



GEORGIA
DEPARTMENT *of*
REVENUE

2025

Georgia

Partnership Income Tax

700

General Instructions

Georgia Tax Center

Electronic Filing

Tax Credits

List of Credits and Codes



dor.georgia.gov

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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. 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.

David J. Burge
Revenue Commissioner

Georgia Department of Revenue

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Online Assistance

Find us Online by going to dor.georgia.gov:

- Download Tax Forms
- Find Answers to Frequently Asked Questions
- Access Where's My Refund
- View the Taxpayer Bill of Rights
- Find Georgia Regulations

Get help with:

Refunds
Web Access

Customer Contact Center:

1-877-423-6711

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 of Revenue.

Who can Sign Up for GTC?

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.

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

Introduction

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>

FREQUENTLY ASKED QUESTIONS

Answers to frequently asked questions regarding corporations, S Corporations, partnerships, LLCs, and nonresident withholding are available on our website

<https://dor.georgia.gov/taxes/tax-faqs-due-dates-and-other-resources>

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, 2025 is 5.19%. 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.

Update to Final Determination Date for Reporting Federal Changes: Taxpayers must report any federal changes or corrections resulting from a federal audit within 180 days of the final determination date. When those changes result from an amended federal return, a federal refund claim, an administrative adjustment request, or a similar report filed under

Section 6225(c) of the Internal Revenue Code, the final determination date is the date the amended return, claim, adjustment request, or related report is filed.

45-day Period to File an Appeal or Protest: Beginning July 1, 2025, taxpayers will have 45 days to take action based on the following notices:

- From the date of a notice of proposed assessment, taxpayers have 45 days to file a protest.
- Following a notice of refund denial or notice of partial payment, taxpayers also have 45 days to submit a protest.
- Upon issuance of the Official Assessment and Demand for Payment Notice, taxpayers have 45 days to file a petition with the Tax Tribunal or the Georgia Tax Court.

Subtraction for Hurricane Helene Disaster Relief Payments: For taxable years beginning on or after January 1, 2025, and ending on or before December 31, 2029, taxpayers can subtract from Georgia taxable income payments received from a Federal or Georgia disaster relief or assistance grant program for agricultural losses suffered due to Hurricane Helene during the 2024 calendar year.

The programs must be administered by Georgia or its instrumentalities or the United States Department of Agriculture and established specifically to address agricultural losses suffered due to Hurricane Helene during the 2024 calendar year. The subtraction is only allowed to the extent the payments were included in Federal adjusted gross income.

Subtraction for Federal Crop Insurance Proceeds Received for Hurricane Helene: For taxable years beginning on or after January 1, 2025, and ending on or before December 31, 2025, taxpayers can subtract from Georgia taxable income federal crop insurance proceeds received for the destruction or damage to crops due to Hurricane Helene during the 2024 calendar year. The subtraction is only allowed to the extent the proceeds were included in Federal adjusted gross income.

Georgia Tax Court and Pending Tax Tribunal Cases:

Starting July 1, 2026, the Georgia Tax Court will officially succeed the Tax Tribunal and begin accepting tax appeal petitions. Also, any cases pending before the Tax Tribunal as of June 30, 2026, are transferred to the Georgia Tax Court. Any petitioner with a case pending before the Tax Tribunal has until December 31, 2025, to submit a written demand to not transfer their case to the Georgia Tax Court. On June 30, 2026, any unresolved cases that were requested not to be transferred to the Georgia Tax Court are dismissed.

Tax Credit Updates

New 2025 Credit Codes:

For taxable years beginning on or after January 1, 2025, the credit codes listed below must be used to generate credits that include the new credit carry-forward periods. All other credits will continue to use the same credit codes. For additional information on each credit, please see <https://dor.georgia.gov/taxes/tax-credits>.

155 Timber Tax Credit 2025

157 Employer's Jobs Tax Credit 2025

158 Port Activity Job Tax Credit 2025

159 Port Activity Manufacturing Investment Tax Credit 2025

160 Life Sciences Manufacturing Job Tax Credit 2025

161 Rural Zone Tax Credit 2025

Timber Tax Credit (2025) (Credit Code 155): This is a refundable income tax credit for taxpayers that suffered damage due to Hurricane Helene during 2024. Taxpayers must request pre-approval electronically from the Department through the Georgia Tax Center by December 31, 2025. The aggregate amount of tax credits allowed is \$200 million. The credit can be sold to a Georgia taxpayer, but the credit is not refundable for the purchaser of the credit. The credit must be claimed on or before December 31, 2030. For more information, refer to O.C.G.A. §48-7-40.37.

Converted Vehicle Tax Credit (Credit Code 156): This is a credit for the conversion of a conventionally fueled vehicle to a converted vehicle that is registered in Georgia. A converted vehicle is a vehicle that is retrofitted to be fueled solely by an alternative fuel and meets the emission standards for low-emission vehicles when operating on such alternative fuel or the emission standards of zero emission vehicles as defined under the rules of regulations of the Board of Natural Resources. The amount of the credit is the lesser of 10 percent of the cost of conversion or \$2,500.00. A certification issued by the Environmental Protection Division of the Department of Natural Resources must be provided with the return to claim the credit. Any credit claimed but not used may be carried forward for three years from the year of conversion. For more information, refer to O.C.G.A. §48-7-40.16.

Qualified Rural Hospital Organization Expense Tax Credit (Credit Code 136): This credit has been extended through December 31, 2029. From January 1 through June 30, the individual credit limit is now set at \$25,000 for members of limited liability companies, Subchapter "S" corporation shareholders, and partners in partnerships. Additionally, the annual aggregate cap has been raised to \$100 million. Taxpayers who receive preapproval on or before September 30 must make their contributions within 180 days of preapproval, but not later than October 31. Taxpayers who are preapproved after September 30 must make their contributions by December 31. If a taxpayer submits a credit preapproval request for an amount that exceeds the yearly contribution cap for their chosen rural hospital organization, the request will not be denied. Instead, the requested amount will be awarded to the chosen rural hospital organization up to its yearly contribution cap, and the remaining amount will be held in reserve to the next available rural hospital organization with the highest financial need that has not yet reached its yearly contribution cap. For more information, refer to O.C.G.A. §48-7-29.20 and Regulation 560-7-8-.57.

Credit Carryforward Years Reduced for Several Credits: The number of carryforward years for several 2025 income tax credits have been reduced. In addition, installment periods for certain credits have been reduced. For more information on income

tax credits and their carryforward periods, please see <https://dor.georgia.gov/taxes/tax-credits>.

Internal Revenue Service regulations.

Filing Requirements

A partnership, limited liability company, syndicate, group, pool, 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.

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.

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.

When is Electronic Filing Required?

Pursuant to O.C.G.A. § 48-7-54, the Commissioner requires any nonindividual taxpayer and any return preparer who prepares any return, report, or other document required to be filed by Chapter 7 of Title 48 to electronically file any return, report, or other document required to be filed by Chapter 7 of Title 48 when the federal counterpart of such return, report, or other document is required to be filed electronically pursuant to the Internal Revenue Code of 1986 or

Claims for Refunds

A claim for refund of tax paid must be made within three years from the later date of either payment of the tax or the due date of the income tax return (including extensions which have been granted).

Late Payments Penalty

A taxpayer having an extension must pay the Georgia tax by the statutory due date of the return (excluding extensions) using Form IT-560C. Credit for this prepayment should be claimed on Form 700, Schedule 3, Line 2. If tax is not paid by the statutory due date of the return, a late payment penalty of 1/2 of 1% per month (up to 25%) and interest will accrue until the tax is paid. This penalty will accrue from the statutory due date regardless of any extension for filing the return. See page 16 for more information.

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). Also, interest will be assessed as specified on page 16 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

IT560C 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.

Net Worth Tax

Partnerships are not subject to net worth tax.

Qualified Payments to Classified Subcontractors: Effective January 1, 2025, 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.

Grants and Subgrants Received for Investments in Broadband Infrastructure: For taxable years beginning on or after January 1, 2025 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.

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.**

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.

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 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 expenses 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: <https://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 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.

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 their 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.

GENERAL INFORMATION

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, 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.

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.

Income Apportionment And Allocation

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.

1. 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.
2. 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.

3. For tax years beginning on or after January 1, 2006, a 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.

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 page 13.

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.

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.

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%.

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%).

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 15 of this booklet.

REFUND, TAX DUE, PENALTIES AND INTEREST

Computation of Tax Due of 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.

Direct Deposit Option

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. The account number can be up to 17 characters (both numbers and letters). 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. 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).

Penalties and Interest

The Georgia Code imposes certain penalties as follows:

Delinquent filing of a return—5% of the tax not paid by the original due date for each month or fractional part thereof up to 25%.

Failure to pay tax shown on a return by the due date

- 1/2 of 1% of the tax due for each month or fractional part thereof up to 25%. Failure to pay tax penalty is not due if the return is being amended due to an IRS audit.

Negligent underpayment of tax—5% thereof.

Fraudulent underpayment—50% thereof.

Underpayment of estimated tax— see page 19.

Note: The combined total of the penalty for delinquent filing of a return and failure to pay tax shown on a return cannot exceed 25% of the tax not paid by the original due date.

Interest that accrues beginning July 1, 2016 accrues at an annual rate equal to the Federal Reserve prime rate plus 3 percent. The interest rate will be reviewed and may be adjusted in January of each subsequent calendar year. See <https://dor.georgia.gov/annual-notice-interest-rate-adjustment> for the annual interest rate. For more information on Penalties and Interest, see:

<https://dor.georgia.gov/penalty-and-interest-rates>.

Electronic Payments

You may pay partnership income and estimated taxes using Georgia Tax Center (GTC). Partnerships with quarterly payments of more than \$10,000 must pay via electronic funds transfer. A penalty of 10% will be added if the payment is not submitted electronically through GTC. You may pay income and estimated taxes using Georgia Tax Center (GTC).

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.

Payments Options

GTC accepts individual income and estimated tax payments. For information about GTC payment options, visit our website at gtc.dor.ga.gov or visit our self-service instructional videos at dor.georgia.gov/georgia-tax-center-help.

The Georgia Department of Revenue accepts Visa, American Express, MasterCard, Discover, PayPal, or electronic check as payment for current year partnership/PTE income tax due on original Form 700 as well as for liabilities presented to taxpayers via Georgia Department of Revenue assessment notices. Payments can be made on GTC. There is a convenience fee for this service that is paid directly to the credit card processing company.

For more information on payments, visit our website at <https://dor.georgia.gov/taxes/how-do-i-make-tax-payment> or contact the Taxpayer Services Customer Contact Center at 1-877-423-6711.

ADDITIONAL INFORMATION

Payment Agreement

You must meet the following criteria for a payment agreement:

- Returns for all years must be filed
- Agreements are up to 60 months
- Payments should be made through automatic debit from your bank account

Note: There is a set up cost associated with initiating a payment agreement.

Payment requests may be submitted online via the Georgia Tax Center (GTC) at gtc.dor.ga.gov. Please contact your local regional office at 404-417-6605 or via e-mail to payment.plan@dor.ga.gov to determine eligibility. For more information on Payment Agreements, visit our website at <https://dor.georgia.gov/installment-agreements-faq>.

PARTNERSHIP ESTIMATED INCOME TAX INSTRUCTIONS

PARTNERSHIPS THAT MUST FILE ESTIMATED TAX

The tax rate is 5.19%

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. Estimated tax payments must be made by the specified dates (see chart below) so that the total estimated tax is paid in full 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 9 of Form 700.

The following percentages of estimated tax shall be paid on or before the fifteenth day of the:	4th Month of the Taxable Year	6th Month of the Taxable Year	9th Month of the Taxable Year	12th Month of the Taxable Year
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.

TAX CREDITS

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.

Credit Usage And Carryover (Schedule 10B) Georgia tax credits (Series 100) must be claimed on Schedule 10. Refundable credits are claimed on Schedule 10B. Currently only the Timber Tax credit is refundable but is not refundable if it was purchased.

Code Name of Credit

102 - Employer's Credit for Approved Employee Retraining
 103 - Employer's Jobs Tax Credit
 104 - Employer's Credit for Purchasing Child Care Property
 105 - Employer's Credit for Providing or Sponsoring Child Care for Employees
 106 - Manufacturer's Investment Tax Credit
 107 - Optional Investment Tax Credit
 109 - Low Income Housing Credit
 111 - Business Enterprise Vehicle Credit
 112 - Research Tax Credit
 113 - Headquarters Tax Credit
 114 - Port Activity Tax Credit
 115 - Bank Tax Credit
 118 - New Facilities Jobs Credit
 119 - Electric Vehicle Charger Credit
 120 - New Manufacturing Facilities Property Credit
 121 - Historic Rehabilitation Credit for Historic Homes
 122 - Film Tax Credit (Use code 133 if the credit is for a Qualified Interactive Entertainment Production Company)
 124 - Land Conservation Credit
 125 - Qualified Education Expense Credit
 126 - Seed-Capital Fund Credit
 128 - Wood Residual Credit
 129 - Qualified Health Insurance Expense Credit
 130 - Quality Jobs Tax Credit
 131 - Alternate Port Activity Tax Credit
 132 - Qualified Investor Tax Credit
 133 - Film Tax Credit for a Qualified Interactive Entertainment Production Company
 135 - Historic Rehabilitation Tax Credit for any Other Certified Structures (not a historic home)

Code Name of Credit

136 - Qualified Rural Hospital Organization Expense Tax Credit
 138 - Postproduction Film Tax Credit
 139 - Small Postproduction Film Tax Credit
 140 - Qualified Education Donation Tax Credit
 141 - Musical Tax Credit
 142 - Rural Zone Tax Credits
 143 - Agribusiness and Rural Jobs Tax Credit
 144 - Post-Consumer Waste Materials Tax Credit
 145 - Timber Tax Credit
 146 - Railroad Track Maintenance Tax Credit
 147 - Personal Protective Equipment Manufacturer Jobs Tax Credit
 148 - Life Sciences Manufacturing Job Tax Credit
 149 - Historic Rehabilitation Tax Credit for Historic Homes and Other Certified Structures Earning \$300K or less
 150 - Historic Rehabilitation Tax Credit for Historic Homes and Other Certified Structures Earning \$300K or less
 151 - Qualified Foster Child Donation Credit
 152 - Historic Rehabilitation Credit for Historic Homes
 153 - Historic Rehabilitation for Other Certified Structures
 154 - Rural Healthcare Professional Credit
 155 - Timber Tax Credit 2025
 156 - Converted Vehicle Tax Credit
 157 - Employer's Jobs Tax Credit 2025
 158 - Port Activity Job Tax Credit 2025
 159 - Port Activity Manufacturing Investment Tax Credit 2025
 160 - Life Sciences Manufacturing Job Tax Credit 2025
 161 - Rural Zone Tax Credit 2025

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.

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 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

Mailing Information

Mailing Address

Form 700:

PROCESSING CENTER
GEORGIA DEPARTMENT OF REVENUE
PO BOX 740315
ATLANTA, GA 30374-0315

NOTE: Sending your return by certified mail delays the processing of your return and refund.

2-D Barcode Return



The two-dimensional (2D) barcode that appears on your return is the encoded information you entered on your return. This barcode reduces errors and saves time in processing the return. The 2D barcode is only visible after your return has been printed.

The Department of Revenue has given approval to certain software companies to produce tax programs that include a two-dimensional (2D) barcode. A list of these companies is available on our website at <https://dor.georgia.gov/approved-software-providers>.

NOTE: The Department of Revenue encourages the use of 2D barcode returns; however, we neither support nor recommend any software company. Failure to mail your return to the correct address may cause processing delays.

PV-Corp Payment Voucher

If you owe taxes, mail your return and payment with Form PV-CORP to the address on the return. If you file electronically, mail Form PV-CORP with the payment to the address on the form. Do not use Form PV-CORP as a substitute for the form IT-560C. Failure to properly complete and mail the PV-CORP could result in delayed or improper posting of your payment.

STATE OF GEORGIA
DEPARTMENT OF REVENUE
TAXPAYER SERVICES DIVISION
2595 CENTURY PKWY. NE
ATLANTA, GEORGIA 30345-3173