



# DOAA

Georgia Department  
of Audits & Accounts

**Greg S. Griffin**  
State Auditor

March 24, 2026

Honorable Shaw Blackmon  
Chairman, House Ways and Means  
133 State Capitol  
Atlanta, GA 30334

SUBJECT: Fiscal Note  
House Bill 932 (LC 44 3428S)

Dear Chairman Blackmon:

The bill amends O.C.G.A. §48-7-40.1(c) by adding a temporary provision allowing certain census tracts to qualify as less-developed areas (LDA) for purposes of the job tax credit. Under current law, census tracts that are in a county with a military base and that contain a government-owned industrial park qualify as LDAs. Under the bill, for calendar years (CY) 2026–27, additional census tracts located in counties with a population of fewer than 200,000 residents and containing a federal military installation with a garrison of at least 5,000 federal or military personnel would also qualify as an LDA census tract.

Businesses located in these designated areas would be eligible for the existing job tax credit of \$3,500 per job per year for up to five years if they create at least two new jobs and operate in qualifying industries, including manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, or research and development.

With no effective date specified, the bill is assumed to become effective upon the Governor’s signature and to apply to new jobs created from January 1, 2026, through December 31, 2027.

### Impact on Revenue

Georgia State University’s Fiscal Research Center (FRC) estimated that the bill would decrease revenue as shown in Table 1. The appendix provides details of the analysis.

**Table 1. Estimated State Revenue Impact of HB 932 LC 44 3428S**

(\$ millions)	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
High Estimate	(\$0.29)	(\$0.55)	(\$0.76)	(\$0.88)	(\$0.86)
Low Estimate	(\$0.19)	(\$0.36)	(\$0.51)	(\$0.59)	(\$0.57)

### Impact on Expenditures

The Department of Revenue would be able to implement the bill’s provisions with existing resources.

Respectfully,



Greg S. Griffin  
State Auditor



Richard Dunn, Director  
Office of Planning and Budget

GSG/RD/mt

### Analysis by the Fiscal Research Center

Under current law, O.C.G.A. §48-7-40.1(c)(2.1) provides for elevated employer job tax credits of \$3,500 per job, if the job creation occurred in a county with a military base that has at least 5,000 federal or military personnel and is within a tract that contains a government-owned industrial park. HB 932 adds a new temporary subparagraph (2.2) that removes this latter requirement, expanding the higher credit amounts and lower job requirements to census tracts that are located within a county with a military base but lack a government-owned industrial park, provided the county has fewer than 200,000 residents.

Data on employment for 2024 from the US Census Bureau was used to establish a list of census tracts that currently have employment. The Georgia Department of Community Affairs (DCA) was used to identify the locations of military bases in Georgia. Information on the number of federal and military personnel garrisoned at these bases was gathered through military installations’ official websites, online encyclopedias, and other sources. These locations were used to isolate tracts with employment that were located within a county with a military base of at least 5,000 federal or military personnel.

DCA administers this program and provides the official list of census tracts that qualify under it, as well as other job tax credit provisions, each year. These data from January 2025 were used to identify and remove certain 2024 tracts to eliminate double counting, including those that:

- have a government-owned industrial park,
- are already military zones under paragraph (2) of subsection (c),
- are located within a tier 1 county, or
- are less-developed census tracts.

County employment for qualifying industries was obtained from the 2024 Quarterly Census of Employment and Wages (QCEW). Department of Labor (DOL) data were used to estimate each county’s share of employment that would be impacted by the expansion proposed under this bill. Based on these data, 23,000 jobs were in qualified industries and counties, and 42.1 percent or 9,688 jobs, were in tracts impacted by this bill.

DOL provides long-term employment growth projections (2020–30) by industry for local work designation areas (LWDA). These projections for the five LWDA where the impacted tracts are located were used to estimate and project the amount of new jobs eligible for the expanded credit amounts through 2030. Manufacturing employment is estimated to grow in these impacted tracts by 0.8 percent annually from 2025 through 2030.

Job tax credits are generated when individual firms increase their employment. While aggregate employment is expected to grow, the number of hires at growing employers will be larger because the aggregate figure is net of employers decreasing their positions. Quarterly workforce indicators (QWI) from the Census split quarterly changes in employment to hires, separations, and total net change. These data indicate that for every net increase of one job, between two and three jobs were created. These were used to establish the high and low estimates for new jobs eligible for the expanded credits for TY 2026–30 in Table 2.

**Table 2. Estimated Number of New Jobs Eligible for the LDA Job Tax Credit**

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
High Estimate	234	236	0	0	0
Low Estimate	156	157	0	0	0

The locations of the impacted tracts indicate that new hires will generate \$3,200 additional credits, on average, after comparing their existing job tax credit treatment to \$3,500 per job. Once established, credits are generated for TY 2026 and TY 2027, and historical utilization data indicate that generated

credits are utilized over a six-year period in the following pattern: 21.2 percent in the initial year and 14.1 percent, 17.9 percent, 6.5 percent, 2.7 percent, 1.4 percent, and 0.6 percent over the subsequent years, respectively.

Table 3 shows credits utilized and generated for TY 2026–31 based on the additional \$3,200 of credits for the new jobs over five years. Unutilized credits are based on the historical pattern of utilization for job tax credits. Tax year utilized credits were converted to fiscal years for the revenue impacts in Table 1 using a 50-50 fiscal split.

**Table 3. Estimates of Generated and Utilized Credits for LDA Job Tax Credit**

(\$ millions)	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030	TY 2031
Credits Generated						
High Estimate	\$0.75	\$1.51	\$1.51	\$1.51	\$1.51	\$0.76
Low Estimate	\$0.50	\$1.00	\$1.00	\$1.00	\$1.00	\$0.50
Credits Utilized						
High Estimate	\$0.16	\$0.42	\$0.67	\$0.85	\$0.92	\$0.79
Low Estimate	\$0.11	\$0.28	\$0.44	\$0.57	\$0.61	\$0.53