....	9-19
<a href="#">Telephone Assistance</a> .....	5
<a href="#">What's New</a> .....	2
<a href="#">When and Where to File</a> .....	2

# Georgia Tax Center

**What is the Georgia Tax Center?** The Georgia Tax Center (GTC) is the Department of Revenue's secure self-service customer facing portal for making online Individual or Business Tax payments and for corresponding with the Department.

**Who Can Sign Up?** Any taxpayer that pays taxes in the State of Georgia is eligible to use GTC for Adult Entertainment Tax, Alcohol License, Composite Tax, Corporate Income Tax, Fiduciary Income Tax, Fireworks Excise Tax, International Fuel Tax, Motor Fuel Distributor Tax, Non-Prepaid 911 Charge, Prepaid Wireless 911 Charge, Public Service Commission, Public Utilities and Airlines, Qualified Timberland Property, Railroad Equipment, Sales and Use Tax, State Hotel-Motel Fee, Tobacco License, Transportation Services Tax, Withholding Misc., Withholding Misc. Film and Withholding Tax. For more information, see <https://gtc.dor.ga.gov>.

**Note:** Third party filers can sign up for GTC to access their clients' information with the proper documentation and authorization. For more information see <https://dor.georgia.gov/taxes/information-tax-professionals/third-party-filers>

**How Do I Sign Up?** To use GTC, visit our website at <https://gtc.dor.ga.gov>. First time users must register before accessing tax accounts. To register, you will need:

- Tax type account number
- Federal Employer Identification Number (FEIN) / Social Security Number (SSN)
- Amount of your last payment
- ZIP code of your business location
- A valid e-mail address

Third party filers can sign up for GTC to access their clients' information with the proper documentation and authorization. For more information see <https://dor.georgia.gov/taxes/information-tax-professionals/third-party-filers>.

Please visit our website for instructional videos and frequently asked questions: [dor.georgia.gov/taxes/georgia-tax-center-help](https://dor.georgia.gov/taxes/georgia-tax-center-help).

## GTC Features

- Request a refund
- Address updates
- Penalty waivers
- Protest of Proposed Assessments
- Register and add access to accounts
- Submit a Power of Attorney (POA)
- View account balances
- Respond to document request notices
- Manage your tax credits
- Make payments as a direct debit from a US bank and/or using credit or debit cards
- View copies of correspondence
- Request an Installment Plan Agreement (IPA) or an Offer in Compromise (OIC)
- Request Tax Clearance

For a complete list of features visit GTC at <https://gtc.dor.ga.gov>

# GENERAL INFORMATION

## WHAT'S NEW

**New Tax Rate:** For taxable years beginning on or after January 1, 2024, the income tax rate for Partnerships electing to pay tax at the entity level is the same income tax rate imposed on individual taxpayers for the corresponding taxable year. The tax rate for the taxable year beginning on or after January 1, 2024 is 5.39%. The tax rate is not prorated but is applicable for the entire tax period. Fiscal filers must use the tax rate based on the start of their filing period when filing; the tax rate is not prorated. The tax rate for subsequent tax years may change.

**Historic Rehabilitation Tax Credit (152/153), Qualified Education Donation Credit (140), Rural Zone Credit (142)** These credits have been extended and revised, for more information, see Tax Credits Section in this booklet or <https://dor.georgia.gov/tax-credit-summaries>

**Qualified Payments to Classified Subcontractors :** Effective January 1, 2024, a corporation which is a party to state contracts may subtract from Federal taxable income 10% of qualified payments to classified subcontractors. A classified subcontractor is defined as a small business certified as a minority business enterprise, women owned business, or veteran owned business. Previously, the subtraction was available only for qualified payments to minority businesses. See page 3 for more information.

**Grants and Subgrants Received for Investments in Broadband Infrastructure:** For taxable years beginning on or after January 1, 2024 and prior to January 1, 2029, a corporation can subtract from taxable income any broadband infrastructure investment grant or subgrant received pursuant to the Broadband Equity, Access, and Development Program (BEAD) or the American Rescue Plan of 2021 but only to the extent that such grant or subgrant is included in the corporation's taxable income.

## FEDERAL TAX CHANGES/CONFORMITY, NEW LEGISLATION, ANOTHER POLICY INFORMATION

Federal Tax Changes/Conformity with Federal Changes, New Legislation, and other Policy information are available via the Department's website <https://dor.georgia.gov/taxes/tax-rules-and-policies/income-tax-federal-tax-changes>

## FILING REQUIREMENTS

A partnership, limited liability company, syndicate, group, joint venture and unincorporated organization which is engaged in business or owns property located in Georgia or has members domiciled in Georgia or has income from Georgia sources, and which is required to file a Federal Income Tax return on Form 1065, is required to file a Georgia Income Tax return on Form 700.

## WHEN AND WHERE TO FILE

Form 700 must be filed on or before the 15th day of the third month following the close of the taxable year. This would be March 15th if filing on a calendar year basis. If the due date falls on a weekend or holiday, the return is due on the next day that is not a weekend or holiday. Paper returns should be mailed to the Georgia Department of Revenue, Processing Center, P.O. Box 740315, Atlanta, Georgia 30374-0315.

## ELECTION TO PAY AT THE ENTITY LEVEL

A partnership may annually make an irrevocable election to pay income tax at the entity level instead of passing the income tax liability through to the partners. To make the election, the partnership must check the box, "Partnership elects to pay the tax at the entity level", on the Form 700 by the due date or extended due date of the Form 700.

The election to pay tax at the entity level is binding on all partners, including nonresident partners. A composite return is not required when the election is made. Any allocable shares of the electing partnership's income or loss included on the partners' Federal adjusted gross income must be adjusted on the partners' own Georgia income tax returns. The partners are not eligible to claim a credit for taxes paid to Georgia with respect to income taxed at the partnership level.

Tax attributes, including but not limited to credits and net operating losses, Page 2

do not pass through to the partners but remain with the electing partnership regardless of whether an election is made for subsequent taxable years. However, an electing partnership may make an irrevocable election to pass through all or part of any credit, that is generated within the applicable statute of limitation period for the partnership, to its partners for the taxable year the credit is generated. The election to pass credits through to the partners is not available for the Qualified Education Expense Tax Credit, the Qualified Education Donation Credit, and the Qualified Rural Hospital Expense Tax Credit.

The electing partnership must make estimated tax payments in the same manner as a C Corporation. Estimated payments made by the partners are not eligible to be transferred to the electing partnership but can be used to compute the penalty on Form 600-UET as if the electing partnership had made such payments. See Code Section 48-7-23 and Regulation 560-7-3-.03 for more information.

## FEDERAL AUDIT

Georgia House Bill 849 was enacted in 2017. This bill modifies Code Section 48-7-53 and provides for the reporting of federal partnership adjustments effective for taxable years beginning on or after January 1, 2018. With a federal partnership adjustment, the partnership is required to file an amended Georgia return (please check the "Amended due to IRS Audit" box on Page 1 of the Form 700). With a federal partnership adjustment (and also for an amended return filed by the partnership), a partnership may elect to pay the tax due on behalf of its partners by checking the box on page 1 of Form 700. If the partnership makes this election, a schedule should be attached to the Form 700 which provides the details of the income reported for the partners and the total income should be entered on page 1 of Form 700. The bill also provides for Georgia partnership audit adjustments and related appeals effective for taxable years beginning on or after January 1, 2017, and earlier if the Department and the partnership agree. For a Georgia partnership audit, a partnership may elect to pay the tax due on behalf of its partners by checking the box on Line 2 of Schedule 1. This election can be made on an original or amended return filed before the audit starts or at the time of the audit. If the election is made, the partnership will not file an amended return, instead the Department will issue a notice to the partnership to facilitate the collection of the tax. If the election is not made, the partnership and its direct and indirect partners must file amended returns.

## AMENDED RETURNS

If a partnership becomes aware of changes after filing its return, it should file an amended Form 700. Check the Amended return box on Form 700 and submit an amended K-1 for each partner and a complete copy of the amended Federal partnership return, including schedules, if applicable.

## STATE PARTNERSHIP REPRESENTATIVE

Indicate on page 1 the State Partnership Representative if different than the Federal Partnership Representative. See Regulation 560-7-3-.11 for more information.

## RELATION TO THE FEDERAL RETURN

The Georgia returns correlates to the Federal return in most respects (see information about Federal tax changes). The accounting period and method used for the Georgia return must be the same as on the **Federal return**. **A complete copy of the Federal return and all supporting schedules must be included with the Georgia return. Otherwise, your return will be deemed incomplete.**

## ADJUSTMENTS TO FEDERAL INCOME (Schedules 5 and 6)

To determine the total income for Georgia purposes, certain adjustments as provided by Georgia law are included in the computations for Schedules 5 and 6. The total additions to Federal

## GENERAL INFORMATION

Income should be placed on Line 9 of Schedule 8, and listed in Schedule 5. The total subtractions from Federal income should be shown on Line 11 of Schedule 8 and listed on Schedule 6. The more commonly used items are listed in each schedule.

**A partnership must add back all intangible expense and related interest expenses directly or indirectly paid to a related member. All such expenses must be listed as an addition to Federal income even if the taxpayer qualifies for an exception. If the taxpayer qualifies for a full or partial exception, Form IT-Addback must be completed in order for the taxpayer to take a subtraction on Schedule 6 for all or any portion of the addition listed on Schedule 5.**

A partnership must add back all captive REIT expenses directly or indirectly paid to a related member. All such expense must be listed as an addition to federal income even if the taxpayer qualifies for an exception. If a taxpayer qualifies for a full or partial exception, Form IT-REIT must be completed.

A taxpayer must addback payments of more than \$600 in a taxable year made to employees who are not authorized employees and who are not excepted by O.C.G.A. § 48-7-21.1. An authorized employee is someone legally allowed to work in the United States.

**Additionally, adjustments due to Federal tax changes should be reported as stated on the Department's website:** [dor.georgia.gov/taxes/tax-rules-and-policies](http://dor.georgia.gov/taxes/tax-rules-and-policies).

U.S. obligation income that is subtracted must be reduced by direct and indirect interest expense. To arrive at such reduction, the total interest expense is multiplied by a fraction, the numerator of which is the taxpayer's average adjusted basis of the U.S. obligations, and the denominator of which is the average adjusted basis of all assets of the taxpayer.

Any expense that is subject to further limitation (e.g., Section 179 Deduction, Charitable Contributions, etc.) is not deductible in calculating total income for Georgia purposes. However, these expenses may be deductible on the partner's income tax return.

Where salaries and wages are reduced in computing Federal taxable income because a federal jobs tax credit has been taken, which required the elimination of the salary and wages deduction, the eliminated salary and wage deduction shall be subtracted from Georgia taxable income. Regulation 560-7-7-.05 defines the term "Federal jobs tax credit".

Taxpayers who are parties to state contracts may subtract from Federal taxable income or Federal adjusted gross income 10% of qualified payments to classified subcontractors or \$100,000, whichever is less, per taxable year. A list of classified subcontractors is maintained by the Commissioner of the Department of Administrative Services for the Revenue Department and general public. To register your business as a classified subcontractor or to view the list, call 404-656-5514 or visit <https://doas.ga.gov/state-purchasing/georgia-business-certification-program>

A partnership may subtract Federally taxable interest received on Georgia municipal bonds designated as "Build America Bonds" under Section 54AA of the Internal Revenue Code of 1986. "Recovery Zone Economic Development Bonds" under Section 1400U-2 of the Internal Revenue Code or any other bond treated as a "Qualified Bond" under Section 6431(f) of the Internal Revenue Code are considered "Build America Bonds" for this purpose. A partnership may also subtract federally taxable interest received on Georgia municipal bonds issued by the State of Georgia and certain authorities or agencies of the State of Georgia for which there is a special exemption under Georgia law from Georgia tax on such interest.

Georgia follows the provisions of I.R.C. Section 163(j) as they existed before the 2017 Tax Cuts and Jobs Act.

See Georgia Code Section 48-7-27 for additional adjustments.

## DEFERRED COMPENSATION

A nonresident, who receives deferred compensation or income from the exercise of stock options that were earned in Georgia in a prior year is required to pay tax on the income, but only if the prior year's income exceeds the lesser of: 1) 5 percent of the income received by the person in all places during the current taxable year; or 2) \$5,000. However, the income is not taxed if federal law prohibits the state from taxing it. Federal law prohibits state taxation of some types of retirement income including pensions as well as income received from nonqualified deferred compensation plans if the income is paid out over the life expectancy of the person or at least 10 years. An employer is required to withhold Georgia income tax on any amounts that are required to be included in the nonresident's income.

## INCOME APPORTIONMENT AND ALLOCATION (Schedules 7 and 2)

If any Partnership, domestic or foreign, is doing business or owns property either within and/or outside of Georgia, the average ratio as computed in Schedule 7 should be used to compute Georgia Net Income in Schedule 2. If the business income of the partnership is derived from Georgia sources, from property owned or business done within this State, and in part from property owned or business done outside this State, the tax shall be imposed only on that portion of the business income which is reasonably attributable to Georgia sources and property owned and business done within this State, to be determined as follows:

(1) Interest received on bonds held for investment and income received from other intangible property held for investment are not subject to apportionment. Rentals received from real estate held purely for investment purposes and not used in the operation of the business are also not subject to apportionment. All expenses connected with the interest and rentals from such investments are likewise not subject to apportionment but must be applied against the investment income. The net investment income from intangible property shall be allocated to Georgia if the partnership's situs is in Georgia, or the intangible property was acquired as income from property held in Georgia, or as a result of business done in Georgia. Net investment income from tangible property in Georgia shall be allocated to Georgia.

(2) Gains from the sale of tangible or intangible property not held, owned or used in connection with the trade or business of the partnership, nor for sale in the regular course of business, shall be allocated to Georgia if the property sold is real or tangible personal property situated in this State, or intangible property having an actual situs or a business situs within this State. Otherwise, the gains shall not be allocated to this State.

(3) Net income of the above classes having been separately allocated and deducted the remainder of net business income shall be apportioned as follows:

### ONE FACTOR FORMULA

(a) Gross Receipts Formula. The gross receipts factor is the ratio of gross receipts from business done within this State to total gross receipts from business done everywhere. Receipts derived from the sale of tangible personal property shall be deemed to have been derived from business done in Georgia if they were received from products shipped to customers in this State or products delivered within this State to customers. When receipts are derived from business other than the sale of tangible personal property, receipts shall be deemed to have been derived in Georgia if received from customers within this state, or if the receipts are otherwise attributable to this State's marketplace.

- For tax years beginning on or after January 1, 2008, the Georgia apportionment ratio shall be computed by applying only the gross receipts factor. See Rules and Regulation 560-7-7-.03 for specific details.
- For tax years beginning on or after January 1, 2006, a company whose net income is derived from the manufacture, production, or sale of tangible personal property, and from business other than the manufacture, production, or sale of tangible personal property, must include gross receipts from both activities in their receipts factor.
- For tax years beginning on or after January 1, 2006, a

## GENERAL INFORMATION (continued)

company whose net income is derived from business other than the manufacture, production, or sale of tangible personal property, only includes in their receipts factor gross receipts from activities which constitute the taxpayer's regular trade or business.

(b) Apportionment of Income; Business Joint Venture and Business Partnerships. A corporation or partnership which is involved in a business joint venture, or is a partner in a business partnership, must include its pro rata share of the joint venture or partnership gross receipts values in its own apportionment formula.

### COMPUTATION OF TOTAL INCOME FOR GEORGIA PURPOSES (Schedule 8)

Schedule 7 reflects flow-through income from the federal return which is taxable to the individual partners. A resident partner is required to report his full share of partnership income or loss. A nonresident partner is required to report only his share of Georgia-apportioned and Georgia-allocated income on such partner's return. Payments made to a partner for services rendered or interest on capital contributions (guaranteed payments) are not deductible when computing the partnership's net income. Schedule 8 is similar to the Federal Schedule K. Enter the total amounts from each category on Schedule 8 where applicable.

### GA Net Operating Loss (NOL) Carry Forward Worksheet (Schedule 9)

This worksheet should be used to calculate the NOL carryovers. Select the type of loss for the current year. The types of losses are as follows:

- **Normal Loss:** A Normal loss can only be carried forward until exhausted.
- **Insurance loss (2) year:** An Insurance loss can be carried back 2 years and carried forward for 20 years or until exhausted.
- **Farm Loss (2) Year:** A Farm loss can be carried back 2 years. A Farm loss can be carried forward indefinitely or until exhausted.

For columns A-F see the instructions on Schedule 9 on page 6 of this booklet.

### INCOME TO PARTNERS (Schedule 4)

This schedule provides space to show identifying information and income distributable to the individual partners.

Enter for each partner: 1. Name; 2. Street and Number; 3. City, State, Zip Code and Country if foreign; 4. Social Security or Federal Identification Number; 5. Profit (Loss) sharing percentage (Enter the ending percentage that is listed on the Federal K-1); 6. Georgia Source Income. If the partnership has more than 5 partners, attach a separate schedule for the additional partners in the same format. Total Georgia source income may differ from total net income because some of the partnership income (e.g., guaranteed payments) may not be based on the profit-sharing ratio, or the partner is a Georgia resident. See example on pages 4 and 5.

### CREDIT USAGE AND CARRYOVER (Schedule 10)

Credits that are eligible to be sold only include series 100 tax credits that are eligible to be directly transferred or sold pursuant to the applicable statute and that have not been previously passed through and made available to the partners of the partnership or tiered partnership. These credits may be entered on Schedule 3, Line 3. Series 100 tax credits are any tax credit designated by the Department with a tax credit code from 100 through 199. Enter the information as specified on each line of Schedule 10. With respect to Line 10, the "Tax Credits" summary in this booklet includes information regarding which credits can be sold.

### Computation of Tax Due or Overpayment (Schedule 3)

If you have an overpayment and an amount due for interest, Form 600UET and/or other penalties the following should be applied:

If Line 6 is greater than Line 7, Line 8 and Line 9 combined, subtract Lines 7, 8 and 9, from Line 6 and enter the overpayment on Line 12. Otherwise, add Lines 7, 8 and 9, and then subtract Line 6. Enter this amount on Line 10.

### CORPORATE PARTNERS OF PARTNERSHIPS

A corporation will be considered to own property in Georgia, do business in Georgia, or have income from Georgia sources whenever the corporation is a partner, whether limited or general, in a partnership which owns property or does business in Georgia, or has income from Georgia sources.

### LIMITED LIABILITY COMPANY

Each limited liability company and foreign limited liability company shall be classified as a partnership for Georgia income tax purposes unless classified otherwise for Federal income tax purposes, in which case the limited liability company or foreign limited liability company shall be classified for Georgia income tax purposes in the same manner as it is classified for federal income tax purposes.

### NET WORTH TAX

Partnerships are not subject to net worth tax.

### PARTNERSHIP WITH NONRESIDENT PARTNERS

Nonresident partners of partnerships doing business both within and outside Georgia shall compute their proportionate part of the partnership's allocated and apportioned income from the schedules on Form 700. Georgia net income computed on Line 7 of Schedule 2 should be multiplied by the percentage of ownership. This amount is further adjusted by the partner's share of the separately stated items mentioned on the Department's website. Please see page 2 for a link to the Federal Tax Changes section on the website and for the Adjustments to Federal Income section. A partnership that owns property or does business within this State is required by O.C.G.A. § 48-7-129 to withhold on the annual partner's share of taxable income sourced to Georgia. The withholding tax rate is 4%. Withholding is not required if the annual partner's share of taxable income sourced to Georgia is less than \$1,000. Also there are various exemptions from nonresident withholding. See Regulation 560-7-8-.34 and Form NRW-Exemption. As an alternative to withholding, the partnership may file a composite return (Form IT CR) for its nonresident partners. Permission is not required to file a composite return. Please check the Composite Return Filed box on page 1 of Form 700.

Subsection (c) of O.C.G.A. § 48-7-24 provides an exemption from Georgia income tax for a nonresident partner who receives income from a partnership which derives income exclusively from buying, selling, dealing in, and holding securities on its own behalf and not as a broker. Accordingly, withholding under O.C.G.A. § 48-7-129 would not apply in this situation.

**Note: This exemption does not apply to a family limited partnership or similar nontaxable entity, the majority interest of which is owned by one or more natural or naturalized citizens related to each other within the fourth degree of reckoning according to the laws of descent and distribution. Also, this exemption does not apply to a partner that participates in the management of the partnership or that is engaged in a unitary business with another person (including entities) that participates in the management of the partnership.**

### GUARANTEED PAYMENT EXAMPLE

The following example illustrates how guaranteed payments should be treated when there is a nonresident partner: There are two partners in the partnership. Partner One is a resident of Georgia and owns 25% of the partnership. Partner One receives a guaranteed payment of \$10. Partner Two is a nonresident of Georgia and owns 75% of the partnership. Partner Two receives a guaranteed payment of \$40. The profit and loss sharing ratio is the same as the ownership percentage. The Georgia apportionment ratio on Line 2, Schedule 7, of Form 700 is 50%.

# GENERAL INFORMATION (continued)

Ordinary income reported on line 1, schedule 8, of Form 700.....	\$100
Guaranteed payment reported on line 5, schedule 8, of Form 700.....	\$50
Total income for Georgia purposes, line 12, schedule 8, of Form 700.....	\$150

Partner One (resident) is required to report \$35 on the Georgia return. The entire \$10 guaranteed payment plus their share of the ordinary income of the partnership, which is \$25 (\$100 ordinary income placed on line 1, schedule 8, of Form 700 multiplied by the ownership percentage of 25%). Partner Two (nonresident) is required to report \$58 on the Georgia return. The Georgia portion of the guaranteed payment is \$20 (\$40 guaranteed payment multiplied by the Georgia ratio of 50%) plus the share of the Georgia portion of the ordinary income of the partnership, which is \$38 (\$100 ordinary income placed on line 1, schedule 8 of Form 700 multiplied by their ownership percentage of 75% multiplied by the Georgia ratio of 50%).

## FREQUENTLY ASKED QUESTIONS

Answers to frequently asked questions regarding corporations, S Corporations, partnerships, LLCs, and nonresident withholding are available on our website at <https://dor.georgia.gov/taxes/tax-faqs-due-dates-and-other-resources>

## TELEPHONE ASSISTANCE

Customer Contact Center.....1-877-423-6711

## DIRECT DEPOSIT OPTION

### DIRECT DEPOSIT- Fast Refunds! Choose Direct Deposit.

A fast, simple, safe, secure way to have your refund deposited automatically to your checking or savings account. Check the appropriate box for the type of account. Do not check more than one box. You must check the correct box to ensure your direct deposit is accepted.

The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. Ask your financial institution for the correct routing number to enter if:

- The routing number on a deposit slip is different from the routing number on your checks.
- The deposit is to a savings account that does not allow you to write checks or
- Your checks state they are payable through a financial institution different from the one at which you have your checking account. The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right and leave any unused boxes blank.

Reasons your direct deposit may be rejected – If any of the following apply, your direct deposit request may be rejected, and a check will be sent:

- Any numbers or letters are crossed out or whited out.
- Your financial institution may not allow a joint refund to be deposited to an individual account. The State of Georgia is not responsible if a financial institution rejects a direct deposit.
- You request a deposit of your refund to an account that is not in your name (such as your tax preparer's own account).



# PARTNERSHIP ESTIMATED INCOME TAX INSTRUCTIONS

## PARTNERSHIPS THAT MUST FILE ESTIMATED TAX

**The tax rate is 5.39%**

A partnership that elects to pay tax at the pass-through entity level must make estimated tax payments in the same manner as a corporation and using the Form 602-ES. Every domestic or foreign partnership subject to taxation in Georgia shall pay estimated tax for the taxable year if its net income for such taxable year can reasonably be expected to exceed Twenty-Five Thousand Dollars (\$25,000.00).

All partnership income tax must be paid directly to the Georgia Department of Revenue. The estimated tax shall be paid on the specified dates so as to effect payment in full of the estimated tax by the 15th day of the twelfth month of the taxable year.

If the requirements to file estimated tax under Code Section 48-7-117 are first met as shown in the left-hand column of the following table, then the estimated tax shall be due as shown in the remaining columns.

Failure to comply with the provisions of the law may result in a penalty of 5% of the income tax for failure to pay estimated tax and a charge at a rate of 9% per annum for underpayment of estimated tax. Compute the 9% penalty on Form 600 UET and check the "UET Annualization Exception attached" box if an exception applies and attach the 600 UET to the return. Enter penalty from 600 UET on schedule 3 line 8 of Form 700.

<b>The following percentages of estimated tax shall be paid on or before the fifteenth day of the:</b>	<b>4th MONTH OF THE TAXABLE YEAR</b>	<b>6th MONTH OF THE TAXABLE YEAR</b>	<b>9th MONTH OF THE TAXABLE YEAR</b>	<b>12th MONTH OF THE TAXABLE YEAR</b>
Before the first day of the fourth month of the taxable year.	25%	25%	25%	25%
After the last day of the third month and before the first day of the sixth month of the taxable year.		33 1/3%	33 1/3%	33 1/3%
After the last day of the fifth month and before the first day of the ninth month of the taxable year.			50%	50%
After the last day of the eighth month and before the first day of the twelfth month of the taxable year.				100%

### NEW ESTIMATED TAX FILERS

If you determine that you are required to file estimated tax, mail your initial payment along with Form 602ES. The estimated tax worksheet is on the Form 602ES. Include your corporate name, address, telephone number, Federal Employer Identification Number, and the taxable year. For more information, contact the Department at 1-877-423-6711.

Form 602ES should be mailed to State of Georgia, Department of Revenue, P.O. Box 105136, Atlanta, Georgia 30348-5136. Check or money order for payment of tax should be made payable to Georgia Department of Revenue. Include your Federal Employer Identification Number on your check or money order.

### ELECTRONIC PAYMENT

You may pay partnership income and estimated taxes using Georgia Tax Center (GTC). This integrated tax system gives partnership taxpayers the ability to pay the tax via a secure internet connection.

Please visit the GTC website at <https://gtc.dor.ga.gov> for more information. You may also contact the Customer Contact Center at 1-877-423-6711.

### EXTENSION INFORMATION FOR PARTNERSHIPS

Georgia Code Section 48-7-57 provides that a taxpayer need not apply for a Georgia extension if the taxpayer applies for and receives an automatic six (6) month extension to file their Federal income tax return. If the return is received within the time extended by the Internal Revenue Service and Form 7004 is attached to the return, no late filing penalties will apply. Georgia law prohibits granting an extension of more than six months from the due date of the return. Failure to attach a copy of the Federal extension will result in the return being considered filed late and the assessment of applicable penalties. If you do not need a Federal extension, use Form IT-303 to request a Georgia extension if necessary. If an extension is granted but the tax was not paid by the statutory due date, late payment penalties will be assessed until the tax is paid (income tax at 1/2 of 1% per month up to 25% of the tax due; net worth tax at 10%). Also, interest will be assessed as specified on page 4 from the statutory due date until the tax is paid in full. Late payment on penalties and interest accrue from the statutory due date regardless of an extension. Non estimated tax payments made prior to filing a completed return must be accompanied by Form IT-560C and claimed on Form 700, Schedule 3, Line 2. An extension of time does not alter interest or penalty charges for late payment of tax.

**NOTE: Check the "Extension" box on Form 700 if a Federal or Georgia extension was granted. Failure to check the extension box will result in assessment of a late filing penalty.**



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## EXAMPLE OF HOW TO FILL OUT A TAX CREDIT SCHEDULE FOR CREDITS THAT DO NOT REQUIRE PRE-APPROVAL

**If receiving the same credit type from multiple entities, you must complete one tax credit schedule for each credit code.** For the credit generated this tax year, list the Company Name and ID number if applicable. If the credit originated with this taxpayer, enter this taxpayer's name and ID#. Only enter a certificate number if the Department has provided a letter with your unique certificate number because the credit is preapproved. Purchased credits and credits received from an allocation should be included on this schedule. If a credit is purchased from a previous year the credit should be claimed as previous year credit.

1. Credit Code		103
2. Company Name TAXPAYER'S NAME	ID Number	12-3456789
Credit Certificate #	Credit Generated	45,000
3. Company Name XYZ LLC	ID Number	67-0009876
Credit Certificate #	Credit Generated	3,000
4. Company Name ABC COMPANY	ID Number	57-2233445
Credit Certificate #	Credit Generated	3,000
5. Company Name	ID Number	
Credit Certificate #	Credit Generated	
6. Company Name	ID Number	
Credit Certificate #	Credit Generated	
7. Company Name	ID Number	
Credit Certificate #	Credit Generated	
8. Company Name	ID Number	
Credit Certificate #	Credit Generated	
9. Total available credit for this tax year (sum of Lines 2 through 8)	9.	51,000
10. Enter the amount of credit sold (only certain credits can be sold; see instructions)	10.	
11. Total allocated to owners on Schedule 11	11.	51,000
12. Credit used on Form IT-CR	12.	
13. Credits eligible to be sold that were not sold or allocated to partners from previous years (do not include amounts elected to be applied to withholding)	13.	
14. Credits used on Schedule 3 Line 3	14.	
15. Potential carryover to next tax year (Line 9 less Lines 10, 11, 12 14 plus Line 13)	15.	0

## EXAMPLE OF HOW TO FILL OUT A TAX CREDIT SCHEDULE FOR CREDITS THAT REQUIRE PRE-APPROVAL

If receiving the same credit type from multiple entities, you must complete one tax credit schedule for each credit code. For the credit generated this tax year, list the Company Name and ID number if applicable. If the credit originated with this taxpayer, enter this taxpayer's name and ID#. Only enter a certificate number if the Department has provided a letter with your unique certificate number because the credit is preapproved. Purchased credits and credits received from an allocation should also be included on this schedule. If a credit is purchased from a previous year the credit should be claimed as previous year credit.

1. Credit Code		122
2. Company Name TAXPAYER'S NAME	ID Number	12-3456789
Credit Certificate # 0112233445	Credit Generated	10,000
3. Company Name	ID Number	
Credit Certificate #	Credit Generated	
4. Company Name	ID Number	
Credit Certificate #	Credit Generated	
5. Company Name	ID Number	
Credit Certificate #	Credit Generated	
6. Company Name	ID Number	
Credit Certificate #	Credit Generated	
7. Company Name	ID Number	
Credit Certificate #	Credit Generated	
8. Company Name	ID Number	
Credit Certificate #	Credit Generated	
9. Total available credit for this tax year (sum of Lines 2 through 8)	9.	10,000
10. Enter the amount of credit sold (only certain credits can be sold; see instructions)	10.	
11. Total allocated to owners on Schedule 11	11.	10,000
12. Credit used on Form IT-CR	12.	
13. Credits eligible to be sold that were not sold or allocated to partners from previous years (do not include amounts elected to be applied to withholding)	13.	
14. Credits used on Schedule 3 Line 3	14.	
15. Potential carryover to next tax year (Line 9 less Lines 10, 11, 12 14 plus Line 13)	15.	0

## TAX CREDITS

**Code**

**Note: A return is required to be filed electronically if the return generates, allocates, claims, utilizes, or includes in any manner a Series 100 credit.**

**Disregarded Single Member LLC Credit Instructions.** If the taxpayer owns or is owned by a disregarded single member LLC, the single member LLC should be disregarded for filing purposes. All credits should be claimed on the owner’s return. All tax credit forms should be filed in the name of the single member LLC but included with the owner’s return. This is necessary so that the returns can be processed and the credits flow to the proper taxpayer.

**Note: The Timber Tax Credit (145) is not refundable directly to a partnership. Instead it is refundable to the owners of a partnership (if not purchased).**

**102 Employer’s Credit for Approved Employee Retraining.** The retraining tax credit allows employers to claim certain costs of retraining employees to use new technology. However, approved retraining shall not include any retraining on commercially, mass produced software packages for word processing, database management, presentations, spreadsheets, email, personal information management, or computer operating systems except a retraining tax credit shall be allowable for those providing support or training on such software. The credit is calculated at 50% of the direct costs of retraining full-time employees, up to \$500 per employee per approved retraining program per year. There is a cap of \$1,250 per year per full-time employee who has successfully completed more than one approved retraining program. The credit may be utilized up to 50% of the taxpayer’s total state income tax liability for a tax year. The credit must be claimed within one year instead of the normal three-year statute of limitation period. Credits claimed but not used may be carried forward for 10 years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. For a copy of the Retraining Tax Credit Procedures Guide, contact the Technical College System of Georgia. This credit should be claimed on Form IT-RC, with Program Completion forms signed by Technical College System of Georgia personnel attached. For more information, refer to O.C.G.A. §48-7-40.5 and Policy Statement IT-2010-01-07.

**103 Employer’s Jobs Tax Credit.** This credit provides for a statewide job tax credit for any business or headquarters of any such business engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, research and development industries, biomedical manufacturing or services for the elderly and persons with disabilities but does not include retail businesses. If other requirements are met, job tax credits are available to businesses of any nature, including retail businesses, in counties recognized and designated as the 40 least developed counties.

Tier Designation	County Rankings	New Jobs Created	Credit Amount
Tier 1	1 through 71	2 or more*	\$3,500
Tier 2	72 through 106	10 or more	\$2,500
Tier 3	107 through 141	15 or more	\$1,250
Tier 4	142 through 159	25 or more	\$750

Credits similar to the credits available in Tier 1 counties are potentially available to companies in certain less developed census tracts in the metropolitan areas of the state. Note that the average wage for each new job must be above the average wage of the county that has the lowest average wage of any county in the state. Also, employers must make health insurance available to employees filling the new full-time jobs. Employers are not, however, required to pay all or part of the cost of such insurance unless this benefit is provided to existing employees. In Tier 1 and Tier 2 counties, the total credit amount may offset up to 100% of a taxpayer’s state income tax liability for a taxable year. In Tier 3 and Tier 4 counties, the total credit amount may offset up to 50% of a taxpayer’s state income tax liability for a taxable year. In Tier 1 counties and less developed census tracts, credits may be taken against a company’s income tax withholding. Credits for competitive projects in Tier 2, Tier 3, and Tier 4 counties may also be taken against income tax withholding. To claim the credit against withholding, a business must file Form IT-WH in the manner provided in Revenue Regulation 560-7-8-.36. A credit claimed but not used in any taxable year may be carried forward for 10 years from the close of the taxable year in which the qualified jobs were established. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. The measurement of the new full-time jobs and maintained jobs is based on average monthly employment. Georgia counties are re-ranked annually based on updated statistics. This credit should be claimed on Form IT-CA. An additional \$500 per job is allowed for a business located within a county that belongs to a Joint Development Authority per O.C.G.A. §36-62-5.1.

The additional new full-time jobs created in the four years after the initial year shall be eligible for the credit. The credit must be claimed within one year instead of the normal three-year statute of limitation period.

For taxable years beginning in 2020 and 2021, taxpayers that claimed the Jobs tax credit in a taxable year beginning on or after January 1, 2019 and before December 31, 2019, have the option to utilize the number of new full-time jobs that the taxpayer claimed in the taxable year beginning on or after January 1, 2019 and before December 31, 2019; or calculate the number of new full-time jobs based on the number of full-time jobs created and maintained in that respective tax year.

**104 Employer’s Credit for Purchasing Child Care Property.** Employers who purchase qualified child care property will receive a credit totaling 100% of the cost of such property. The credit is claimed at the rate of 10% a year for 10 years. Any unused credit may be carried forward for three years and the credit is limited to 50% of the employer’s Georgia income tax liability for the tax year. Recapture provisions

## TAX CREDITS (continued)

apply if the property is transferred or committed to a use other than child care within 14 years after the property is placed in service. This credit should be claimed on Form IT-CCC100. For more information, refer to O.C.G.A. §48-7-40.6 and Revenue Regulation 560-7-8-.38.

**105 Employer's Credit for Providing or Sponsoring Child Care for Employees.** Employers who provide or sponsor child care for employees are eligible for a tax credit of up to 75% of the employers' direct costs. The credit may not exceed 50% of the taxpayer's total state income tax liability for the taxable year. Any credit claimed but not used in any taxable year may be carried forward for five years from the close of the taxable year in which the cost of the operation was incurred. This credit should be claimed on Form IT-CCC75. For more information, refer to O.C.G.A. §48-7-40.6 and Revenue Regulation 560-7-8-.38.

**106 Manufacturer's Investment Tax Credit.** A taxpayer that has operated an existing manufacturing or telecommunications facility in the state for the previous three years is allowed a credit against income tax liability. The credit is calculated on expenses directly related to manufacturing or to providing telecommunications services. Taxpayers must apply (use Form IT-APP) and receive approval before claiming the credit on the appropriate tax return. A taxpayer may not claim the job tax credit or the optional investment tax credit when claiming this credit for the same project. Taxpayers must invest a minimum of \$100,000 per project/location during the tax year in order to claim the credit.

Tier Location	Tax Credit	Credit for Recycling, Pollution Control or Defense Conversion Activities
Tier 1	5%	8%
Tier 2	3%	5%
Tier 3 or 4	1%	3%

For a taxpayer with a manufacturing or telecommunications facility in a rural county located in a tier 1 county or tier 2 county that has purchased or acquired qualified investment property in a taxable year beginning on or after January 1, 2020 (which is then claimed on an income tax return in the taxable year after the purchased or acquired taxable year), the excess investment tax credit may be used to offset withholding. The taxpayer must receive preapproval as provided in Revenue Regulation 560-7-8-.37, to use the excess credit against withholding. A taxpayer that has investment tax credit carry forward for qualified investment property that was purchased or acquired in a taxable year beginning before January 1, 2020, may request preapproval to use such investment tax credit carry forward against withholding tax if certain requirements are met; this provision is repealed on December 31, 2024. The taxpayer must receive preapproval as provided in Revenue Regulation 560-7-8-.37 to use the credit carry forward against withholding. The total amount of tax credits preapproved to be used against withholding tax for taxpayers in rural counties located in tier 1 and tier 2 counties and for taxpayers to use investment tax credit carry forward against withholding together shall not exceed \$1 million per taxpayer per calendar year and \$10 million for all taxpayers per calendar year. Credits claimed but not used may be carried forward for 10 years from the year that the qualified investment property was acquired, provided that such property remains in service. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years.

This credit should be claimed on Form IT-IC and accompanied by the approved Form IT-APP. For more information, refer to O.C.G.A. §§ 48-7-40.2, 40.3, 40.4 and Revenue Regulation 560-7-8-.37.

**107 Optional Investment Tax Credit.** Taxpayers qualifying for the investment tax credit may choose an optional investment tax credit with the following threshold criteria:

Designated Area	Minimum Investment	Tax Credit
Tier 1	\$ 5 Million	10%
Tier 2	\$10 Million	8%
Tier 3 or 4	\$20 Million	6%

Taxpayers must apply (use Form OIT-APP) and receive approval before they claim the credit on their returns. The credit may be claimed for 10 years, provided the qualifying investment property remains in service throughout that period. For taxable years beginning on or after January 1, 2025, any credits generated may be claimed for five years, provided the qualifying investment property remains in service. A taxpayer must choose either the regular or optional investment tax credit. Once this election is made, it is irrevocable. The optional investment tax credit is calculated based upon a three-year tax liability average. The annual credits are then determined using this base year average. The credit available to the taxpayer in any given year is the lesser of the following amounts:

- (1) 90% of the excess of the tax of the applicable year determined without regard to any credits over the base year average; or
- (2) The excess of the aggregate amount of the credit allowed over the sum of the amounts of credit already used in the years following the base year.

The credit must be claimed on Form IT-OIC. For more information, refer to O.C.G.A. §§48-7-40.7, 40.8, and 40.9.

**109 Low Income Housing Credit.** This is a credit against Georgia income taxes for taxpayers owning developments receiving the federal Low Income Housing Tax Credit that are placed in service on or after January 1, 2001. Credit must be claimed on Form IT-HC and accompanied with Federal Form K-1 from the providing entity and a schedule of the building allocation. For more information, refer to O.C.G.A. §48-7-29.6.

**111 Business Enterprise Vehicle Credit.** This credit is for a business enterprise for the purchase of a motor vehicle used exclusively

## TAX CREDITS (continued)

to provide transportation for employees. In order to qualify, a business enterprise must certify that each vehicle carries an average daily ridership of not less than four employees for an entire taxable year. This credit cannot be claimed if the low and zero emission vehicle credit was claimed at the time the vehicle was purchased. For more information, refer to O.C.G.A. §48-7-40.22.

- 112 Research Tax Credit.** A tax credit is allowed for research expenses for research conducted within Georgia for any business or headquarters of any such business engaged in manufacturing, warehousing, and distribution, processing, telecommunications, tourism, broadcasting or research and development industries. The credit shall be 10% of the additional research expense over the "base amount," provided that the business enterprise for the same taxable year claims and is allowed a research credit under Section 41 of the Internal Revenue Code of 1986. The base amount calculation is based on Georgia gross receipts. The credit may not exceed 50% of the business' Georgia net income tax liability after all other credits have been applied in any one year. Any unused credit may be carried forward 10 years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. Excess research tax credit earned may be used to offset withholding. This credit should be claimed on Form IT-RD. For more information, refer to O.C.G.A. §48-7-40.12 and Revenue Regulation 560-7-8-.42.
- 113 Headquarters Tax Credit.** Companies establishing their headquarters or relocating their headquarters to Georgia prior to January 1, 2009 may be entitled to a tax credit if the following criteria are met: 1) At least fifty (50) headquarters jobs are created; and 2) within one year of the first hire, \$1 million is spent in construction, renovation, leasing, or other cost related to such establishment or reallocation. Headquarters is defined as the principal central administrative offices of a company or a subsidiary of the company. The credit is available for establishing new full-time jobs. To qualify, each job must pay a salary which is a stated percentage of the average county wage where the job is located: Tier 1 counties at least 100%; Tier 2 counties at least 105%; Tier 3 counties at least 110%; and Tier 4 counties at least 115%. The company has the ability to claim the credit in years one through five for jobs created in year one and may continue to claim newly created jobs through year seven and claim the credit on each of those jobs for five years. The credit is equal to \$2,500 annually per new full-time job meeting the wage requirement or \$5,000 if the average wage of all new qualifying full-time jobs is 200% or more of the average county wage where new jobs are located. The credit may be used to offset 100 percent of the taxpayers Georgia income tax liability in the taxable year. Where the amount of such credit exceeds the taxpayer's tax liability in a taxable year, the excess may be taken as a credit against such taxpayer's quarterly or monthly withholding tax. To claim the credit against withholding, a business must file Form IT-WH as provided in the headquarters tax credit regulation or as instructed by the Commissioner. This credit should be applied for and claimed on Form IT-HQ. For more information, refer to O.C.G.A. §48-7-40.17 before the 2009 amendments.
- 114 Port Activity Tax Credit (Use 114J for Port Activity Job Tax Credit and 114M for Port Activity Investment Tax Credit).** Businesses or the headquarters of any such businesses engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, or research and development that have increased their port traffic during the previous 12-month period by more than 10% over their base year port traffic are qualified for increased job tax credits or investment tax credits. "Base year port traffic" means the amount of imports and exports during the second preceding 12-month period. For example, if the taxpayer is trying to claim the credit for 2010, they would compare 2009 to 2008 and if the increase is more than 10%, they would qualify. NOTE: Base year port traffic must be at least 75 net tons, five containers, or 10 TEU's. If not, the percent-age increase in port traffic will be calculated using 75 net tons, five containers, or 10 TEU's as the base. "Port traffic" means the amount of imports and exports by way of a waterborne ship or vehicle through a port facility.
- Companies must meet Business Expansion and Support Act (BEST) criteria for the county in which they are located. The tax credit amounts are as follows for all Tiers: An additional job tax credit of \$1,250 per job; investment tax credit of 5%; or optional investment tax credit of 10%. Companies that create 400 or more new jobs, invest \$20 million or more in new and expanded facilities, and increase their port traffic by more than 20% above their base year port traffic may take both job tax credits and investment tax credits. The credit is claimed by filing the appropriate form for the applicable credit (job tax: Form IT-CA; investment tax: Form IT-IC or optional: Form IT-OIC) with the tax return and providing a statement with port numbers to verify the increase in port traffic. For more information, refer to O.C.G.A. § 48-7-40.15.
- 115 Bank Tax Credit.** All financial institutions that conduct business or own property in Georgia are required to file a Georgia Financial Institutions Business Occupation Tax Return, Form 900. Effective on or after January 1, 2001, a depository financial institution with a Sub Selection can pass through the credit to its shareholders on a pro rata basis. Credits claimed but not used may be carried forward for five years. For taxable years beginning on or after January 1, 2025, any credits generated and passed down to the shareholders but not used by the shareholders may be carried forward for three years. For more information, refer to O.C.G.A. §48-7-29.7.
- 118 New Facilities Jobs Credit.** For business enterprises who first qualified in a taxable year beginning before January 1, 2009, \$450 million in qualified investment property must be purchased for the project within a six-year period. The manufacturer must also create at a minimum 1,800 new jobs within a six-year period. For business enterprises who first qualify in a taxable year beginning on or after January 1, 2009; the definition of business enterprise is any enterprise or organization which is registered and authorized to use the Federal employment verification system known as "E-Verify" or any successor Federal employment verification system and is engaged in or carrying on any business activities within this state. Retail businesses are not included in the definition of a business enterprise. The business enterprise must meet the job creation requirement and either the qualified investment requirement, \$450 million qualified investment property, or the payroll requirement, \$150 million in total annual of Georgia W-2 reported payroll within the six-year period. For tax years beginning on or after January 1, 2012, the job creation re-quirement is extended if certain amounts of qualified investment property are purchased. After an affirmative review of the application by a panel, the business enterprise is rewarded with the new facilities job

## TAX CREDITS (continued)

tax credit. The credit is \$5,250 per job created. The credit offsets income tax liability and any excess credit may be used to offset withholding taxes. There is a 10-year carryforward of any unused tax credit. For applications approved on or after January 1, 2025, the taxpayer shall repay the credits received for the project if it engages in the following prohibited activities:

- (1) Voluntarily grants recognition rights for employees solely and exclusively on the basis of signed labor organization authorization cards if the selection of a bargaining representative may instead be conducted through a secret ballot election;
- (2) Voluntarily disclose an employee's personal contact information to a labor organization, or a third party acting on behalf of a labor organization without the employee's prior written consent, unless otherwise required by state or federal law; or
- (3) Require a subcontractor to engage in either of the two previously listed prohibited activities. For more information, refer to O.C.G.A. §§ 48-7-40.24 and 50-7-19.

**119 Electric Vehicle Charger Credit.** This is a credit for a business enterprise for the purchase of an electric vehicle charger located in the State of Georgia. The credit is the lesser of 10% of the cost of the charger or \$2,500. For more information, refer to O.C.G.A. § 48-7-40.16.

**120 New Manufacturing Facilities Property Credit.** This is an incentive for a manufacturer who has operated a manufacturing facility in this state for at least 3 years and who spends \$800 million on a new manufacturing facility in this state. There is also the requirement that the number of full-time employees equal or exceed 1,800. However, these jobs do not have to be new jobs to Georgia. An application is filed which a panel must approve. The benefit awarded to a manufacturer is a credit against taxes equal to 6 percent of the cost of all qualified investment property purchased or acquired. The total credit allowed is \$50 million. The credit offsets income tax liability and any excess may be used to offset withholding taxes. There is a 15-year carry forward of any unused tax credit. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for 10 years. There are different provisions for certain high-impact aerospace defense projects. For more information, refer to O.C.G.A. §48-7-40.25.

**121 Historic Rehabilitation Credit for Historic Homes.** For tax years beginning January 1, 2022, and later, this Credit Code no longer applies. Taxpayers seeking to utilize Historic Rehabilitation Credits should refer to the summaries for Code 135 and Code 149 for further information.

The following information applies to taxable years occurring before taxable year January 1, 2022:

A credit will be available for the certified rehabilitation of a historic home. Standards set by the Department of Community Affairs must be met. For taxable years beginning on or after January 1, 2009, a credit not to exceed \$100,000 for a historic home will be available. For more information, refer to O.C.G.A. §48-7-29.8 and Revenue Regulation 560-7-8-.56 or the Department of Community Affairs website.

**122 Film Tax Credit (use code 133 if the credit is for a Qualified Interactive Entertainment Production Company).** Production companies which have at least \$500,000 of qualified expenditures in a state certified production may claim this credit. Certification must be approved through the Georgia Department of Economic Development (DECD). The credit is equal to 20 percent of the base investment in the state, with an additional 10 percent for including a qualified Georgia promotion in the state certified production. There are special calculation provisions for production companies whose average annual total production expenditures in this state exceeded \$30 million for 2002, 2003 and 2004. This credit may be claimed against 100 percent of the production company's income tax liability, while any excess may be used to offset the production company's withholding taxes. To claim the credit against withholding, the production company must file Form IT-WH as provided in Revenue Regulation 560-7-8-.45. The production company also has the option of selling the tax credit to a Georgia taxpayer. For projects certified by DECD on or after January 1, 2021, that exceed \$2.5 million in credit, the production company must apply and receive an audit under O.C.G.A. § 48-7-40.26 and Revenue Regulation 560-7-8-.45 before the credit is claimed or utilized in any manner. For projects certified by DECD on or after January 1, 2022 that exceed \$1.25 million in credit, the production company must apply and receive an audit under O.C.G.A. § 48-7-40.26 and Revenue Regulation 560-7-8-.45 before the credit is claimed or utilized in any manner. For projects certified by DECD on or after January 1, 2023, the production company must apply and receive an audit under O.C.G.A. § 48-7-40.26 and Revenue Regulation 560-7-8-.45 before the credit is claimed or utilized in any manner. For more information, refer to O.C.G.A. §48-7-40.26.

**124 Land Conservation Credit.** This provides for an income tax credit for the qualified donation of real property that qualifies as conservation land. Property donated to increase building density levels or property that will be used or is associated with the playing of golf shall not be eligible. Taxpayers will be able to claim a credit against their state income tax liability not exceeding 25 percent of the fair market value of the property, or 25 percent of the difference between the fair market value and the amount paid to the donor if the donation is effected by a sale for less than fair market value, up to a maximum credit of \$250,000 per individual, and \$500,000 per corporation, and \$500,000 per partnership. However, the partners of the partnership are subject to the per individual and per corporation limits. The amount of the credit used in any one year may not exceed the taxpayer's income tax liability for that taxable year. Any unused portion of the credit may be carried forward for ten succeeding years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. The Department of Natural Resources will certify that such donated property is suitable for conservation purposes. Please note that the Department of Natural Resources cannot accept new applications after December 31, 2026. A copy of this certificate must be filed with the taxpayer's tax return in order to claim the credit. This credit should be claimed on Form IT-CONSV. The taxpayer beginning January 1, 2012, has the option of selling the credit to a Georgia Taxpayer. For more information, refer to O.C.G.A. §48-7-29.12 and Regulation 560-7-8-.50. For donations in taxable years beginning on or after January 1, 2013, to

## TAX CREDITS (continued)

claim the credit, Form IT-CONSV, the DNR certification, the State Property Commission's determination, and the appraisal must be attached to the income tax return; and the taxpayer must add back to Georgia taxable income the amount of any Federal charitable contribution related to the Georgia conservation credit. For donations made on or after June 1, 2022, the aggregate amount of tax credits shall not exceed \$4 million per calendar year and the taxpayer must request preapproval.

- 125 Qualified Education Expense Credit.** This provides a tax credit for qualified educational expenditures made to a student scholarship organization. The credit is allowed on a first come, first served basis. The aggregate amount of the tax credit allowed to all taxpayers cannot exceed \$100 million per tax year for tax years ending before January 1, 2023. For tax years beginning on or after January 1, 2023, the aggregate amount of the tax credit allowed to all taxpayers cannot exceed \$120 million per tax year. The taxpayer must add back to Georgia taxable income that part of any federal charitable contribution deduction taken on a federal return for which a credit is allowed. for a tax year. The credit must be claimed within one year instead of the normal three-year statute of limitation period. Credits claimed but not used may be carried forward for five years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for three years. Taxpayers must request preapproval to claim this credit on Form IT-QEE-TP1 through the Georgia Tax Center. For more information, refer to O.C.G.A. §48-7-29.16 and Revenue Regulation 560-7-8-.47.
- 126 Seed-Capital Fund Credit.** This provides tax credits for certain qualified investments into a research fund, or a legal entity in which the research fund has invested, made on or after July 1, 2008. Credits claimed but not used may be carried forward for 10 years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. For more information, refer to O.C.G.A. §§48-7-40.27 and 48-7-40.28 and Revenue Regulation 560-7-8-.49.
- 128 Wood Residuals Credit.** This provides a tax credit for transporting or diverting wood residuals to a renewable biomass qualified facility on or after July 1, 2008. The aggregate amount of tax credits allowed for both the clean energy energy property tax credit and the wood residuals tax credit is \$2.5 million for calendar years 2008, 2009, 2010, 2011; and \$5 million for calendar years 2012, 2013, and 2014. Taxpayers must request preapproval to claim this credit on Form IT-WR-AP. Credits claimed but not used may be carried forward for succeeding years' tax liability. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for three years. For more information, refer to O.C.G.A. §48-7-29.14 and Revenue Regulation 560-7-8-.48.
- 129 Qualified Health Insurance Expense Credit.** An employer, who employs 50 or fewer persons either directly or whose compensation is reported on Form 1099, is allowed a tax credit for qualified health insurance expenses in the amount of \$250.00 for each employee enrolled for twelve consecutive months in a qualified health insurance plan. Qualified health insurance means a high deductible health plan as defined by Section 223 of the Internal Revenue Code. The qualified health insurance must be made available to all employees and compensated individuals of the employer pursuant to the applicable provisions of Section 125 of the Internal Revenue Code. The total amount of the tax credit for a taxable year cannot exceed the employer's income tax liability. Credits claimed but not used may be carried forward for succeeding years' tax liability. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for three years. The qualified health insurance premium expense must equal at least \$250 annually. For more information, refer to O.C.G.A. §48-7-29.13
- 130 Quality Jobs Credit.** For tax years beginning on or after January 1, 2009, a taxpayer creating at least 50 "new quality jobs" may be entitled to a credit provided certain conditions are met. A "new quality job" means a job that: 1) Is located in this state; 2) Has a regular work week of 30 hours or more; 3) Is not a job that is or was already located in Georgia regardless of which taxpayer the individual performed services for; 4) which pays at or above 110 percent of the average wage of the county in which it is located; and 5) For a taxpayer that initially claimed the credit in a taxable year beginning before January 1, 2012, the job has no predetermined end date. The credit amount varies depending upon the pay of the new quality jobs. The credit must be claimed within one year instead of the normal three-year statute of limitation period. The taxpayer may claim the credit in years one through five for new quality jobs created in year one and may continue to claim newly created new quality jobs through year seven and claim the credit on each of those new quality jobs for five years. The credit may be used to offset 100 percent of the taxpayer's Georgia income tax liability in the taxable year. Where the amount of such credit exceeds the taxpayer's tax liability in a taxable year, the excess may be taken as a credit against such taxpayer's quarterly or monthly withholding tax. To claim the credit against withholding, a taxpayer must file Form IT-WH as provided in Revenue Regulation 560-7-8-.51. For a taxpayer that initially qualifies to claim the credit in a taxable year beginning on or after January 1, 2016, the term "taxpayer" means any person required by law to file a return or to pay taxes, except that any taxpayer may elect to consider the jobs within its disregarded entities, as defined in the Internal Revenue Code, for purposes of calculating the number of new quality jobs created by the taxpayer. Such election shall be irrevocable and must be made on the initial qualifying return (on Form IT-QJ) or within one year of the earlier of the date the initial qualifying return was filed or the date such return was due, including extensions. In the event such election is made, such disregarded entities shall not be separately eligible for the credit. Also, if the first date on which the taxpayer, pursuant to the provisions of Code Section 48-7-101, withhold wages for employees in this state occurs in a taxable year beginning on or after January 1, 2017, the taxpayer has two years to employ at least 50 persons in new quality jobs in this state instead of the prior one-year period. In 2017, the statute was changed to provide that only a taxpayer that completes the creation of a qualified project in a taxable year beginning on or after January 1, 2017 is eligible to begin a subsequent seven-year job creation period. For a taxpayer that initially qualifies to claim the credit in a tax year beginning on or after January 1, 2020, the 50 new quality jobs requirement is reduced if the jobs are located in a rural county as defined in the statute. For taxable years beginning in 2020 and 2021, taxpayers that claimed the quality jobs tax credit in a taxable year beginning on or after January 1, 2019 and before December 31, 2019, have the option to utilize the number of new quality jobs that the taxpayer claimed in the taxable year beginning on or after January 1, 2019 and before December 31, 2019; or calculate the number of new quality jobs based on the number of new

## TAX CREDITS (continued)

quality jobs created and maintained in that respective tax year. For a taxpayer that initially qualifies to claim the credit in a taxable year beginning on or after January 1, 2023, the term “taxpayer” means any person required by law to file a return or to pay taxes, except that any taxpayer may elect to consider the jobs within its disregarded entities, as defined in the Internal Revenue Code, for purposes of calculating the number of new quality jobs created by the taxpayer, and except that organizations exempt from tax pursuant to Code Section 48-7-25 are “taxpayers” only to the extent that a trade or business operated by such organization generates unrelated business income as defined in Section 512 of the Internal Revenue Code. Such taxpayers qualify to claim the credit only for the projects and investments related to such trade or business and can only elect jobs for such trade or business to qualify as new quality jobs. For more information, refer to O.C.G.A. §48-7-40.17 and Revenue Regulation 560-7-8-.51.

- 131** **Alternate Port Activity Tax Credit.** O.C.G.A. § 48-7-40.15A provides an alternate port tax credit. The definitions of “base year port traffic” and “port traffic” include imports and exports of product. It allows the credit to any business enterprise located in a tier two or three county established pursuant to O.C.G.A. §48-7-40 and in a less developed area established pursuant to O.C.G.A. §48-7-40.1 and which qualifies and receives the tax credit under O.C.G.A. §48-7-40.1 and which:
1. Consists of a distribution facility of greater than 650,000 square feet in operation in this state prior to December 31, 2008;
  2. Distributes product to retail stores owned by the same legal entity or its subsidiaries as such distribution facility; and
  3. Has a minimum of 8 retail stores in this state in the first year of operations. The business enterprise shall not be authorized to claim both this credit and the port credit provided in O.C.G.A. § 48-7-40.15, unless such business enterprise has increased its port traffic of products during the previous twelve-month period by more than 20 percent above its base year port traffic, and also has increased employment by 400 or more no sooner than January 1, 1998. The tax credit, in addition to the tax credit under O.C.G.A. § 48-7-40, shall be limited to an amount not greater than 50 percent of the taxpayer’s state income tax liability which is attributable to income derived from operations in this state for that taxable year. No credit may be claimed and allowed under this code section for any jobs created on or after January 1, 2015.
- 132** **Qualified Investor Tax Credit.** This provides a 35% credit for amounts invested in a registered qualified business. The aggregate amount of credit allowed an individual person for one or more qualified investments in a single taxable year, whether made directly or by a pass-through entity and allocated to such individual, shall not exceed \$50,000.00. The credit is available for investments made in 2011, 2012, 2013, 2014, 2015, 2016, 2017, and 2018. The credit is claimed two years later, in 2013, 2014, 2015, 2016, 2017, 2018, 2019, and 2020, respectively. The aggregate amount of tax credits allowed is \$10 million for investments made in calendar years 2011, 2012, and 2013; and \$5 million for investments made in calendar years 2014, 2015, 2016, 2017, and 2018. The taxpayer must get approval as provided in O.C.G.A. §48-7-40.30 before claiming the credit. This became effective January 1, 2011. See O.C.G.A. §48-7-40.30 and Regulation 560-7-8-.52 for more information.
- 133** **Film Tax Credit for A Qualified Interactive Entertainment Production Company.** For taxable years beginning during 2013, the aggregate amount of film tax credits allowed for qualified interactive entertainment production companies and their affiliates which are qualified interactive entertainment production companies shall not exceed \$25 million. Such cap for taxable years beginning in 2014 and later is \$12.5 million for each year. The maximum credit for any qualified interactive entertainment production company and its affiliates which are qualified interactive entertainment production companies is \$5 million for taxable years beginning in 2013, 1.5 million for taxable years beginning in 2014 and later. For taxable years beginning in 2014 through 2017, no qualified interactive entertainment production company shall be allowed to claim an amount of tax credits for any single year in excess of its total aggregate payroll expended to employees working within Georgia for the calendar year directly preceding the start of the year the qualified interactive entertainment production company claims the film tax credit. For taxable years beginning in 2018 and later, no qualified interactive entertainment production company shall be allowed to claim an amount of tax credits for any single year in excess of its total aggregate payroll expended to employees working within Georgia for the taxable year the qualified interactive entertainment production company claims the film tax credit. The amount in excess of these limits is not eligible for carry forward to the succeeding years’ tax liability, nor shall such excess amount be eligible for use against the qualified interactive entertainment production company’s quarterly or monthly payment under Code Section §48-7-103, nor shall such excess amount be assigned, sold, or transferred to any other taxpayer. For taxable years beginning in 2014 through 2017 before the Department of Economic Development issues its approval to the qualified interactive entertainment production company for the qualified production activities related to interactive entertainment, the qualified interactive entertainment production company must certify to the Department of Revenue that it maintains a business location physically located in Georgia and that it had expended a total aggregate payroll of \$500,000.00 or more for employees working within Georgia during the calendar year directly preceding the start of the taxable year of the qualified interactive entertainment production company. For taxable years beginning in 2018 and later before the Department of Economic Development issues its approval to the qualified interactive entertainment production company for the qualified production activities related to interactive entertainment, the qualified interactive entertainment production company must certify to the Department of Revenue that it maintains a business location physically located in Georgia and that it had expended or intends to expend a total aggregate payroll of \$250,000.00 or more for employees working within Georgia during the taxable year the qualified interactive entertainment production company claims the credit; if these requirements are met the Department of Revenue will issue a certification. For the taxable years beginning in 2013, 2014, and 2015, the credits are allowed on a first-come first-served basis based on the date the film tax credits are claimed. For taxable years beginning in 2016 and later, the qualified interactive entertainment production company must request preapproval to claim the credit and must report certain information to the Department. The credit can be sold to a Georgia taxpayer. See O.C.G.A. §48-7-40.26 and Regulation 560-7-8-.45 for more information.
- 135** **Historic Rehabilitation Tax Credit for any Other Certified Structure. For tax year 2022, this Code should only be used for Other Certified Structures earning more than \$300K in Credits.** For tax years prior to January 1, 2022, Credit Code 135 is used for any rehabilitation that is not a Historic Home Rehabilitation. For taxable years beginning on or after January 1, 2022 but before January 1, 2023, this Credit Code is used for any Other Certified Structures earning more

## TAX CREDITS (continued)

than \$300,000 in credits. Other Certified Structures earning \$300,000 or less for the 2022 taxable year should refer to Credit Code 149 below for further information. For taxable years beginning on or after January 1, 2017 and before January 1, 2022, the aggregate amount of credits available under this Credit Code is \$25,000,000 per calendar year. For taxable years beginning on or after January 1, 2017, a taxpayer must receive preapproval as provided in DOR's regulation and the credit can be sold to a Georgia taxpayer as provided in DOR's regulation. For taxable years beginning on or after January 1, 2023, use Credit Code 153. For more information, refer to O.C.G.A. § 48-7-29.8 and Revenue Regulation 560-7-8-.56.

- 136 Qualified Rural Hospital Organization Expense Tax Credit.** This provides a tax credit for a donation to a Rural Hospital Organization. The credit is allowed on a first-come, first-served basis. The aggregate amount allowed for all taxpayers cannot exceed \$60 million per tax year for tax years beginning before January 1, 2023. For tax years beginning on or after January 1, 2023, the aggregate amount allowed for all taxpayers cannot exceed \$75 million per tax year. For tax years beginning on or after January 1, 2025, the aggregate amount allowed for all taxpayers cannot exceed \$100 million per tax year. The taxpayer must add back to Georgia taxable income that part of any Federal charitable contribution deduction related to the credit. Taxpayers must request preapproval to claim this credit. Starting in 2025, a taxpayer preapproved by the commissioner on or before September 30 shall make the contribution within 180 days after receiving notice of preapproval, but not later than October 31. A taxpayer preapproved after September 30 shall make the contribution on or before December 31. If a taxpayer desires to make a contribution to an individual rural hospital organization that would cause such rural hospital organization to exceed its maximum amount of contributions for that year, the contribution will not be denied in its entirety. Instead, the contribution will be approved with the proportional amount of the desired contribution up to the rural hospital organization's maximum allowed amount and any remainder shall be attributed to the rural hospital organization ranked with the highest financial need that has not yet received the maximum amount of contributions for that year. For more information, refer to O.C.G.A. §48-7-29.20 and Revenue Regulation 560-7-8-.57. any federal charitable contribution deduction related to the credit. Taxpayers must request preapproval to claim this credit. For more information, refer to O.C.G.A. § 48-7-29.20 and Revenue Regulation 560-7-8-.57.
- 138 Postproduction Film Tax Credit.** Effective for taxable years beginning on or after January 1, 2018 and before January 1, 2023, postproduction companies that have at least \$500,000 in qualified postproduction expenditures may claim this tax credit if they have received preapproval from the Department. Postproduction companies must request certification and preapproval electronically from the Department through the Georgia Tax Center. The aggregate amount of tax credits allowed is \$10 million per tax year through 2022; and the maximum credit allowed for any post-production company and its affiliates that are postproduction companies is \$2 million. Any excess credit may be used to offset the postproduction company's withholding taxes; and the credit may be sold by the postproduction company to a Georgia taxpayer. For more information, refer to O.C.G.A. §48-7-40.26A and Revenue Regulation 560-7-8-.59.
- 139 Small Postproduction Film Tax Credit.** Effective for taxable years beginning on or after January 1, 2018 and before January 1, 2023, small postproduction companies that have at least \$100,000 but less than \$500,000 in qualified postproduction expenditures may claim this tax credit if they have received preapproval from the Department. Small postproduction companies must request certification and preapproval electronically from the Department through the Georgia Tax Center. The aggregate amount of tax credits allowed is \$1 million per tax year through 2022. Any excess credit may be used to offset the small postproduction company's withholding taxes; and the credit may be sold by the small postproduction company to a Georgia taxpayer. For more information, refer to O.C.G.A. § 48-7-40.26A and Revenue Regulation 560-7-8-.59.
- 140 Qualified Education Donation Tax Credit.** Effective for taxable years beginning on or after January 1, 2018, this credit is allowed on a first-come first-served basis. The aggregate amount of the tax credit allowed to all taxpayers cannot exceed \$5 million per tax year for taxable years ending on or before December 31, 2023, or \$15 million for the tax year 2024 and all subsequent tax years. The taxpayer must add back to Georgia taxable income that part of any Federal charitable contribution deduction taken on a Federal return for which a credit is allowed. Taxpayers must request preapproval electronically from the Department through the Georgia Tax Center. Credits claimed but not used may be carried forward for five years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for three years. For more information, refer to O.C.G.A. §48-7-29.21 and Revenue Regulation 560-7-8-.60.
- 141 Musical Tax Credit.** Effective for taxable years beginning on or after January 1, 2018 and before January 1, 2023, a production company that meets or exceeds \$500,000 in qualified production expenditures in a taxable year for a musical or theatrical performance; or \$250,000 in qualified production expenditures in a taxable year for a recorded musical performance which is incorporated into or synchronized with a movie, television, or interactive entertainment production; or \$100,000 in qualified production expenditures in a taxable year for any other recorded musical performance may claim this tax credit if they have received a pre-certification from the Department of Economic Development and preapproval from the Department. Production companies must request preapproval electronically from the Department through the Georgia Tax Center. The aggregate amount of tax credits allowed is: for taxable years beginning on or after January 1, 2018 and before January 1, 2019, \$5 million, and the maximum credit amount allowed for any production company and its affiliates that are production companies shall not exceed \$1 million; for taxable years beginning on or after January 1, 2019 and before January 1, 2020, \$10 million, and the maximum credit amount allowed for any production company and its affiliates that are production companies shall not exceed \$2 million; for taxable years beginning on or after January 1, 2020 and before January 1, 2023, \$15 million, and the maximum credit amount allowed for any production company and its affiliates that are production companies shall not exceed \$3 million. Any excess credit may be used to offset the production company's withholding taxes. For more information, refer to O.C.G.A. §48-7-40.33 and Revenue Regulation 560-7-8-.61.
- 142 Rural Zone Tax Credits.** Effective for taxable years beginning on or after January 1, 2018, certified entities and eligible busi-

## TAX CREDITS (continued)

nesses that have received certification from the Department of Community Affairs may claim this tax credit. Standards set by the Department of Community Affairs must be met. Credits claimed but not used may be carried forward for 10 years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. This credit will be repealed on December 31, 2032. For more information, refer to O.C.G.A. §48-7-40.32 and Revenue Regulation 560-7-8-.62.

- 143 Agribusiness and Rural Jobs Tax Credit.** Effective for taxable years beginning on or after January 1, 2018, a rural investor that has made a capital investment in a rural fund and has received certification from the Department of Community Affairs may claim this tax credit. Standards set by the Department of Community Affairs must be met. For more information, refer to O.C.G.A. § 33-1-25 and Revenue Regulation 560-7-8-.63.
- 144 Post-Consumer Waste Materials Tax Credit.** Effective for taxable years beginning on or after January 1, 2018, a qualified employer that operates a facility in Georgia that recycles post-consumer waste materials into polyester bulk continuous filament fibers may claim this tax credit. The credit may be used to offset the qualified employer's withholding taxes. This credit will be repealed on December 31, 2023. For more information, refer to O.C.G.A. §48-7-40.35.
- 145 Timber Tax Credit.** This is a refundable income tax credit for taxpayers that suffered damage due to Hurricane Michael during 2018. Taxpayers must request preapproval electronically from the Department through the Georgia Tax Center during specific dates. The aggregate amount of tax credits allowed is \$200 million. In the case of a partnership or S Corporation, the owners claim the refundable portion instead of the partnership or S Corporation. The credit can be sold to a Georgia taxpayer as provided in the regulation. The credit is not refundable for the purchaser of the timber tax credit. The credit must be claimed on or before December 31, 2024. For more information, refer to O.C.G.A. §48-7-40.36 and Revenue Regulation 560-7-8-.65.
- 146 Railroad Track Maintenance Tax Credit.** Effective for taxable years beginning on or after January 1, 2019 and ending on or before December 31, 2026, a Class III railroad must request preapproval electronically from the Department through the Georgia Tax Center for this credit. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for three years. The credit can be sold to a Georgia taxpayer as provided in the regulation. For more information, refer to O.C.G.A. §48-7-40.34 and Revenue Regulation 560-7-8-.64.
- 147 Personal Protective Equipment Manufacturer Jobs Tax Credit.** Effective for taxable years beginning on and after January 1, 2020 and if certain requirements are met, a personal protective equipment manufacturer that qualifies for and claims the jobs tax credit under O.C.G.A. §48-7-40 or O.C.G.A. §48-7-40.1, may claim an additional job tax credit of \$1,250 per job for jobs engaged in the qualifying activity of manufacturing personal protective equipment. The credit may be used to offset 100 percent of the taxpayer's Georgia income tax liability in the taxable year. Credits claimed but not used may be carried forward for 10 years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. Where the amount of such credit exceeds the taxpayer's tax liability in a taxable year, the excess may be taken as a credit against such taxpayer's quarterly or monthly withholding tax. To claim the credit against withholding, a taxpayer must file Form IT-WH timely. No credit shall be claimed and allowed for jobs created on or after January 1, 2025. No taxpayer shall be eligible for this tax credit for any job for which the taxpayer claims the tax credit provided for under O.C.G.A. § 48-7-40.1B. For more information refer to O.C.G.A. §48-7-40.1A and Revenue Regulation 560-7-8-.66.
- 148 Life Sciences Manufacturing Job Tax Credit.** For taxable years beginning on and after January 1, 2021 and if certain requirements are met, a medical equipment and supplies manufacturer or pharmaceutical and medicine manufacturer that qualifies for and claims the jobs tax credit under O.C.G.A. §48-7-40 or O.C.G.A. §48-7-40.1 may claim an additional job tax credit of \$1,250 per job for jobs engaged in the qualifying activity of manufacturing medical equipment or supplies or manufacturing pharmaceuticals or medicine. The credit may be used to offset 100 percent of the taxpayer's Georgia income tax liability in the taxable year. Credits claimed but not used may be carried forward for 10 years. For taxable years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for five years. Where the amount of such credit exceeds the taxpayer's tax liability in a taxable year, the excess may be taken as a credit against such taxpayer's quarterly or monthly withholding tax. To claim this credit against withholding, a taxpayer must file Form IT-WH timely. No taxpayer shall be eligible for this tax credit for any job for which the taxpayer claims the tax credit provided for under O.C.G.A. §48-7-40.1A, or for any job created pursuant to O.C.G.A. §48-7-40 or §48-7-40.1 prior to July 1, 2021. For more information, refer to O.C.G.A. §48-7-40.1B and Revenue Regulation 560-7-8-.67.
- 149 Historic Rehabilitation Tax Credit for Historic Homes and Other Certified Structures Earning \$300K or less.** For taxable years on or after January 1, 2022, this Credit Code applies to all Historic Homes and any Other Certified Structure earning \$300,000 in credits or less. For taxable years beginning on or after January 1, 2022 but before January 1, 2023, the aggregate amount of credits available under this Credit Code is \$5,000,000 per calendar year. For taxable years beginning on or after January 1, 2017, a taxpayer must receive preapproval as provided in DOR's regulation and the credit can be sold to a Georgia taxpayer as provided in DOR's regulation. For taxable years beginning on or after January 1, 2023, use Credit Code 152 for historic homes and Credit Code 153 for other certified structures. For more information, refer to O.C.G.A. §48-7-29.8 and Revenue Regulation 560-7-8-.56.
- 150 Qualified Law Enforcement Donation Credit.** For taxable years beginning on or after January 1, 2023, and ending on or before December 31, 2027, a taxpayer is allowed a tax credit for donations made to qualified law enforcement foundations for a local law enforcement unit (any agency, office or department of a county, municipality, or consolidated government). The aggregate amount of tax credits allowed shall not exceed \$75 million per calendar year. Each qualified law enforcement foundation shall be limited to accepting \$3 million per year of contributions. The total amount of the tax credit for a taxable year cannot exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the taxpayer against the succeeding five years' tax liability. For taxable

## TAX CREDITS (continued)

years beginning on or after January 1, 2025, any credits generated but not used may be carried forward for three years. The credit shall not be allowed for the taxpayer against prior years' tax liability. Taxpayers must request preapproval to claim this credit on Form IT-QLED-TP1 through the Georgia Tax Center. For more information, refer to O.C.G.A. § 48-7-29.25 and Regulation 560-7-8-.69.

- 151 Foster Child Donation Credit.** For taxable years beginning on or after January 1, 2023, a taxpayer is allowed a tax credit for donations made to qualified foster child support organizations. The aggregate amount of tax credit allowed shall not exceed \$20 million per calendar year. The total amount of the tax credit for a taxable year cannot exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed the taxpayer against the succeeding five years' tax liability. The credit shall not be allowed for the taxpayer against prior years' tax liability. Taxpayers must request preapproval to claim this credit on Form IT-QFCD-TP1 through the Georgia Tax Center. For more information, refer to O.C.G.A. § 48-7-29.24.
- 152 Historic Rehabilitation Credit for Historic Homes.** A credit is available for tax years 2023 through 2029 for the certified rehabilitation of a historic home. Standards set by the Department of Community Affairs must be met. Credits for a historic home cannot exceed \$100,000 in any 120-month period and the aggregate amount of credits available for 2023 through 2029 is \$5,000,000 per calendar year. For more information, refer to O.C.G.A. § 48-7-29.8 and Regulation 560-7-8-.56 or the Department of Community Affairs website.
- 153 Historic Rehabilitation Credit for Other Certified Structures.** A credit is available for tax years 2023 through 2029 for the certified rehabilitation of a certified structure other than a historic home. Standards set by the Department of Community Affairs must be met. The aggregate amount of credits available for 2023 through 2029 is \$30,000,000 per calendar year. For taxable years beginning on or after January 1, 2023, a taxpayer must receive preapproval as provided in DOR's regulation and the credit can be sold to a Georgia taxpayer as provided in DOR's regulation. For more information, refer to O.C.G.A. § 48-7-29.8 and Regulation 560-7-8-.56 or the Department of Community Affairs website.
- 154 Rural Health Care Professional Credit.** O.C.G.A. §48-7-29.26 provides for a \$5,000 tax credit for rural health care professionals, which mean a dentist or physician who practices and resides in a rural county. The rural health care professional must be licensed to practice dentistry or medicine in the field of family practice, obstetrics and gynecology, pediatrics, internal medicine, or general surgery in this state. The tax credit may be claimed for not more than five years. There is no carryover or carry-back available. The credit cannot exceed the taxpayer's income tax liability. The aggregate amount of tax credits allowed shall not exceed \$2 million for any calendar year. This credit cannot be claimed with the Rural Physicians Credit (Credit Code 207) in the same taxable year. This credit is allowed on a first come, first served basis. No credit shall be allowed for a rural health care professional who has previously practiced in a rural county, unless after May 15, 2024, that rural health care professional returns to practice in a rural county after having practices in a county other than a rural county for at least three years. For a list of rural counties, please visit <https://dor.georgia.gov/listing-rural-counties-purposes-rural-physician-credit>. For more information, refer to O.C.G.A. §48-7-29.

**NOTE:** The credit type code numbers referenced above are subject to change from year to year. Please review the codes carefully to ensure you list the correct code number. For more details about credits and the latest forms, visit our website at: [dor.georgia.gov](https://dor.georgia.gov).

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