



Georgia Department of Revenue
Policy Bulletin IT 2017-01
Income Tax Credits and the Withholding Benefit

- 1) **Purpose:** This policy bulletin provides guidance regarding the method and timing of filing Revenue Form IT-WH Notice of Intent for all income tax credits, that use this form, when the credit can be applied against payroll withholding tax.
- 2) **Effective Date:** Tax Years beginning on or after January 1, 2017.
- 3) **Authority:** O.C.G.A. §§ 48-7-29.14, 48-7-40, 48-7-40.1, 48-7-40.12, 48-7-40.17, 48-7-40.26, 48-7-40.26A, 48-7-40.33.
- 4) **Scope: A Policy Bulletin is intended to provide guidance to the public and to Department personnel.** It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers, superseding all conflicting documents and oral directives previously issued by the Department. A Policy Bulletin does not have the force or effect of law and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or subsequent Policy Bulletin.
- 5) **Issues:**
 - a) Background information.
 - b) Information on when and how the IT-WH Notice of Intent must be filed.
- 6) **Discussion of Issues:**
 - a) **Background information.** Chapter 7 of Title 48 provides that certain income tax credits can offset an employer's payroll tax withholding liability. The current credits that are affected by this policy bulletin are:
 - Clean Energy Property Tax Credit
 - Job Tax Credit
 - Tax Credit for Qualified Research Expenses
 - Headquarters Job Tax Credit
 - Quality Jobs Tax Credit
 - Film Tax Credit
 - Postproduction Film Tax Credit
 - Musical Tax Credit

- b) **Information on when and how the IT-WH Notice of Intent has to be filed.** For tax years beginning on or after January 1, 2017, to claim any excess tax credit not used on the income tax return against the generating entity's payroll withholding tax liability, the entity must file Revenue Form IT-WH *Notice of Intent* through the Georgia Tax Center within 30 days after the due date of the Georgia income tax return (including extensions) or within 30 days after the filing of a timely filed Georgia income tax return, whichever occurs first. **Paper filings will no longer be allowed.** Failure to file this form as provided in this bulletin will result in disallowance of the withholding tax benefit.

Please note that even in the case where the regulation has not yet been changed, a taxpayer is eligible to use the new election time period.

FOR MORE INFORMATION

For more information on this subject, contact Taxpayer Services at 1-877-423-6711 from 8:00 a.m. to 4:30 p.m. EST, Monday through Friday, excluding holidays. Deaf and hard of hearing taxpayers who have access to TDD equipment can use the Georgia Relay program. For more information visit <http://georgiarelay.org>. For forms and other information, visit our website <http://dor.georgia.gov>.
