



## 2025 SUMMARY OF ENACTED LEGISLATION

The full text of each bill summarized below can be accessed on the Georgia General Assembly's website at <https://www.legis.ga.gov>.

### **Administration**

**House Bill 113**  
**Foreign Goods and Technology Purchases Prohibition**  
**O.C.G.A. §§ 50-5-84.1, 50-5-84.2 (repealed), 50-25-4**  
**Effective Date: July 1, 2025.**

This bill prohibits the State of Georgia and its agencies from purchasing goods, directly or through a third-party vendor or reseller, from foreign companies of concern or foreign countries of concern, as those terms are defined within the bill. The bill further requires the Georgia Technology Authority (GTA) to maintain an up-to-date list of such restricted goods, and it expands GTA's authority to evaluate security risks associated with technology-related purchases.

**House Bill 199**  
**Revises Provisions to Protect Personally Identifiable Information of Judges and their Spouses**  
**O.C.G.A. §§ 15-5-110, 15-5-111, 15-5-112**  
**Effective Date: July 1, 2025.**

This bill revises provisions made for the protection of personally identifiable information (PII), including the personal phone number, home address, or property or tax records, of any current or former judge or justice of the state, county, municipality, or United States and their spouse. These revisions require governing entities to protect the PII of such persons and to process non-disclosure requests in a timely manner.

**House Bill 392**  
**Georgia Tax Court Implementation Date Revision**  
**O.C.G.A. §§ 15-5B-4, 15-5B-11, 15-5B-12**  
**Effective Date: July 1, 2025.**

This bill revises implementation dates for the Georgia Tax Court. It sets the chief judge's initial term to begin on April 1, 2026, establishes July 1, 2026, as the date on which petitions may be filed with the Court, and provides that cases pending before the Georgia Tax Tribunal on June 30, 2026, will be automatically transferred to the Court on July 1, 2026.

**Senate Bill 12**  
**Public Records Custodian Responsibilities**  
**O.C.G.A. §§ 50-18-70, 50-18-71**  
**Effective Date: May 14, 2025.**

This bill revises public records laws to clarify the definition of “custodian” to mean the agency that has charge, custody, care, and control over a public record or an employee designated as custodian of the agency’s records. The bill further clarifies that all requests to inspect or copy public records must be made to the agency or its designated custodian. Additionally, the bill mandates that private entities holding public records on an agency’s behalf must produce the records to the custodian when requested, so long as the request is made within the timeframe specified by the statutory document retention guidelines or the agreement of the parties.

**Local Government Services**

**House Bill 90**  
**Conservation Use Property Acreage Increase**  
**O.C.G.A. § 48-5-7.4**  
**Effective Date: January 1, 2027 (if HR 32 is ratified by voters in November 2026 statewide general election).**

This bill amends O.C.G.A. § 48-5-7.4 to increase the allowable beneficial interest of a single owner in conservation use and environmentally sensitive properties from 2,000 acres to 4,000 acres. It restricts any properties from qualifying under this code section if it would result in the beneficial interest of any single owner exceeding 4,000 acres in the Conservation Use Value Assessment (CUVA) program. The statewide covenant registry should continue to be maintained accordingly to ensure compliance with the new 4,000-acre limitation.

This bill will become effective on January 1, 2027, if the proposed amendment to the Constitution allowing such an increase is ratified by voters in the November 2026 statewide general election.

**House Resolution 32**  
**Constitutional Amendment – Conservation Use Property Acreage Increase**  
**Constitution of Georgia, Art. VII, Sec. I, Para. III(e)(1)**  
**Effective Date: January 1, 2027 (if ratified by voters in November 2026 statewide general election).**

HR 32 would amend Article VII, Section I, Paragraph III(e)(1) of the Georgia Constitution to raise the acreage cap of bona fide conservation use property attributable to a single owner from 2,000 acres to 4,000 acres.

The proposed amendment of the Georgia Constitution will be presented to voters by referendum in the November 2026 statewide general election: *“Shall the Constitution of Georgia, for the purpose of protecting family farmland, be amended so as to increase the maximum acreage to qualify for assessment and taxation as a bona fide conservation use property from 2,000 acres to 4,000 acres?”*

## **House Bill 92**

### **Property Tax Bills, Homestead Exemptions, and Local Sales Tax Revisions**

**O.C.G.A. §§ 48-5-2, 48-5-34, 48-5-44.2, 48-5-45, 48-5-306, 48-5-306.2, 48-8-3, 48-8-6, 48-8-109.31, 48-8-109.32, 48-8-109.33**

**Effective Date: April 1, 2025; Part I applicable to taxable years beginning on or after January 1, 2025.**

This bill revises provisions related to definitions, property tax bills, assessment notices, homestead exemptions, and local sales and use taxes.

#### **Part I Section 1-1**

Amends the definition of “estimated roll-back rate” in O.C.G.A. § 48-5-2 to mean a rate calculated and certified by any levying or recommending authority for such authority’s estimated millage rate for general and maintenance operations less its net assessed value added by reassessments.

#### **Part I Section 1-2**

Amends O.C.G.A. § 48-5-2 in connection with language required on property tax bills. If the estimated roll-back rate is provided on the annual assessment notice and exceeds the millage rate adopted by a taxing authority, a statement designating such must be included on the tax bill.

If a levying or recommending authority elected to opt out of the statewide base year value homestead exemption created by House Bill 581 (2024) and does not have a base year value or adjusted base year value homestead exemption applicable to all homestead residents, a notice must be provided on the tax bill. The statement on the tax bill must identify the taxing authority who opted out and provide a phone number for such authority each tax year prior to 2030.

#### **Part I Section 1-3**

Provides a limitation on the amount of acreage allowed to benefit from the statewide base year value homestead exemption created in O.C.G.A. § 48-5-44.2 (House Bill 581). Only the primary residence and up to five contiguous acres surrounding the residence shall be included; or, alternatively, if the property is assessed under O.C.G.A. § 48-5-7.4 (CUVA) or O.C.G.A. § 48-5-7.7 (FLPA), only the primary residence and the portion of underlying land excluded from a preferential assessment under CUVA or FLPA. Furthermore, the statewide base year value homestead exemption will remain effective for any person or their surviving spouse after application in any year.

For any levying or recommending authority who opted out of the statewide base year value homestead exemption and does not have a base year value or adjusted base year value homestead exemption applicable to all homestead residents, that same authority must complete the process of opting out again by March 1, 2027, following the same procedures for such election to remain in effect. This code section further allows any levying or recommending authority to rescind the election to opt out by adopting a resolution by April 30, 2025, to be effective for tax year 2025, or by March 1 of any tax year from 2026 until 2029. The resolution must be filed with the Secretary of State by such date to be effective.

#### **Part I Section 1-4**

Amends O.C.G.A. § 48-5-45 to allow a property owner to apply for homestead exemption for the current tax year in conjunction with or in lieu of appeal during the 45-day appeal period after the mailing of assessment notices.

### **Part I Section 1-5**

Provides that the annual notice of assessment must be on an applicable statewide form, the requirements of which are included in O.C.G.A. § 48-5-306. Amends the statute to require that the estimated roll-back rate for each taxing authority be certified to the county board of tax assessors and tax commissioner for inclusion on the assessment notice. However, if a taxing authority does not certify an estimated roll-back rate, the assessment notice shall include the previous year's actual millage rate and an estimate of taxes.

### **Part I Section 1-6**

Creates O.C.G.A. § 48-5-306.2, requiring each taxing authority to provide the estimated roll-back rate 15 days prior to the postmark of the annual notice of assessment.

### **Part 2 Section 2-1**

Provides an exemption to local sales and use tax in O.C.G.A. § 48-8-3 for qualifying construction materials used in capital outlay projects for school systems who have a base year value or adjusted base year value homestead exemption applicable to all homestead residents. This addition to O.C.G.A. § 48-8-3 will be repealed on December 31, 2033.

### **Part 3 Section 3-1**

Reinstates the exception of the EHOST for Dekalb County, which was inadvertently omitted in House Bill 581, with changes to the sales tax cap in O.C.G.A. § 48-8-6. This allows Dekalb County to impose a sales tax for EHOST, MOST, and SPLOST under the aggregate limitations created in House Bill 581.

### **Part 3 Section 3-2**

Changes the conditions requiring all taxing authorities within a county to have a base year value or adjusted base year value homestead exemption applicable to all homestead residents in effect to receive the benefit of the imposition of the sales and use tax for property tax relief (PTRLOST or FLOST). Specifically, municipalities that represent no more than 5% of a particular county's population do not have to meet the homestead exemption requirement.

## **House Bill 129**

### **Conservation Use Property and Postproduction Tax Credit Renewal**

**O.C.G.A. §§ 48-5-7.4, 48-7-40.26A**

**Effective Date: May 14, 2025; applicable to taxable years beginning on or after January 1, 2026.**

This bill makes changes to lessee requirements concerning property benefiting from a conservation use assessment and renews the postproduction tax credit.

As it pertains to conservation use property, the bill amends O.C.G.A. § 48-5-7.4 to remove the prohibition on leased property qualifying as bona fide conservation use property when leased to certain business entities. The bill clarifies that leased property can qualify as conservation use property if it is leased to a corporation, a partnership, a general partnership, a limited partnership, a limited corporation, or a limited liability company registered with the Secretary of State, if the business entity meets **either** of the following conditions:

- (A)(i) Its ownership includes only natural or naturalized citizens;
- (ii) It is primarily engaged in agricultural or timber production, to include subsistence farming or commercial production; and

(iii) It derives 80 percent of gross income from qualifying conservation uses within the state of Georgia.

OR

(B) At least one member of the entity owns 25% or more of the leased property and personally qualifies for conservation use assessment.

As it pertains to the postproduction tax credit, the bill amends O.C.G.A. § 48-7-40.26A to renew the postproduction tax credit for taxable years beginning January 1, 2026, and ending December 31, 2030, with an annual \$10 million cap on the tax credits, with unclaimed portions of the cap to roll forward. Additionally, the bill applies the same tax period modifications to the required reporting of the monthly average number of full-time employees.

**House Bill 586**  
**Intangible Recording Tax Revisions**  
**O.C.G.A. §§ 48-6-60, 48-6-66, 48-6-68**  
**Effective Date: July 1, 2025.**

Short-term notes secured by real estate are exempt from Georgia’s intangible recording tax. This bill amends O.C.G.A. § 48-6-60 by revising the definition of “long-term note secured by real estate” to mean any note secured by real estate when any part of the principal falls due more than 62 months (previously three years) from the date of the note or from the date of the securing instrument. Thus, loans with a maturity date up to 62 months from the date of the instrument may now qualify as exempt from the intangible recording tax.

**Motor Vehicles**

**House Bill 114**  
**Updates Reference Date for Federal Motor Carrier Safety Regulations**  
**O.C.G.A. § 40-1-8**  
**Effective Date: July 1, 2025.**

This bill revises the definition of “present regulations” within Georgia’s motor carrier safety statute to reference the federal regulations codified in Title 49 of the Code of Federal Regulations (C.F.R.) as they stand on January 1, 2025, superseding the previous reference date of January 1, 2024.

**House Bill 208**  
**Disabled Veteran License Plate Expansion; New Specialty License Plates**  
**O.C.G.A. §§ 40-2-69, 40-2-70, 40-2-71, 40-2-86**  
**Effective Date: July 1, 2025, for the section pertaining to the Shepherd Center specialty plate; January 1, 2026, for the sections expanding veterans’ license plates and adding new specialty license plates.**

This bill amends Georgia’s vehicle licensing laws to make several changes regarding special license plates for veterans. For disabled veterans and totally disabled veterans, as those terms are defined, the bill allows

up to two free license plates for motorcycles or passenger cars for personal use. The bill further clarifies transferability of plates to vehicles owned jointly with or transferred to a spouse or minor child and allows surviving spouses or minor children to retain eligibility after the death of a totally disabled veteran, subject to certain conditions.

Additionally, the bill establishes several new specialty license plates, including plates honoring the Shepherd Center, Georgia Veterans Service Foundation, Southern University alumni, Delta Sigma Theta Sorority, Alabama State University alumni, Georgia's State Parks, and a plate promoting black bass conservation.

### **House Bill 296**

#### **Driver's License Format Requirements; Electronic License Recognition; Title Ad Valorem Tax Adjustment for Modified Rental Vehicles**

**O.C.G.A. §§ 21-2-417, 27-2-2, 27-2-3.1, 40-5-29, 48-5C-1**

**Effective Date: July 1, 2025, with certain provisions effective July 1, 2027.**

This bill requires a physical driver's license to be used as identification: for presentation to a poll worker at a polling place; for the sale of a hunting, trapping, or fishing license (when the sale is not made over the phone or by an approved internet license agent); and for the procurement of a lifetime sportsman's license. The bill requires police officers to accept an electronic driver's license, provided that the officer has the equipment to verify the license.

Additionally, the bill creates a new method of paying title ad valorem tax (TAVT) for certain vehicles. For "for-hire charter buses or motor coaches" and "special modified rental vehicles," the TAVT may be paid in two installments: 50 percent upon application for title and the remaining 50 percent within 12 months. A "special modified rental vehicle" is defined as one significantly modified at a Georgia manufacturing facility by its owner, which is rented or leased without a driver to businesses, subject to Georgia sales and use taxes, and certified by affidavit.

### **House Bill 551**

#### **Temporary Operating Permits; Dealer Plates; Immobilization Regulation; TAVT Penalties**

**O.C.G.A. §§ 40-2-8, 40-2-8.1, 40-2-33, 40-2-38, 40-2-130, 40-3-23, 40-3-33, 43-47-2, 44-1-13, and 48-5C-1**

**Effective Date: January 1, 2026.**

This comprehensive motor vehicle bill expands the Department's authority in the regulation of motor vehicle dealers and provides mechanisms to encourage compliance with title ad valorem tax (TAVT) requirements.

The bill creates a definition for "dealer." The definition ensures that whether a person sells their own inventory of vehicles or acts as a broker between buyer and seller that such person will qualify as a "dealer" for purposes of registration with the Department. To qualify as a dealer, the individual or business must sell at least 5 motor vehicles per year. The bill prohibits dealers from maintaining alternate versions of documents such as bills of sale. The Department is authorized to assess a civil penalty of up to \$500 per vehicle sold with any such alternate documents.

The bill authorizes the Department to create an electronic Temporary Operating Permit (TOPs) issuance system. The Department is authorized to adopt rules governing the use of the system, including requiring criminal background checks for anyone at a dealership given access to the system. The Department is further authorized to suspend dealer access to the TOPs system in certain circumstances. For dealers that have had their access suspended, the bill establishes procedures for review.

The bill creates a TAVT penalty structure for vehicle owners who use a passive legal entity to avoid registration and TAVT. The bill clarifies the Department's ability to share TAVT information and vehicle registration records with the State Board of Registration of Used Motor Vehicle Dealers and Parts Dealers.

**Senate Bill 291**  
**Creation of "America First" Specialty License Plate**  
**O.C.G.A. § 40-2-86.1**  
**Effective Date: January 1, 2026.**

This bill creates a new specialty license plate displaying the American flag along with the words "America First." The bill authorizes the Department to issue the "America First" plate even before the standard 1,000 prepaid applications are received. However, if 1,000 prepaid applications are not submitted by January 1, 2028, manufacturing of this plate will be discontinued. The bill directs proceeds from the sale of the plate to the state's general fund.

**Tax Policy and Taxpayer Services**

**House Bill 111**  
**Income Tax Rate Reduction**  
**O.C.G.A. § 48-7-20**  
**Effective Date: July 1, 2025; applicable to taxable years beginning on or after January 1, 2025.**

This bill amends O.C.G.A. § 48-7-20(a.1) to reduce the individual income tax rate to 5.19 percent (from 5.39 percent) for taxable years beginning on or after January 1, 2025. The bill provides for annual reductions of 0.10 percent beginning January 1, 2026, until the rate reaches 4.99 percent, subject to revenue triggers. Delays in reductions may occur if specified revenue conditions are not met, including growth requirements for revenue estimates, net revenue collections, and the Revenue Shortfall Reserve. The Office of Planning and Budget will determine compliance with these triggers annually and report to the Department and legislative leaders by December 1.

**House Bill 112**  
**One-Time Tax Credit for 2023 and 2024 Filers**  
**O.C.G.A. § 48-7-20.3**  
**Effective Date: April 15, 2025.**

This bill adds a new provision, O.C.G.A. § 48-7-20.3, to provide a one-time refund credit for individual taxpayers who filed returns for both the 2023 and 2024 taxable years. Defines "qualified taxpayer" as an individual filer for both years, excluding nonresident aliens, dependents, estates, and trusts. It also allows refunds for individuals otherwise excluded as dependents if they had earned income in 2023.

The bill provides that once a qualified taxpayer files the 2024 return, the Department shall automatically issue a one-time refund equal to the lesser of:

- The taxpayer's 2023 liability as reported on Line 16 of Form 500 or Line 4 of Form 500EZ; or
- A maximum refund based on 2023 filing status: \$250 (single or married filing separately), \$375 (head of household), or \$500 (married filing jointly).

The bill requires proration for nonresidents or part-year residents based on Georgia's taxable income ratio. Refunds in excess of 2023 liability are prohibited. The bill specifies refunds are not taxable income for Georgia purposes and must be issued electronically or by check according to 2024 return instructions, subject to offset for outstanding liabilities. The bill disallows accrual of interest on refunds and subjects them to debt setoff collection provisions.

### **House Bill 136**

#### **Revises and Creates New Tax Credits Related to Children**

**O.C.G.A. §§ 48-7-29.10, 48-7-29.24, 48-7-29.27, 48-7-29.28, 48-7-60**

**Effective Date: July 1, 2025; applicable to tax years beginning on or after January 1, 2026.**

#### **Section 1-1**

This section increases the state tax credit for child and dependent care expenses to 50 percent of the federal credit allowed under Section 21 of the Internal Revenue Code. This section is applicable to tax years beginning on or after January 1, 2025.

#### **Section 1-2**

This section creates a new \$250 tax credit for each qualifying child under the age of six. The credit may only be claimed by one parent or guardian per child, with specific rules for custodial and noncustodial parents. The credit is prorated for nonresidents or part-year residents. Unused credits may not be carried forward.

#### **Section 1-3**

This section creates a new tax credit for employers that make eligible childcare payments on behalf of employees with children under the age of six. The credit is \$500 per child per year, or \$1,000 in the first year such payments are made. The program is capped at \$20 million per year, requires preapproval from the Department of Revenue, and sunsets on December 31, 2030.

#### **Section 2-1**

This section revises the tax credit for contributions to foster child support organizations by expanding eligible organizations and qualified expenditures to include services for justice-involved youth. The aggregate cap is \$20 million for 2025 and \$30 million for 2026 and thereafter, with up to \$10 million reserved for business enterprises. It establishes new definitions, reporting requirements, and certification rules for qualified organizations, and permits insurance companies to claim credits against insurance premium tax liability for qualified contributions.

## **Section 2-2**

This section authorizes the Commissioner of Revenue to share confidential taxpayer information with other state agencies when necessary for tax credit administration, while preserving confidentiality requirements and penalties for unlawful disclosure.

## **House Bill 153**

### **Extends Sales and Use Tax Exemption for Concrete Mixer Parts**

**O.C.G.A. § 48-8-3.2**

**Effective Date: July 1, 2025.**

This bill extends the sunset for the sales and use tax exemption on maintenance and replacement parts for machinery or equipment used to mix, agitate, and transport freshly mixed concrete—from June 30, 2026, to June 30, 2031. The exemption does not apply to sales and use taxes on motor fuel used as energy in a concrete mixer truck.

## **House Bill 223**

### **Timberlands Recovery, Exemption, and Earning Stability (TREES) Act**

**O.C.G.A. §§ 48-5-33.2, 48-7-27, 48-7-40.37, 48-8-3.3**

**Effective Date: May 8, 2025.**

This bill authorizes certain local governing authorities to provide temporary tax relief to property owners in 93 counties for taxes levied for the harvest or sale of standing timber severely damaged or destroyed by Hurricane Helene and provides a grant to affected governing authorities to offset the loss of tax revenue from the harvest or sale of standing timber.

The bill provides income tax relief for farmers and timber producers impacted by Hurricane Helene. For tax years beginning between 2025 and 2029, income received from disaster relief or assistance grant programs established specifically for Helene-related agricultural losses is excluded from Georgia taxable income. Additionally, for tax year 2025, crop insurance proceeds received for Helene-related agricultural destruction are excluded from taxable income.

A new refundable and transferable income tax credit is also created for timber producers who suffered casualty losses between September 24 and December 31, 2024. As provided in the bill, timber is defined as trees grown for the primary purpose of commercial production of food or wood or wood fiber products. The tax credit equals 100 percent of the casualty loss but is capped at \$550 per affected acre. To participate, taxpayers must apply for preapproval from the Department of Revenue by December 31, 2025. The total credits available are capped at \$200 million statewide, with applications approved on a first-come basis or prorated if requests exceed the cap. Credits can only be claimed once replanting or restoration of the affected acres is completed, either by establishing adequately stocked stands or replanting timber projected to recover at least 90 percent of pre-loss value. Replanting must occur within the same county where the loss occurred.

Credits may be refunded, carried forward up to ten years, or transferred once to another Georgia taxpayer for at least 60 percent of their value. The Department may audit claims, recover the value of improperly granted credits, and require reimbursement of audit costs up to the value of the credits claimed.

Additionally, the bill provides a temporary sales and use tax exemption for building materials used to repair or replace greenhouses and real property structures or fixtures used exclusively for the production of animals, including poultry houses and livestock barns. The exemption applies from May 8, 2025 (the effective date of the Act) through December 31, 2025. Contractors installing such materials will not incur use tax when the materials are purchased tax-exempt by a qualified agricultural producer for installation into agricultural operations.

### **Senate Bill 141**

#### **Extension of Tax Appeal Periods; Clarification of Federal Adjustment Procedures; Historic Property Preferential Assessment Extension**

**O.C.G.A. §§ 48-2-35, 48-2-38, 48-2-45, 48-2-46, 48-2-54, 48-2-59, 48-6-76, 48-7-31, 48-7-82, 48-9-12, 48-5-7.2, 48-5-7.3**

**Effective Date: July 1, 2025.**

#### **Part I – Appeals and Federal Tax Adjustments**

This part of the bill extends the period for taxpayers to file protests, appeals, or refund claims in connection with state tax assessments and certain disputes. The appeal, protest, or response time is increased from 30 days to 45 days. This change applies to refund claims denied by the commissioner (O.C.G.A. § 48-2-35), payment deadlines for state taxes other than income and ad valorem (O.C.G.A. § 48-2-38), service of notice of assessment (O.C.G.A. § 48-2-45), protest procedures (O.C.G.A. § 48-2-46), tax collection actions (O.C.G.A. § 48-2-54), formal appeals (O.C.G.A. § 48-2-59), intangible recording tax protests (O.C.G.A. § 48-6-76), and petitions related to corporate apportionment disputes (O.C.G.A. § 48-7-31). The law also extends from 30 to 45 days the timeframe for reinstating a canceled motor fuel distributor license (O.C.G.A. § 48-9-12).

Additionally, O.C.G.A. § 48-7-82 is revised to clarify what constitutes the “final determination date” for federal income tax adjustments. It specifies three scenarios: (1) the date when all federal audit issues are finally resolved, (2) the first day no related adjustments remain for a consolidated group, or (3) the day an amended return, refund claim, or administrative adjustment request is filed. This clarifies how federal adjustments must be reported to Georgia for purposes of assessment or refund.

#### **Part II – Historic Property Preferential Assessment**

This part of the bill authorizes county governing authorities to extend the preferential classification and assessment of rehabilitated historic properties (O.C.G.A. § 48-5-7.2) and landmark historic properties (O.C.G.A. § 48-5-7.3) for up to an additional 12 years. Provided the county governing authority approves an extension of either type of assessment, these types of property will be assessed each additional year pursuant to Code Section 48-5-2(3)(C)(ii), which values such properties in the ninth year of special assessment at halfway between the covenant value and current fair market value.

### **House Bill 266**

#### **Military Retirement Income Exclusion and Expansion of Law Enforcement Foundation Tax Credit O.C.G.A. §§ 48-7-27, 48-7-29.25**

**Effective Date: July 1, 2025 (applicable to tax years beginning on or after January 1, 2026), except Section 1 which becomes effective January 1, 2027.**

#### **Section 1**

This section amends Georgia’s income tax law to provide a new exclusion for military retirement income. Individuals under age 65 may exclude up to \$65,000 of retirement benefits derived from service in the armed forces or reserve components. For married couples filing jointly, each spouse may claim the exclusion individually if qualified. This exclusion is in addition to any other adjustments available under state law, but it cannot be combined with the general retirement income exclusion already provided under O.C.G.A. § 48-7-27(a)(5).

#### **Section 2**

This section makes substantial revisions to the tax credit for contributions to law enforcement foundations. The definition of a “law enforcement foundation” is broadened to include nonprofit organizations that support multiple local law enforcement units or provide statewide support. Eligible expenditures are expanded to cover not only officer salary supplements and training but also purchases of equipment, technology updates, community engagement activities, and operational costs for emergency response teams that combine law enforcement and behavioral health specialists. The sunset for the credit was extended from December 31, 2027, to December 31, 2031. Taxpayers who are preapproved between July 1 and December 31 of each year are only allowed 95% of the credit amount otherwise allowed.

Finally, this section eliminates the carryforward of unused credits generated after the effective date. Credits may only offset current-year liability, with no ability to apply unused amounts to future years.

### **House Bill 290**

#### **Conformity with Federal Internal Revenue Code Updates**

**O.C.G.A. § 48-1-2**

**Effective Date: May 14, 2025 (applicable to tax years beginning on or after January 1, 2024).**

This section updates the definitions of “Internal Revenue Code” and “Internal Revenue Code of 1986” in O.C.G.A. § 48-1-2 to conform Georgia tax law with federal law as enacted through January 1, 2025. It incorporates provisions of the Internal Revenue Code for taxable years beginning on or after January 1, 2024, but specifically excludes or modifies the effect of certain sections, consistent with prior Georgia practice. These exclusions include provisions such as bonus depreciation (IRC § 168(k)), certain loss carrybacks, and specified interest deduction limits. It also continues adjustments to Section 179 expensing thresholds and other technical provisions to maintain consistency with Georgia policy.

### **House Bill 360**

#### **Revises Historic Rehabilitation Tax Credit**

**O.C.G.A. § 48-7-29.8**

**Effective Date: July 1, 2025.**

This bill amends the historic rehabilitation tax credit to provide flexibility for certain preapproved projects. Specifically, it applies to certified structures other than historic homes where a taxpayer was preapproved

to claim the credit for tax year 2027 or 2028. If the taxpayer obtains a certificate of occupancy for the project on or before July 1, 2026, the credit may instead be claimed in tax year 2026. However, the amount of the credit is reduced when claimed early.

For projects preapproved for 2027, the 2026 credit is limited to 90 percent of the authorized amount. For projects preapproved for 2028, the 2026 credit is limited to 85 percent of the authorized amount. This adjustment allows accelerated use of the credit while ensuring a partial reduction in value if claimed earlier than originally scheduled.

**House Bill 416**  
**Revises Enterprise Zone Requirements and Duration**  
**O.C.G.A. §§ 36-88-6, 36-88-10**  
**Effective Date: July 1, 2025.**

This bill amends O.C.G.A. § 36-88-6, relating to enterprise zone criteria. To qualify, a nominated area must be located within an urban redevelopment area and must include a redevelopment project site with at least \$400 million in capital investment in an area that has been chronically underdeveloped for 20 years or more, as certified by the Commissioner of Community Affairs. Once designated, such projects qualify for an exemption from sales and use tax levied within the project boundaries.

Local governments are authorized to impose annual enterprise zone infrastructure fees on retailers operating within the project who benefit from sales tax exemptions. These fees may not exceed the total amount of sales tax exempted and may be pledged as security for revenue bonds issued to finance development or infrastructure within the zone.

The bill further amends O.C.G.A. § 36-88-10, relating to time limitations for enterprise zones. For projects created under O.C.G.A. § 36-88-6(g), the duration is extended to 30 years or until the required redevelopment project is complete and any associated revenue bonds exceeding \$100,000 in principal are retired, whichever occurs first. While the designation of the enterprise zone may terminate, property tax incentives granted to qualified businesses within the zone continue for the full ten-year period authorized under O.C.G.A. § 36-88-8. Municipal and county governments may also negotiate agreements with qualified businesses in enterprise zones to modify or terminate tax and fee benefits.

**House Bill 475**  
**Film, Gaming, Video, and Digital Production Tax Credit Revisions**  
**O.C.G.A. § 48-7-40.26**  
**Effective Date: January 1, 2026 (applicable to tax years beginning on or after that date).**

This bill revises the definition of “qualified production activities” for purposes of Georgia’s film, gaming, video, or digital production income tax credit. The definition continues to include feature films, series, pilots, movies for television, commercials, music videos, interactive entertainment, and prereleased interactive games, provided they are produced in Georgia and certified by the Department of Economic Development.

The bill clarifies that projects may be recorded in whole or in part in the state and covers both short- and long-form productions, including animation and music, distributed through a wide variety of commercial

platforms. These include theaters, video-on-demand services, DVDs, interactive game platforms, broadcast and cable television, subscription-based streaming platforms, advertiser-supported sites, free ad-supported streaming television (FAST) channels, and public broadcasting.

At the same time, the law excludes several categories from eligibility. Notably excluded are news or athletic event coverage, local-interest programming, instructional or corporate videos, projects not intended for multimarket commercial distribution, user-generated content distributed only through social media, and any project not originally created or recorded in Georgia.

The bill strengthens the Department of Economic Development's role in certifying qualified productions. It requires the Department of Economic Development to establish rules and regulations covering certification applications, deadlines, qualified project types, distribution methods, required documentation, and associated fees. Applications for certification must still be submitted to the State Revenue Commissioner.

### **House Bill 511**

#### **Creation of Catastrophe Savings Accounts**

#### **O.C.G.A. § 48-7-28.5**

**Effective Date: July 1, 2025 (applicable to tax years beginning on or after January 1, 2026).**

This bill allows for the creation of tax-advantaged catastrophe savings accounts (CSA). These accounts are designed to help individuals prepare financially for catastrophic weather events that cause damage to their primary residence. A "catastrophic event" is defined broadly to include windstorms, hurricanes, tornadoes, ice storms, floods, hail, earthquakes, and similar occurrences, provided the event is declared a disaster or emergency by the Governor.

Taxpayers may establish only one catastrophe savings account per primary residence. Contribution limits vary based on the taxpayer's insurance status:

- If the homeowner's insurance deductible is \$1,000 or less, the maximum contribution is \$2,000.
- If the deductible is greater than \$1,000, the maximum contribution is the lesser of twice the deductible amount or \$25,000.
- For self-insured taxpayers who do not carry insurance on their primary residence, contributions may be made up to \$250,000, but never in excess of the fair market value of the residence.

Contributions to a CSA are deductible from Georgia taxable income, interest earned in the account is exempt from state income tax, and withdrawals used for qualified catastrophe expenses are excluded from taxable income. Qualified expenses include payment of a homeowner's insurance deductible or repair and replacement costs not covered by insurance. Withdrawals in excess of qualified expenses are taxable.

The law also establishes rules for excess contributions and transfers. If a taxpayer contributes beyond the statutory limits, the excess must be withdrawn and included as taxable income. If the account holder dies, the account balance is taxable to the recipient unless transferred to a surviving spouse, in which case it retains its tax-preferred status until the spouse's death.

**House Bill 652**

**Extension of Effective Date for EV Charging Tax Provisions; Creation of “Exempt Special Fuel” Category**

**O.C.G.A. §§ 48-8-3, 48-8-3.1, 48-9-2, 48-9-3**

**Effective Date: May 13, 2025, for Section 1 (extending certain effective date provisions), and effective January 1, 2027, for all other purposes.**

The bill creates a sales and use tax exemption for exempt special fuel, which is defined as electricity from nonprofit-operated, no cost EV charging stations located on a federal interstate right of-way in operation as of January 1, 2025. The bill confirms electricity at other charging stations is to be treated as motor fuel.

The bill clarifies that motor fuels remain exempt from sales tax for highway use but taxable for non-highway use, excluding exempt special fuel. Further, the bill clarifies that while exempt special fuel is exempt from excise taxes, an exemption certificate is required for non-highway use.

Additionally, the bill extends the effective date of provisions regulating and taxing electricity as motor fuel.