



Greg S. Griffin State Auditor

December 15, 2023

The Honorable Brian P. Kemp, Governor The Honorable Burt Jones, Lieutenant Governor The Honorable Jon Burns, Speaker of the House of Representatives Members of the General Assembly

Ladies and Gentlemen:

I am pleased to submit to you the Georgia Tax Expenditure Report for FY 2025 prepared by Georgia State University on behalf of the Department of Audits and Accounts. This report was prepared for inclusion in the Governor's Budget Report as required by Georgia Code §45-12-75. A copy of this report will be made available to the public on the Governor's Office of Planning and Budget's website and is also filed as a permanenrecord with the State Auditor.

This report provides a comprehensive listing of the State's statutory tax provisions ("tax expenditures") that allow preferential tax treatment of certain types of taxpayers or activities. Although not direct government expenditures, tax expenditures represent an allocation of government resources in the form of taxes that could have been collected (and appropriated) if not for their preferential tax treatment. To the extent possible, the dollar value of each tax expenditure has been included in this report. It is important to note, however, that data for numerous tax expenditures is not captured by the Department of Revenue. In these instances, the lack of available information is either noted or an estimate, if possible, is provided. The data included in this report has not been verified or validated by the Department of Audits and Accounts and no opinion or other form of assurance is expressed in this data.

We appreciate the staff of the Georgia State University Fiscal Research Center for preparing this report.

Respectfully Submitted,

Greg S. Griffin State Auditor

Georgia Tax Expenditure Report for FY 2025

Prepared by the Fiscal Research Center of the Andrew Young School of Policy Studies at Georgia State University

December 2023

Funding for this project was provided by the Georgia Department of Audits and Accounts. We would like to thank the Georgia Department of Revenue and the Georgia Office of Insurance and Safety Fire Commissioner for their contributions to the preparation of this report. Lastly, we would like to thank the Georgia Department of Audits and Accounts for their comments and recommendations. All estimates presented in this report are the work of the Fiscal Research Center. We are solely responsible for its contents.

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Introduction

Tax expenditures are provisions in the tax code that allow for special treatment of a source of income or a certain type of expense. Such treatment usually results in a reduction in tax liability for the taxpayer. In principle, these tax benefits could be provided by direct appropriation, thus these provisions are referred to as "expenditures". They represent tax revenues that would have been otherwise generated if not for this preferential treatment in the tax code.

Like direct government expenditures, tax expenditures are an allocation of government revenue that are intended to achieve a particular policy outcome or encourage some activity. The value of a tax expenditure can be thought of as representing the amount of money that would be necessary to provide the same level of financial support in the form of a government grant instead of through the tax code. Tax expenditures are received by businesses and individual taxpayers and are present in all of Georgia's major taxes, including the individual income tax, corporate income tax, and sales tax.

Tax expenditures, also referred to as tax preference items, can take several forms. Many are structured as tax credits and deductions, such as the corporate credit for hiring a new worker or the individual deduction for the mortgage interest paid on a primary residence. Other expenditures are in the form of exclusions of income. For example, at the state level, individuals in Georgia can exclude the value of Social Security benefits from the calculation of Georgia taxable income. Lastly, some tax expenditures may be provided in the form of reduced rates for selected taxable transactions, such as the reduced title ad valorem tax for rental vehicles and certain vehicle title transfers.

Tax Expenditure Report

Preparation of a tax expenditure report is required by the Official Code of Georgia Annotated §45-12-75. The purpose of the report is to list all tax expenditures and their value. In this way, these items can be tracked over time in a fashion analogous to a budget of direct governmental expenditures.

While direct expenditures for such items as education or transportation are reviewed annually with every budget, tax expenditures are often not subject to such periodic review. It is important to monitor the value associated with these provisions as they are a reduction in tax revenue and their presence results in special treatment for some taxpayers relative to others. For example, the state government supports education through direct expenditure programs and through HOPE scholarships but also allows a tax deduction for certain educational expenses borne by the taxpayer or paid by an employer. Both the direct expenditure and the tax expenditure represent an allocation of government resources toward education, but only the direct expenditures are listed in an annual budget.

Leaving tax expenditures out of the annual budgetary review process creates two types of distortions. First, it under-represents the amount of government resources allocated for a given purpose. Second, it incorrectly represents the distribution of the benefits of government expenditures. The benefits of tax expenditure provisions are usually targeted to higher income taxpayers compared to direct expenditure programs, so that the absence of tax expenditures in the overall analysis may lead to the conclusion that government resources are targeted toward less affluent taxpayers. In addition, not all tax expenditure programs have a direct budgetary counterpart, thus without a tax expenditure report, these provisions and their distributional effects escape notice.

The presence of tax expenditures is not necessarily bad tax policy. However, not recognizing or monitoring the resources allocated through the tax system is not good fiscal policy. Through this report, we hope to provide a consolidated listing of government resources provided through this means. This report does not, however, provide any information on how effective the provision may be in terms of fulfilling its purpose. For instance, while the value of the Research and Development (R&D) credit may be reported annually in the tax expenditure report, there is no accompanying analysis to determine the extent to which more research activities have been undertaken due to the presence of the special provision.

Identifying Tax Expenditures

In most cases, identifying a tax expenditure is straightforward. Tax expenditures are deviations or special exceptions from the generally defined tax base, sometimes referred to as the normal tax base or the reference tax base. However, there may be disagreement as to what constitutes the normal or reference tax base. Even at the federal level, the list of tax expenditure items included by the Administration differs from the list estimated by Congress because each works from a different definition of the standard tax base. The appropriate norm against which tax expenditures are defined is somewhat subjective and may, in some cases, be driven by the intent of the policy underlying the legislation. For example, one would not consider the difference between the current top income tax rate of 5.75 percent and the tax rate of 1 percent a tax expenditure.

Tax credits and deductions for certain types of activities, such as the jobs tax credit or the lowincome housing credit, are always classified as tax expenditures. This is also the case for items that are taxed at a reduced rate. In addition, specific exclusions from the tax base are, in most cases, considered tax expenditures. Because the Georgia individual and corporate tax systems are both tied to the federal individual and corporate bases, exclusions or deductions at the federal level apply to the state tax base as well. In some cases, Georgia chooses not to conform to federal provisions, such as the Section 199 deduction for domestic production activities. In these cases, we do not include the provision as a tax expenditure. It is also important to note that tax expenditures are not computed for revenue that is due but not collected. There are instances when it is unclear whether a given tax provision should be listed as a tax expenditure. This is because it is unclear what constitutes the general rule, and therefore, it is sometimes difficult to determine which provisions are exceptions to that rule. Consider the individual income tax exemption. Individuals are allowed to exclude an amount of income for each taxpayer included on the return, but this exemption of income is not considered a tax expenditure by all states. Another example is the provision allowing for the use of a single-factor apportionment formula in allocating income earned by corporations operating in more than one state. Because the general rule of the single-factor apportionment formula has been established at the state level, only deviations from that rule would be listed as a tax expenditure. Alternatively, if one considers the status-quo method of apportionment to be the equally weighted three-factor apportionment formula, any deviation from that rule, such as the double-weighted three-factor or single-factor apportionment formula, would be reported as a tax expenditure. This sort of problematic classification of tax expenditures also applies to the taxation of services under the state sales tax. Because state legislation refers to the purchase of tangible goods, the exclusion of services from the base may not be seen as a deviation from the general rule. On the other hand, if it is really the intent of the general rule to tax all consumption, then the exclusions provided to the consumption of services should be listed as a tax expenditure. In this report we attempt to incorporate as comprehensive a definition as possible.

Defining a tax expenditure in the case of the sales tax requires particular discussion. Because there is no federal sales tax, there is no list of federal sales tax expenditures to use as a starting point. For this report, we use the state tax statute as the basis for identifying sales tax expenditures. Therefore, if an exemption specifically exists in the state statute, it is listed as a sales tax expenditure. This has the advantage of being a very straightforward and non-subjective rule to apply. As a second advantage, this method provides a comprehensive list of all statutory exemptions allowing for comparison between provisions affecting taxpayers and industries.

This rule has the disadvantage of identifying many sales tax provisions as tax expenditures that would not be identified as tax expenditures under the rule of good tax policy. This is particularly true in the case of business inputs. There are several business inputs, such as the exemption for energy used in manufacturing, which are listed in this report as tax expenditures but are not activities that would be included in the tax base if the base were defined using the best economic principles. When business inputs are included in the sales tax base, those inputs are taxed and the tax is included in the price when the input is sold to the next stage of production. The more these inputs are taxed at the intermediate stages of production, the more tax is embedded in the price of the final good. This embedded tax distorts prices and influences economic decisions. Therefore, it is important to understand that while some business exemptions are listed as tax expenditures in this report, policymakers may find it helpful to distinguish the business inputs from tax expenditures that are provided for more societal reasons, such as the tax exemption for public school lunches or for the sale of food for off-premises consumption. To aid policy makers, this

report identifies in the appendix the sales tax expenditure provisions that are considered business inputs.

Tax Expenditures vs. Revenue Estimates

The estimate associated with a tax expenditure provision does not necessarily represent the revenue that would be gained from the repeal of the enabling legislation. Instead, the cost of the tax expenditure represents the value of the deduction or credit taken via the particular provision by itself, without consideration of potential interactions with other provisions. Although the presence of one provision may interact with the use of another provision, tax expenditures are estimated as independent provisions. For instance, if the federal research and development tax credit were repealed, federal revenues would not increase by the amount of the federal tax expenditure estimate but by a smaller amount. This is because some of the research expenditures claimed through the federal tax credit would be shifted over to another tax deduction or credit so that the savings to the government would be less than the value of the tax expenditure estimate. In addition, tax expenditure estimates do not incorporate behavioral effects that may occur due to the elimination of a provision. For instance, the tax expenditure estimate associated with the deduction for charitable giving is based on a current level of charitable contributions. If the deduction for charitable contributions were proposed to be eliminated, the revenue effect presented in the fiscal note would incorporate both the initial value of charitable contributions from the tax expenditure estimate and a timing effect that would result from people speeding up their level of contributions in response to the future loss of the deduction. Thus, tax expenditure estimates can only act as a preliminary indication of the revenue effect that would occur if the provision were eliminated or modified.

Data Sources and Reliability of Estimates

To the extent possible, data from the Georgia Department of Revenue (DOR) is used to estimate the expenditures included in this report. Unfortunately, the required information is not always collected or available. When it is not, other data sources, such as information from the U.S. Census Bureau, the U.S. Bureau of Economic Analysis, or the U.S. Bureau of Labor Statistics, are used. Every effort is made to provide reliable, well supported estimates of the provisions. Because of the time lag in processing income tax returns, the most recent data available from the Georgia DOR was calendar year (CY) 2019. Therefore, even in cases in which the Georgia DOR data is used as the primary data source, the tax expenditure costs presented in this report are estimates.

Two subjective measures of reliability are provided in this report: the estimate reliability and the data reliability. The reliability of both the estimate and data are categorized into three classes: A, B, and C. Class A estimates and data sources are considered the most reliable. Data sources with a Class A status consist of data from the federal statistical agencies or from the Georgia DOR. Estimates with a Class A status are typically those estimates that are based on Class A data that

is particularly applicable to the expenditure provision. For instance, most of the state business tax credit expenditures are listed as Class A estimates. They are based on tax credit data provided by the Georgia DOR that specifically addresses or measures the tax expenditure provision. On the other hand, most sales tax estimates are given a Class B status. While these provisions may be based on Class A data sources, such as the Economic Census or the Consumer Expenditure Survey from the Bureau of Labor Statistics, the data may only be available at a national level, or the data may refer to more activities than is covered by the tax expenditure provision. In these cases, the data must be adjusted to represent the specific activity associated with the expenditure provision and scaled down to represent the value of the activity within Georgia. Class C estimates are believed to provide reasonable estimates and are based on the best data available. For some items, no reliable information is available. In these cases, no estimate for the expenditure is provided.

Class of Estimate/Class of Data	Description of Estimate Reliability	Examples of Data Sources by Reliability Status
Class A	Based on data specifically related to the tax expenditure provision and to Georgia taxpayers	Data from Department of Revenue, Bureau of Labor Statistics Consumer Expenditure Survey, Bureau of Economic Analysis, U.S. Census Bureau datasets
Class B	Based on national data which has been modified to represent Georgia and the specific tax activity covered by the expenditure	Industry surveys and trade magazines, most proprietary information
Class C	Represents best available estimate at this time	Newspaper articles, secondary sources

Local Government Effects

In addition to the state estimates, this report attempts, where possible, to estimate the effects on local government revenues. There are many state exemptions that have local ramifications, such as numerous exemptions from the sales tax base. The local estimates that are provided represent the aggregate value of the exemptions that would accrue to the counties, municipalities, school districts, and special service districts, including tax allocation and community improvement districts.

Consistency with prior estimates

The current report, prepared for FY 2025, presents estimates for FY 2023-FY 2025. The report for FY 2024 provided estimates for FY 2022-FY 2024. In most cases, the estimates between the current and past reports are consistent, with the latest report continuing the same trend in the

value of the estimates that was established in earlier reports. On the other hand, there are some cases in which estimates presented in the FY 2025 report differ significantly from those presented in the past reports. This usually occurs because new information has become available or because a new forecast of economic activity is relied upon to predict future values. The updated estimates are included in the current report and any major inconsistency with prior reports is noted in the discussion relating to the expenditure.

Outline of the Report

The report continues with a summary table containing a title of each tax expenditure provision, the tax base it is associated with, the type of expenditure, and the estimated values for FY 2023-25 for all tax expenditures identified in the report. Provisions that are assigned a positive value denote an expenditure that is estimated to reduce state or local revenues. Provisions assigned a value of "(m)" denote a tax expenditure that is estimated to reduce state revenues by less than \$1 million. Provisions assigned a negative value denote a positive tax expenditure that is estimated to increase state revenues. Provisions assigned a value of "(-m)" denote a tax expenditure that is estimated to increase state revenues by less than \$1 million.

In addition to an identifying title, each expenditure provision is assigned an expenditure number, the first digit of which corresponds to the different sections of this report, such as 1 for the individual income tax and 5 for the insurance premium tax. The remaining portion of the numeric identifier is used to divide the expenditures into different subcategories such as federal and state expenditures, and deductions and credits. Only in the case of the sales tax exemptions does the expenditure number have any relationship to the state tax code section to which the expenditure item is associated. The numeric identifiers for each provision are consistent across tax expenditure reports and can be used to compare expenditure estimates from one report to the next.

Following the summary tables are detailed sections for each of the specific taxes covered in this report. These detailed sections begin with a brief description of the tax, latest figures on revenue collection and any information on recent modifications to the base. These detailed sections also include additional information for each of the expenditure items such as the statute number, the year in which the expenditure provision was enacted and the year in which it became effective, information on the data and estimate reliability and data source, a more detailed description of the tax expenditure provision, and the value of the expenditure provisions. The report concludes with an appendix that includes tables listing recently expired provisions, sales and use tax expenditures by type, and distributional analysis for a selected number of income tax provisions.

Even on dita	1	ť	State Tax Ex		State	S ⁴ -4-
Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025
			Expenditure	F I 2023	(in Millions)	F I 2025
Federal Incon	ne Tax Provisions ¹				(in minions)	
	Exclusion of	Federal				
	employee meals	Individual				
1.1.001	and lodging	Income Tax	Exclusion	50	53	55
	Exclusion of					
	housing	Federal				
	allowances for	Individual				
1.1.002	ministers	Income Tax	Exclusion	7	8	8
	Exclusion of					
	employer-	Federal				
	provided child	Individual				
1.1.003	care	Income Tax	Exclusion	22	19	20
	Exclusion of	Federal				
	employee	Individual				
1.1.004	awards	Income Tax	Exclusion	4	4	4
	Exclusion of					
	employer					
	contributions					
	and earnings to					
	pension plans					
	including					
	Keoghs, defined					
	benefit and					
	defined	Federal				
	contribution	Individual				
1.1.005	plans	Income Tax	Exclusion	2,540	2,879	3,302
	Exclusion of					
	employer					
	contributions for					
	health care,					
	health insurance					
	premiums and					
	long-term care	Federal				
1 1 000	insurance	Individual	F 1 '	1 450	1.505	1 500
1.1.006	premiums	Income Tax	Exclusion	1,450	1,505	1,580
	Exclusion of					
	employer-paid	F 1 1				
	accident and	Federal				
1 1 007	disability	Individual	E	22	24	25
1.1.007	premiums	Income Tax	Exclusion	33	34	35

¹ These are Internal Revenue Code (IRC) provisions adopted by Georgia as part of its personal and corporate income tax.

Expenditure	Summary	Tax	Type of	State	State	State
Expenditure	Summal y	тал	Expenditure	FY 2023	FY 2024	FY 2025
			Expenditure	F I 2023	(in Millions)	F I 2023
	Exclusion of				(in minions)	
	employer					
	contributions for					
	premiums on	Federal				
	group-term life	Individual				
1.1.008	insurance	Income Tax	Exclusion	30	32	34
1.1.000	Exclusion of	шеоше тах	Exclusion	50	52	51
	employer-paid					
	transportation					
	benefits and					
	employer-					
	provided transit	Federal				
	and vanpool	Individual				
1.1.009	benefits	Income Tax	Exclusion	57	60	62
	Exclusion of	income rux	Literabion	<i>C</i> /		02
	employer-					
	provided	Federal				
	adoption	Individual				
1.1.011	assistance	Income Tax	Exclusion	3	3	3
1.1.011	Exclusion of	meome rux	Exclusion	5	5	5
	employer-					
	provided					
	education					
	benefits					
	(including					
	education					
	assistance and	Federal				
	tuition reduction	Individual				
1.1.012	benefits)	Income Tax	Exclusion	15	16	16
	Exclusion of	Federal	-			-
	miscellaneous	Individual				
1.1.013	fringe benefits	Income Tax	Exclusion	74	77	80
	Exclusion of					
	foreign earned					
	income					
	(including	Federal				
	housing and	Individual				
1.1.014	salary)	Income Tax	Exclusion	46	48	51
	Exclusion of					
	certain					
	allowances for					
	federal	Federal				
	employees	Individual				
1.1.015	abroad	Income Tax	Exclusion	10	10	11

		•	State Tax Ex		[
Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	
	Exclusion of					
	benefits and					
	allowances to					
	armed forces					
	personnel					
	(includes					
	expenditure for					
	military	Federal				
1 1 0 1 6	disability	Individual	F 1 1	0.4	0.0	0.2
1.1.016	benefits)	Income Tax	Exclusion	84	88	93
	Exclusion of					
	medical care and					
	Tricare medical					
	insurance for					
	military					
	dependents,					
	retirees, and	Federal				
1 1 017	retiree	Individual	F 1 ·		47	50
1.1.017	dependents	Income Tax	Exclusion	44	47	50
	Exclusion of					
	veterans'					
	benefits					
	(includes					
	veterans					
	disability					
	compensation,	F . 11				
	pensions, and	Federal				
1 1 0 1 0	readjustment	Individual	F	112	115	120
1.1.018	benefits)	Income Tax	Exclusion	113	115	120
	Exclusion of					
	income					
	attributable to					
	the discharge of					
	certain student loan debt and					
	National Health					
	Service Corp	Fadaral				
	and certain state	Federal				
1.1.019	educational loan	Individual	Evolution	17	9	2
1.1.019	repayments	Income Tax	Exclusion	17	7	2

Expenditure	Summary	Tax	Type of	State	State	State
	S dannan y		Expenditure	FY 2023	FY 2024	FY 2025
			I.		(in Millions)	
	Exclusion of					
	workers'					
	compensation					
	benefits					
	(includes					
	disability and					
	survivor benefits					
	and medical					
	benefits, and					
	exclusion of					
	damages on					
	account of					
	personal					
	physical injuries	Federal				
	or physical	Individual				
1.1.020	sickness)	Income Tax	Exclusion	66	67	70
	Exclusion of					
	special benefits	Federal				
	for disabled coal	Individual				
1.1.021	miners	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	untaxed Social					
	Security and					
	railroad	Federal				
	retirement	Individual				
1.1.022	benefits	Income Tax	Exclusion	291	308	333
	Exclusion of	Federal				
	certain foster	Individual				
1.1.024	care payments	Income Tax	Exclusion	3	3	3
	Exclusion of					
	scholarship and	Federal				
1 1 0 0 1	fellowship	Individual				
1.1.026	income	Income Tax	Exclusion	31	32	33
	Exclusion of					
	earnings of					
	Coverdell					
	education					
	savings accounts					
	and interest on	Federal				
1 1 0 0 7	educational	Individual				
1.1.027	savings bonds	Income Tax	Exclusion	1	1	1

Type of State Expenditure Tax State State **Summary Expenditure** FY 2023 FY 2024 FY 2025 (in Millions) Exclusion of earnings of qualified tuition programs (including prepaid tuition Federal programs and savings account Individual 1.1.028 23 programs) Income Tax Exclusion 27 31 Exclusion for certain agricultural cost-Federal sharing Individual 1.1.029 payments Income Tax Exclusion (m) (m) (m) Exclusion of cancellation of indebtedness Federal income for Individual 1.1.030 farmers Income Tax Exclusion (m) (m) 1 Exclusion of interest on state and local government Federal private activity Individual 2 2 2 1.1.031 bonds Income Tax Exclusion Exclusion of capital gains on sales of Federal principal Individual 1.1.032 residences Income Tax Exclusion 340 331 337 Exclusion of Federal capital gains at Individual 1.1.033 death Income Tax Exclusion 297 306 313 Carryover basis Federal of capital gains Individual 1.1.034 on gifts Income Tax Exclusion 10 16 35 Permanent exemption from Federal imputed interest Individual 1.1.035 rules Income Tax Exclusion 5 5 6 Federal Exclusion of Individual 1.1.036 11 12 13 combat pay Income Tax Exclusion

	Si	ummary of	State Tax Ex	penditures		
Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	Exclusion of				(in Millions)	
	energy					
	conservation					
	subsidies	Federal				
	provided by	Individual				
1.1.037	public utilities	Income Tax	Exclusion	(m)	(m)	(m)
1.1.057	Exclusion of	Income Tax	Exclusion	(III)	(III)	(III)
	gain for certain	Federal				
	small business	Individual				
1.1.039	stock	Income Tax	Exclusion	9	11	12
111.007	Exclusion of		Enclusion	,		12
	interest on					
	public purpose					
	state and local	Federal				
	government	Individual				
1.1.040	bonds	Income Tax	Exclusion	1	1	1
	Exclusion of					
	income earned					
	by voluntary					
	employees'	Federal				
	beneficiary	Individual				
1.1.041	associations	Income Tax	Exclusion	4	7	11
	Exclusion of					
	survivor					
	annuities paid to					
	families of					
	public safety	Federal				
	officers killed in	Individual				
1.1.042	the line of duty	Income Tax	Exclusion	0	0	0
	Exclusion of					
	disaster	Federal				
	mitigation	Individual		_	_	
1.1.043	payments	Income Tax	Exclusion	1	1	1
	Deduction for					
	Non-Itemizers	Federal				
1 1 0 4 4	of Charitable	Individual				0.001
1.1.044	Contributions	Income Tax	Exclusion	Estim	ate included in 1	1.2.021
	Exclusion of					
	income					
	attributable to					
	the discharge of					
	principal	E . J 1				
	residence	Federal				
1 1 045	acquisition	Individual	Evolution	1	1	1
1.1.045	indebtedness	Income Tax	Exclusion	1	1	1

Expenditure	Summary	Tax	Type of	State	State	State
	Sammary	Тал	Expenditure	FY 2023	FY 2024	FY 2025
			Experience	FT 2023	(in Millions)	F I 2023
	Accelerated	Federal			(in minions)	
	depreciation	Individual				
1.2.001	(MACRS)	Income Tax	Deduction	43	40	37
	Deduction for					
	expenditures on					
	energy-efficient					
	commercial	Federal				
	building	Individual				
1.2.002	property	Income Tax	Deduction	(m)	(m)	(m)
	Expensing of					
	exploration and					
	development	Federal				
	costs: nonfuel	Individual				
1.2.003	minerals	Income Tax	Deduction	(m)	(m)	(m)
	Amortization of	Federal				
	business start-up	Individual				
1.2.004	costs	Income Tax	Deduction	2	2	2
	Expensing of					
	research and	Federal				
	experimental	Individual			0	0
1.2.005	expenses	Income Tax	Deduction	(m)	0	0
	Expensing of					
	magazine	Federal				
1 2 000	circulation	Individual				()
1.2.006	expenditures	Income Tax	Deduction	(m)	(m)	(m)
	Deductions of					
	oil and gas	Federal				
	exploration and	Individual				
1.2.007	development costs	Individual Income Tax	Deduction	0	0	0
1.2.007	Special		Deduction	U	0	U
	treatment for					
	expenses related	Federal				
	to timber	Individual				
1.2.008	production	Income Tax	Deduction	3	3	3
1.2.000	Expensing under		Deduction	5	5	5
	IRC Section 179					
	of depreciable	Federal				
	business	Individual				
1.2.009	property	Income Tax	Deduction	28	46	56
	r r r r r r r r r r r r r r r r r r r	iun	2 controll	-0		20

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	
	Exceptions for					
	publicly traded					
	partnerships					
	with qualified income derived					
	from certain	Federal				
	energy-related	Individual				
1.2.010	activities	Income Tax	Deduction	3	4	4
1.2.010	Treatment of		Deduction	5		
	income from					
	exploration and					
	mining of					
	natural resources					
	as qualifying					
	income under					
	the publicly					
	traded	Federal				
	partnerships	Individual				
1.2.011	rules	Income Tax	Deduction	1	1	1
	Various					
	agricultural	Federal				
	expensing	Individual				
1.2.012	provisions	Income Tax	Deduction	2	2	1
	Expensing to					
	remove					
	architectural and					
	transportation					
	barriers to the	Federal				
1 0 01 1	handicapped and	Individual				
1.2.014	elderly	Income Tax	Deduction	(m)	(m)	(m)
	Inventory					
	methods and					
	valuation,					
	(including last- in first-out,					
	lower of cost or					
	market, specific					
	identification for	Federal				
	homogenous	Individual				
1.2.015	products)	Income Tax	Deduction	2	2	2
1.2.012	productoj	Federal	Deddetton			
	Health Savings	Individual				
1.2.017	Accounts	Income Tax	Deduction	70	75	80
	Deduction of	Federal				
	property taxes	Individual				
1.2.018	on real property	Income Tax	Deduction	118	122	195

Expenditure	Summary	Tax	Type of	State	State	State
-r	JJ		Expenditure	FY 2023	FY 2024	FY 2025
			I Starter		(in Millions)	
	Deduction of					
	mortgage					
	interest on	Federal				
	owner-occupied	Individual				
1.2.020	residences	Income Tax	Deduction	202	216	271
	Deduction of					
	charitable					
	contributions for					
	health,	Federal				
	education, and	Individual				
1.2.021	other purposes	Income Tax	Deduction	461	483	537
	Deduction of	Federal				
	casualty and	Individual				
1.2.022	theft losses	Income Tax	Deduction	1	1	1
	Deduction of					
	overnight					
	expenses for					
	National Guard	Federal				
	and Reserve	Individual				
1.2.023	members	Income Tax	Deduction	3	3	3
	Deduction of	Federal				
	interest on	Individual				
1.2.025	student loans	Income Tax	Deduction	11	17	18
	Deduction for					
	teacher	Federal				
	classroom	Individual				
1.2.027	expenses	Income Tax	Deduction	2	2	2
	Deduction of					
	health insurance					
	premiums and					
	long-term care					
	insurance	Federal				
	premiums by the	Individual				
1.2.028	self-employed	Income Tax	Deduction	39	41	45
	Deduction of					
	medical and					
	dental expenses	Federal				
	and long-term	Individual				
1.2.029	care expenses	Income Tax	Deduction	79	85	102
	Net exclusion of					
	pension					
	contributions					
	and earnings:	Federal				
	traditional and	Individual				
1.2.030	Roth IRAs	Income Tax	Deduction	163	172	188

Expenditure	Summary	Tax	Type of	State	State	State
F	~5		Expenditure	FY 2023	FY 2024	FY 2025
			•		(in Millions)	
		Federal				
	Limit on NOL	Individual				
1.2.031	deduction ²	Income Tax	Deduction	-1	-1	-1
	7-year recovery					
	period for					
	motorsport	Federal				
	entertainment	Individual				
1.2.032	complexes	Income Tax	Deduction	(m)	(m)	(m)
	Deferral of gain	Federal				
	on like-kind	Individual				
1.3.001	exchanges	Income Tax	Deferral	27	28	29
	Special rules for					
	magazine,					
	paperback book,	Federal				
	and record	Individual				
1.3.002	returns	Income Tax	Special Rule	(m)	(m)	(m)
	Two-year					
	carryback for					
	net operating					
	losses	Federal				
	attributable to	Individual				
1.3.003	farming	Income Tax	Special Rule	1	1	1
	Special rules for					
	mining	Federal				
	reclamation	Individual				
1.3.004	reserves	Income Tax	Special Rule	(m)	(m)	(m)
	Cash					
	accounting, for	Federal				
	certain	Individual				
1.3.005	businesses	Income Tax	Special Rule	18	18	18
	Deferral of gain	Federal				
	on non-dealer	Individual				
1.3.006	installment sales	Income Tax	Special Rule	7	7	7
		Federal				
	Completed	Individual				
1.3.007	contract rules	Income Tax	Special Rule	1	1	1

² Negative values denote a tax expenditure that is estimated to increase state revenues.

Expenditure	Summary	Tax	Type of	State	State	State
_ · · · ·			Expenditure	FY 2023	FY 2024	FY 2025
			-		(in Millions)	
	Special					
	treatment of					
	employee stock					
	ownership plans					
	(ESOPs)					
	(includes					
	deferral of tax					
	on certain	Federal				
	employee stock	Individual			•	•
1.3.008	plans)	Income Tax	Deferral	24	26	28
	Various	F 1 1				
	agricultural	Federal				
1 2 000	expensing	Individual	0 1 1 1 1	1	1	1
1.3.009	provisions	Income Tax	Special Rule	1	1	1
	Qualified	Federal				
1.3.010	Opportunity Zones	Individual Income Tax	Special Rule	32	33	12
1.3.010	Expensing rules	Federal	Special Rule	52	33	12
	for certain	Individual				
1.3.011	productions	Income Tax	Special Rule	(m)	(m)	(m)
	vidual Income Tax		Special Rule	(111)	(111)	(111)
Georgia murv		State				
	Personal	Individual				
1.4.001	Exemption	Income Tax	Exemption	1,399	971	438
1.4.001	Exemption	State	Exemption	1,577	571	150
	Retirement	Individual				
1.4.002	Income	Income Tax	Exemption	1,390	1,438	1,453
	Exclusion of		2			_,
	federally taxable	State				
	Social Security	Individual				
1.4.003	benefits	Income Tax	Exemption	463	442	411
	Georgia Higher					
	Education	State				
	Savings Plan	Individual				
1.4.004	Contributions	Income Tax	Exemption	20	20	20
		State				
	Interest on U.S.	Individual				
1.4.005	obligations	Income Tax	Exemption	36	46	42
		State				
	Certain military	Individual				
1.4.006	income	Income Tax	Exemption	Estimate	not available at	this time
		State				
	Organ donation	Individual				
1.4.007	expenses	Income Tax	Exemption	(m)	(m)	(m)

Expenditure	Summary	Tax	Type of	State	State	State
I · · · · ·			Expenditure	FY 2023	FY 2024	FY 2025
			Ĩ		(in Millions)	
		State				
	Aged 65/Blind	Individual				
1.4.008	deduction	Income Tax	Exemption	25	14	0
	Certain					
	dependent's	State				
	unearned	Individual				
1.4.009	income	Income Tax	Exemption	(m)	(m)	(m)
	Premiums for	State				
	high-deductible	Individual				
1.4.010	health plans	Income Tax	Exemption	7	8	8
	Exclusion of					
	qualified					
	insurance	State				
	benefits for	Individual				
1.4.011	firefighters	Income Tax	Exemption	Estimate	not available at	this time
	Individual					
	retirement					
	account, Keogh,					
	SEP, and Sub-S					
	plan					
	withdrawals					
	where tax has					
	been paid to					
	Georgia because					
	of the difference					
	between Georgia					
	and Federal law	~				
	for tax years	State				
1 4 0 1 0	1981 through	Individual	- ·	- ·		
1.4.012	1986.	Income Tax	Exemption	Estimate	not available at	this time
	Depreciation					
	because of					
	differences in					
	Georgia and					
	Federal law	State				
	during tax years	State				
1 4 0 1 2	1981 through	Individual	En any attem	D etime t		this time -
1.4.013	1986.	Income Tax	Exemption	Estimate	not available at	unis time
	Income from					
	any fund,					
	program or					
	system which is	Ctat-				
	exempted by	State				
1 4 01 4	federal law or	Individual	E ('	T /		det e d
1.4.014	treaty.	Income Tax	Exemption	Estimate	not available at	this time

Expenditure	Summary	Tax	Type of	State	State	State
p	S dannan y		Expenditure	FY 2023	FY 2024	FY 2025
			L.		(in Millions)	I
	Certain income					
	in which the					
	Sub-S election is					
	not recognized					
	by Georgia or					
	another state in	State				
	order to avoid	Individual				
1.4.015	double taxation.	Income Tax	Exemption	Estimate	not available a	t this time
	Adjustment for					
	certain teachers					
	retired from the					
	Teachers					
	Retirement	State				
	System of	Individual				
1.4.016	Georgia	Income Tax	Exemption	Estimate	not available a	t this time
	Amount claimed		1			
	by certain					
	employers in					
	food and	State				
	beverage	Individual				
1.4.017	establishments	Income Tax	Deduction	Estimate	not available at	t this time
1.1.017	Adjustment of	income rux	Deddetion	Listimate	not uvunuoie u	
	certain payments	State				
	to minority	Individual				
1.4.018	subcontractors	Income Tax	Exemption	Estimate	not available at	t this time
1.4.010	Adjustments to	пеоте тах	Exemption	Lstillate		
	federal AGI for	State				
	certain Georgia	Individual				
1.4.019	resident partners	Income Tax	Exemption	Estimate	not available a	t this time
1.7.017	Exemption for	State	Exemption	Lotiniate		
	certain disaster	Individual				
1.4.020	relief firms	Income Tax	Exemption	Estimate	not available at	t this time
1.4.020	Exclusion of		Exemption	Estimate		
	Military	State				
	Survivor	Individual				
1.4.021	Benefits	Individual Income Tax	Evolution	(m)	(m)	(m)
1.4.021	Exclusion from	meome rax	Exclusion	(111)	(111)	(11)
	the income tax					
	for disability	State				
	payments for	State				
1 4 022	disabled first	Individual	En altradian	(112)	(112)	()
1.4.022	responders	Income Tax	Exclusion	(m)	(m)	(m)
	USDA Disaster	State				
1 4 000	Relief Payments	Individual		C	0	
1.4.023	Exemption	Income Tax	Exclusion	6	0	0

Expenditure	Summary	Tax	Type of	State	State	State
-			Expenditure	FY 2023	FY 2024	FY 2025
			_		(in Millions)	
		State				
	Standard	Individual				
1.5.001	Deduction	Income Tax	Deduction	1,126	1,955	2,949
	Deduction of					
	qualified					
	insurance					
	premiums for	State				
	former	Individual				
1.5.002	firefighters	Income Tax	Deduction	Estimate	not available at	this time
		State				
	Rural Physician	Individual				
1.6.001	Credit	Income Tax	Credit	1	1	1
	Disabled					
	person's home	State				
	purchase or	Individual				
1.6.002	retrofit credit	Income Tax	Credit	(m)	(m)	(m)
	Disaster	State		<u> </u>		()
	Assistance	Individual				
1.6.004	Credit	Income Tax	Credit	(m)	(m)	(m)
1.0.001	Qualified	State	crount	(111)	(111)	(111)
	Caregiving	Individual				
1.6.005	Expense Credit	Income Tax	Credit	(m)	(m)	(m)
1.0.005	Tax credit for	пеоте тах	Cicuit	(III)		(III)
	life insurance					
	for Georgia					
	National Guard	State				
	and Air National	Individual				
1.6.006	Guard	Income Tax	Credit	(m)	(m)	(m)
1.0.000	Child and	State	Cicuit	(111)		(111)
	Dependent Care	Individual				
1.6.007	Credit	Income Tax	Credit	42	43	44
1.0.007			Cicuit	74		77
	Adoption of Foster Child	State Individual				
1.6.008	Credit	Income Tax	Credit	9	9	10
1.0.000		State	Cleuit	2	7	10
	Low-Income	Individual				
1.6.009	Credit	Income Tax	Credit	8	8	8
1.0.009	Credit for taxes	State	Cleuit	0	0	0
1 6 010	paid to another	Individual	Care dit	251	216	251
1.6.010	state Credit for	Income Tax	Credit	351	346	354
	Credit for	C ()				
	Community	State				
1 < 011	Based Faculty	Individual	C II	2	2	r
1.6.011	Preceptors	Income Tax	Credit	3	3	6
	Georgia Job Tax	Total State	<i>a</i> .:	a (=		
1.6.012	Credit	Credit	Credit	217	230	239

Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025
			_		(in Millions)	1
	Quality Jobs	Total State				
1.6.013	Tax Credit	Credit	Credit	103	107	111
	New Facilities	Total State				
1.6.014	Jobs Credit	Credit	Credit	Estimat	e combined with	n 1.6.012
	New					
	Manufacturing					
	Facilities	Total State				
1.6.015	Property Credit	Credit	Credit	0	0	0
	Manufacturer's					
	Investment Tax	Total State				
1.6.016	Credit	Credit	Credit	54	60	66
	Optional					
	Investment Tax	Total State				
1.6.017	Credit	Credit	Credit	2	2	3
	Port Activity	Total State				
1.6.018	Tax Credit	Credit	Credit	6	6	6
	Alternate Port					
	Activity Tax	Total State				
1.6.019	Credit	Credit	Credit	Estimat	e combined with	n 1.6.018
		Total State				
1.6.020	Film Tax Credit	Credit	Credit	673	763	1,021
	Research Tax	Total State				
1.6.021	Credit	Credit	Credit	233	260	290
	Seed-Capital	Total State				
1.6.022	Fund Credit	Credit	Credit	(m)	(m)	1
	Qualified Health					
	Insurance	Total State				
1.6.023	Expense Credit	Credit	Credit	(m)	(m)	(m)
	Business					
	Enterprise	Total State				
1.6.026	Vehicle Credit	Credit	Credit	(m)	(m)	(m)
	Employer's					
	credit for					
	providing or					
	sponsoring child					
	care for					
	employees and					
	employer's					
	credit for					
	purchasing child	Total State				
1.6.027	care property	Credit	Credit	19	20	20
	Low-Income	Total State				
1.6.028	Housing Credit	Credit	Credit	344	377	415
	Historic					
	Rehabilitation	Total State				
1.6.029	Credit	Credit	Credit	30	26	29

Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025
					(in Millions)	
	Low/Zero-					
	Emission					
	Vehicle Charger	Total State				
1.6.031	Credit	Credit	Credit	(m)	(m)	(m)
	Land					
	Conservation	Total State				
1.6.032	Credit	Credit	Credit	2	3	4
	Employer's					
	Credit for					
	Approved					
	Employee	Total State				
1.6.035	Retraining	Credit	Credit	56	59	62
	Qualified					
	Education	Total State				
1.6.036	Expense Credit	Credit	Credit	100	108	112
	Qualified	State				
	Investor Tax	Individual				
1.6.037	Credit	Income Tax	Credit	(m)	(m)	(m)
	Energy-efficient					
	or water-					
	efficient	Total State				
1.6.038	equipment credit	Credit	Credit	0	0	0
	Tax credit for				, , , , , , , , , , , , , , , , , , ,	
	existing business					
	enterprises					
	undergoing					
	qualified					
	business	Total State				
1.6.041	expansion	Credit	Credit	Estimate	e combined with	n 1.6.013
	1	Total State				
1.6.043	Bank Tax Credit	Credit	Credit	64	66	66
	Employer tax					
	credit for hiring					
	qualified	Total State				
1.6.044	parolees	Credit	Credit	(m)	0	0
	Income Tax					
	Credit for					
	Contributions to					
	Rural Health					
	Care	Total State				
1.6.045	Organizations	Credit	Credit	65	73	46
	Revitalization	Total State		~~		
1.6.046	Zone Tax Credit	Credit	Credit	(m)	(m)	1
	Georgia Musical	210011	210010	()	()	
	Investment Tax	Total State				
1.6.047	Credit	Credit	Credit	(m)	(m)	(m)
1.0.017	210010	croun	crouit	()	()	()

Expenditure		Tax	State Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	State FY 2023	State FY 2024	State FY 2025
			Expenditure	F I 2023	(in Millions)	F I 2023
	Public				(
	Education					
	Innovation Fund	Total State				
1.6.048	Tax Credit	Credit	Credit	1	(m)	(m)
	Agribusiness	Total State				
1.6.049	Tax Credit	Credit	Credit	14	13	12
	Railroad Track					
	Maintenance	Total State				
1.6.050	Tax Credit	Credit	Credit	6	9	9
	Reforestation					
	credit for losses					
	incurred on					
	commercial					
	timberland due					
	to hurricane	Total State				
1.6.051	damage	Credit	Credit	7	5	4
	Qualified Post-					
	Production					
	Expenditures	Total State				
1.6.052	Credits	Credit	Credit	5	5	5
	Personal					
	protective					
	equipment					
1 6 0 5 0	manufacturer	Total State				
1.6.053	job tax credit	Credit	Credit	(m)	(m)	(m)
	Medical					
	equipment,					
	medical					
	supplies,					
	pharmaceuticals, and medicine					
	manufacturers	Total State				
1.6.054	job tax credit	Credit	Credit	0	3	4
1.0.027	Teacher	Cicuit	Cicuit	0	5	_
	Recruitment and	Total State				
1.6.055	Retention Credit	Credit	Credit	(m)	(m)	1
1.0.000	Qualified Foster	Crouit	Cicuit	(111)	(111)	Ŧ
	Child Donation	Total State				
1.6.056	Credit	Credit	Credit	0	14	18
	Qualified Law					10
	Enforcement	Total State				
	Donation Credit	Credit	Credit	0	51	69

Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025
					(in Millions)	
Federal Corpo	orate Income Tax 1	Provisions				
	Permanent	F 1 1				
	exemption from	Federal				
• • • • • •	imputed interest	Corporate				
2.1.001	rules	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	interest on state					
	and local					
	government	Federal				
	private activity	Corporate				
2.1.002	bonds	Income Tax	Exclusion	1	1	1
	Exclusion of					
	earnings of					
	certain	Federal				
	environmental	Corporate				
2.1.004	settlement funds	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	certain					
	agricultural cost-	Federal				
	sharing	Corporate				
2.1.005	payments	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	gain or loss on					
	sale or exchange	Federal				
	for brownfield	Corporate				
2.1.006	property	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	interest on					
	public purpose					
	state and local	Federal				
	government	Corporate				
2.1.009	bonds	Income Tax	Exclusion	(m)	(m)	(m)

Expenditure	Summary	Tax	Type of	State	State	State
F	~ J		Expenditure	FY 2023	FY 2024	FY 2025
			I		(in Millions)	
	Various foreign					
	provisions					
	including					
	inventory					
	property sales					
	source rule					
	exception,					
	interest expense					
	allocation,					
	deferral of					
	active income of					
	controlled					
	foreign					
	corporations,					
	deferral of	Federal				
	active financing	Corporate				
2.1.010	income	Income Tax	Exclusion	226	230	227
	Exclusion of	Federal				
	employee meals	Corporate				
2.1.011	and lodging	Income Tax	Deduction	-8	-9	-10
	Exclusion of					
	employer-paid					
	transportation					
	benefits and					
	employer-					
	provided transit	Federal				
	and vanpool	Corporate				
2.1.012	benefits	Income Tax	Exclusion	-22	-23	-23
	Accelerated	Federal				
	depreciation	Corporate				
2.2.001	(MACRS)	Income Tax	Deduction	8	8	7
	Expensing of		20000000	Ŭ	Ŭ	,
	exploration and					
	development	Federal				
	costs: nonfuel	Corporate				
2.2.003	minerals	Income Tax	Deduction	(m)	(m)	(m)
	Amortization of	Federal	2000000	()	()	()
	business start-up	Corporate				
2.2.004	costs	Income Tax	Deduction	(m)	(m)	(m)
	Expensing of		2000000	()	()	()
	research and	Federal				
	experimental	Corporate				
	experimental	Corporate				

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	
	Expensing of	F 1 1				
	magazine	Federal				
2 2 000	circulation	Corporate				
2.2.006	expenditures	Income Tax	Deduction	(m)	(m)	(m)
	Deductions of					
	oil and gas	F 1 1				
	exploration and	Federal				
2 2 007	development	Corporate	Deduction	0	0	0
2.2.007	costs	Income Tax	Deduction	0	0	0
	Special					
	treatment of	F 1 1				
	expenses related	Federal				
2 2 0.09	to timber	Corporate	Deducation	2	2	n
2.2.008	production	Income Tax	Deduction	3	3	3
	Deduction of					
	charitable					
	contributions for	F . 1				
	health,	Federal				
2 2 000	education, and	Corporate	Deduction	22	22	25
2.2.009	other purposes	Income Tax	Deduction	32	33	35
	Expensing under IRC Section 179					
		Federal				
	of depreciable business					
2.2.011	property	Corporate Income Tax	Deduction	4	6	7
2.2.011	Amortization of	Federal	Deduction	4	0	/
	air pollution	Corporate				
2.2.012	control facilities	Income Tax	Deduction	2	2	2
2.2.012	Various		Deduction	2	2	2
	agricultural	Federal				
	expensing	Corporate				
2.2.014	provisions	Income Tax	Deduction	(m)	(m)	(m)
	Community and	income rux	Deduction	(***)	()	(111)
	regional	Federal				
	development	Corporate				
2.2.015	incentives	Income Tax	Deduction	(m)	(m)	(m)
	Expensing to	income rux	Deddetion	()	()	(111)
	remove					
	architectural and					
	transportation					
	barriers to the	Federal				
	handicapped and	Corporate				
2.2.016	elderly	Income Tax	Deduction	(m)	(m)	(m)
	Inventory	Federal	Deduction	()	()	(111)
	methods and	Corporate				
2.2.017	valuation	Income Tax	Deduction	8	9	9
	/ uruution	meetine rax	Deduction	0)

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	T • •/				(in Millions)	
	Limits on					
	deductible					
	compensation					
	and					
	disallowance of					
	deduction for	Federal				
	excess parachute	Corporate	_ ·	• •		
2.2.018	payments	Income Tax	Exemption	-23	-23	-24
	Deduction for					
	foreign-derived	Federal				
	intangible	Corporate				
2.2.019	income	Income Tax	Deduction	35	37	36
	Limitation on	Federal				
	deduction of	Corporate				
2.2.020	FDIC premium	Income Tax	Deduction	-10	-10	-10
		Federal				
	Limitation on	Corporate				
2.2.021	NOL deduction	Income Tax	Deduction	-6	-6	-7
	7-year recovery					
	period for					
	motorsport	Federal				
	entertainment	Corporate				
2.2.022	complexes	Income Tax	Deduction	(m)	(m)	(m)
	Employer credit					
	for qualified					
	wages in					
	connection with	Federal				
	qualified	Corporate				
2.2.023	disasters	Income Tax	Deduction	(m)	(m)	(m)
-	Deferral of gain	Federal				()
	on like-kind	Corporate				
2.3.001	exchanges	Income Tax	Deferral	4	4	4
	Special rules for					
	magazine,					
	paperback book,	Federal				
	and record	Corporate				
2.3.002	returns	Income Tax	Special Rule	(m)	(m)	(m)
2.3.002	Two-year		Special Rule	(111)	(111)	(111)
	carryback for					
	net operating					
	losses	Fadaral				
	attributable to	Federal Corporate				
2 2 002		Corporate	Smaain1 D-1-	(***)	(***)	()
2.3.003	farming	Income Tax	Special Rule	(m)	(m)	(m)

F 14			State Tax Ex		<u> </u>	<u> </u>
Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024 (in Millions)	FY 2025
	Special rules for				(in Millions)	
	mining	Federal				
	reclamation	Corporate				
2.3.004	reserves	Income Tax	Special Rule	(m)	(m)	(m)
2.3.004	Cash		Special Kule	(111)	(111)	(111)
	accounting, for	Federal				
	certain	Corporate				
2.3.005	businesses	Income Tax	Special Rule	4	4	4
2.3.003	Deferral of gain	Federal	Special Kule	4	4	4
	on non-dealer					
2 2 006		Corporate	Creation Durle	21	22	22
2.3.006	installment sales	Income Tax	Special Rule	21	22	23
		Federal				
2 2 007	Completed	Corporate	Smanial D-1-	F	E	E
2.3.007	contract rules	Income Tax	Special Rule	5	5	5
	Special					
	treatment of					
	employee stock					
	ownership plans					
	(ESOPs)					
	(includes					
	deferral of tax					
	on certain	Federal				
• • • • • •	employee stock	Corporate	5.4.1	<i>c</i>	_	-
2.3.008	plans)	Income Tax	Deferral	6	7	7
	Deferral of					
	capital					
	construction	Federal				
	costs of shipping	Corporate		<i>.</i>		<i>.</i>
2.3.009	companies	Income Tax	Deferral	(m)	(m)	(m)
	Qualified	Federal				
	Opportunity	Corporate	~	_	_	
2.3.010	Zones	Income Tax	Special Rule	7	7	(m)
	Expensing rules	Federal				
	for certain	Corporate				
2.3.011	productions	Income Tax	Special Rule	(m)	(m)	(m)
	Special rules for					
	interest-charge					
	domestic					
	international					
	sales	Federal				
	corporations	Corporate				
2.3.012	(IC-DISC)	Income Tax	Credit	10	10	8
Georgia Corp	orate Income Tax	Provisions				
	Single-Factor	Corporate				
2.4.001	Apportionment	*	Apportionment			

Expenditure	Summary	Tax	Type of	State	State	State	
•	-		Expenditure	FY 2023	FY 2024	FY 2025	
					(in Millions)		
		Corporate					
2.4.002	Throwback Rule	Income Tax	Apportionment	Estimate	not available at	t this time	
	Corporate						
	Receipts	Corporate					
2.4.003	Sourcing	Income Tax	Apportionment	Estimate not available at this time			
	Interest on						
	obligations of	Corporate					
2.5.001	United States	Income Tax	Deduction	Estimate not available at this time			
2.5.002	Exception to intangible expenses and related interest	Corporate Income Tax	Deduction				
2.5.002	cost Exclusion of	Income Tax	Deduction	Estimate not available at this time			
	global intangible low-taxed	Corporate					
2.5.003	income (GILTI)	Income Tax	Exclusion	205	222	240	
	Georgia Job Tax	Total State					
2.6.001	Credit	Credit	Credit	217	230	239	
	Quality Jobs	Total State					
2.6.002	Tax Credit	Credit	Credit	103	107	111	
	New Facilities	Total State					
2.6.003	Jobs Credit	Credit	Credit	Estimate combined with 2.6.001			
2.6.004	New Manufacturing Facilities Property Credit	Total State Credit	Credit	0	0	0	
	Manufacturer's						
	Investment Tax	Total State	~	- ·			
2.6.005	Credit	Credit	Credit	54	60	66	
2.6.006	Optional Investment Tax Credit	Total State Credit	Credit	2	2	3	
	Port Activity	Total State					
2.6.007	Tax Credit	Credit	Credit	6	6	6	
2 6 008	Alternative Port Activity Tax	Total State Credit	Credit	Estimate Combined with 2.6.007			
2.6.008	Credit		Credit	Estimate	Combined Wit	n ∠.0.007	
2.6.009	Film Tax Credit Research Tax	Total State Credit Total State	Credit	673	763	1,021	
2.6.010	Credit	Credit	Credit	233	260	290	
2.6.011	Seed-Capital Fund Credit	Total State Credit	Credit	(m)	(m)	1	

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	
	Qualified Health					
	Insurance	Total State				
2.6.012	Expense Credit	Credit	Credit	(m)	(m)	(m)
	Business					
	Enterprise	Total State				
2.6.015	Vehicle Credit	Credit	Credit	(m)	(m)	(m)
	Employer's					
	credit for					
	providing or					
	sponsoring child					
	care for					
	employees and					
	employer's					
	credit for					
	purchasing					
	child-care	Total State				
2.6.016	property	Credit	Credit	19	20	20
	Low-Income	Total State				
2.6.017	Housing Credit	Credit	Credit	344	377	415
	Historic					
	Rehabilitation	Total State				
2.6.018	Credit	Credit	Credit	30	26	29
	Low- and Zero-					
	emission					
	Vehicle and	Total State				
2.6.020	Charger Credit	Credit	Credit	(m)	(m)	(m)
	Land					
	Conservation	Total State				
2.6.021	Credit	Credit	Credit	2	3	4
	Employer's					
	Credit for					
	Approved					
	Employee	Total State				
2.6.024	Retraining	Credit	Credit	56	59	62
	Qualified					
	Education	Total State				
2.6.025	Expense Credit	Credit	Credit	100	108	112
	Energy-Efficient					
	or Water-					
	Efficient					
	Equipment	Total State				
2.6.027	Credit	Credit	Credit	0	0	0

Summary of State Tax Expenditures							
Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025	
	— 11.0				(in Millions)		
	Tax credit for						
	existing business						
	enterprises						
	undergoing qualified						
	business	Total State					
2.6.030	expansion	Credit	Credit	Estimat	e combined with	126002	
2.0.030	expansion	Total State	Credit	LStillat		12.0.002	
2.6.032	Bank Tax Credit	Credit	Credit	64	66	66	
2.0.032	Employer tax	Cicuit	Croan	01	00	00	
	credit for hiring						
	qualified	Total State					
2.6.033	parolees	Credit	Credit	(m)	0	0	
	Income Tax						
	Credit for						
	Contributions to						
	Rural Health						
	Care	Total State					
2.6.034	Organizations	Credit	Credit	65	73	46	
	Revitalization	Total State					
2.6.035	Zone Tax Credit	Credit	Credit	(m)	(m)	1	
	Georgia Musical						
	Investment Tax	Total State					
2.6.036	Credit	Credit	Credit	(m)	(m)	(m)	
	Public						
	Education						
	Innovation Fund	Total State					
2.6.037	Tax Credit	Credit	Credit	1	(m)	(m)	
	Agribusiness	Total State					
2.6.038	Tax Credit	Credit	Credit	14	13	12	
	Railroad Track	T 1 0 1					
0 6 0 0 0	Maintenance	Total State		6	0	0	
2.6.039	Tax Credit	Credit	Credit	6	9	9	
	Reforestation						
	credit for losses						
	incurred on						
	commercial						
	timberland due						
2 6 040	to hurricane	Total State	Carolit	7	5	Л	
2.6.040	damage	Credit	Credit	7	5	4	
	Qualified Post-						
	Production	Total State					
2.6.041	Expenditures Credits	Total State Credit	Credit	5	5	5	
2.0.041	Cieulis	Clean	Clean	5	3	3	

Expenditure	Summary	Tax	Type of	State	State	State	
			Expenditure	FY 2023	FY 2024	FY 2025	
	Personal				(in Millions)		
	protective						
	-						
	equipment	T-4-1 C4-4-					
2 6 0 4 2	manufacturer	Total State	O 114				
2.6.042	job tax credit	Credit	Credit	(m)	(m)	(m)	
	Medical						
	equipment,						
	medical						
	supplies,						
	pharmaceuticals,						
	and medicine						
	manufacturers	Total State					
2.6.043	job tax credit	Credit	Credit	0	3	4	
	Qualified Foster						
	Child Donation	Total State					
2.6.044	Credit	Credit	Credit	0	14	18	
	Qualified Law						
	Enforcement	Total State					
2.6.045	Donation Credit	Credit	Credit	0	51	69	
Corporate No			0.000				
	Exemption for						
	nonprofit	Net Worth					
3.001	corporations	Tax	Exemption	Estimate	Estimate not available at this time		
	Exemption for		F				
	insurance						
	companies	Net Worth					
3.002	^	Tax	Exemption	Estimate not available at this time			
5.002	separately taxed	1 dX	Exemption	Estimate			
	Exemption for						
	corporations						
	with net worth	NT-4 XX7 41					
2 002	of \$100,000 or	Net Worth		6		-	
3.003	less	Tax	Exemption	6	6	6	
Sales and Use			1				
	Sales to Federal						
	Government,						
	State of Georgia						
	or a county or						
	municipality in						
	Georgia or any						
	agency of such	Sales and					
4.00100	governments	Use Tax	Exemption	Estimate	not available at	Alain Alman	

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	Tangible				(in Millions)	
	personal					
	property					
	furnished by the					
	federal					
	government, or					
	by any county or					
	municipality,					
	and used by a					
	contractor in the					
	installation,					
	repair, or					
	extension of any					
	public water,	~				
1 00000	gas, or sewer	Sales and				
4.00200	system	Use Tax	Exemption	Estimate	not available a	t this time
	Federal retailer's					
	excise tax if					
	separately itemized to the					
	consumer and					
	Georgia motor					
	fuel tax imposed					
	on the sale of	Sales and				
1.00300	motor fuel	Use Tax	Exemption	Estimate	not available a	t this time
	Sale of		1			
	transportation					
	furnished by a					
	county or					
	municipal public					
	transit system or	~				
00400	public transit	Sales and		_	_	_
.00400	authorities	Use Tax	Exemption	7	7	7
	Sale of					
	transportation					
	furnished by an					
	approved and authorized urban	Sales and				
.00500	transit system	Use Tax	Exemption	Fetimete	e combined with	n 4 00400
	Sales to any		Exemption	Estimate		1 7.00400
	Hospital					
	Authority					
	created by	Sales and				
1.00600	Georgia law	Use Tax	Exemption	Estimate	e combined with	a 4 00700

Expenditure	Summary	Tax	Type of	State	State	State
1	e e		Expenditure	FY 2023	FY 2024	FY 2025
			•		(in Millions)	
	Sales to any					
	Housing					
	Authority					
	created by	Sales and				
4.00610	Georgia law	Use Tax	Exemption	2	2	2
	Sales to local					
	government					
	authorities					
	created on or					
	after January 1,					
	1980, for the					
	principal					
	purpose of					
	constructing,					
	owning, or					
	operating a					
4.00/00	coliseum and	Sales and	F (*			
4.00620	related facilities	Use Tax	Exemption	(m)	(m)	(m)
	Sales to any					
	agricultural					
	commission					
	created by the	Colos and				
4.00630	Department of Agriculture	Sales and Use Tax	Examption	(m)	(m)	(m)
4.00030	Sale of tangible	Use Tax	Exemption	(111)	(111)	(111)
	personal					
	property and					
	services to an					
	approved					
	nursing home,					
	inpatient					
	hospice, general					
	hospital or					
	mental hospital					
	when used					
	specifically in					
	the treatment	Sales and				
4.00700	function	Use Tax	Exemption	129	135	142

Summary of State Tax Expenditures							
Expenditure	Summary	Tax	Type of	State	State	State	
			Expenditure	FY 2023	FY 2024 (in Millions)	FY 2025	
	Sale of tangible				(in Millions)		
	personal						
	property to a						
	non-profit health						
	center						
	established and						
	receiving funds						
	pursuant to the						
	U.S. Public						
	Health Service	Sales and					
4.00705	Act	Use Tax	Exemption	4	4	4	
	Sale of tangible						
	personal						
	property and						
	services to a						
	nonprofit						
	organization						
	whose primary function is to						
	provide services						
	to persons with						
	intellectual	Sales and					
4.00710	disabilities	Use Tax	Exemption	1	1	1	
1.00710	Sales to Georgia	Obe Tux	Exemption	1	1	1	
	Society of the						
	Daughters of the						
	American	Sales and					
4.00720	Revolution	Use Tax	Exemption	(m)	(m)	(m)	
	Sale of tangible						
	property and						
	services to a						
	nonprofit						
	volunteer health						
	clinic primarily						
	treating patients						
	with incomes						
	below 200	0 1 1					
4 00720	percent of the	Sales and	Entratio	2	2	2	
4.00730	poverty level	Use Tax	Exemption	2	2	2	

Summary of State Tax Expenditures							
Expenditure	Summary	Tax	Type of	State	State	State	
			Expenditure	FY 2023	FY 2024	FY 2025	
	0.1.67 11				(in Millions)		
	Sale of tangible						
	personal						
	property and						
	services to the						
	University						
	System of	0 1 1					
4 00000	Georgia and its	Sales and		50	52	54	
4.00800	educational units	Use Tax	Exemption	52	53	54	
	Sale of tangible						
	personal						
	property and						
	services used						
	exclusively in						
	the educational						
	function of an						
	approved private						
	college or						
	university						
	located in						
	Georgia in						
	which the						
	credits are						
	accepted by the						
	University	~					
	System of	Sales and					
4.00900	Georgia	Use Tax	Exemption	Estimate	not available at	this time	
	Sale of tangible						
	personal						
	property and						
	services used						
	exclusively in						
	the educational						
	function of an						
	approved private						
	elementary or						
	secondary	Sales and					
4.01000	school	Use Tax	Exemption	7	7	7	

Type of State Expenditure **Summary** Tax State State Expenditure FY 2023 FY 2024 FY 2025 (in Millions) Sale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or Sales and 4.01100 cultural institute Use Tax Exemption (m) (m) (m) School lunches sold and served to pupils and employees of Sales and 4.01200 public schools Use Tax Exemption 3 3 3 School lunches sold and served to pupils and employees of approved private Sales and schools Exemption 1 4.01300 Use Tax 1 1 Sale of art and other artifacts for display or exhibition to Sales and 4.01400 museums Use Tax Exemption 1 1 1 Specific fundraising sales by any religious institution lasting no more than 30 days in a calendar year and sales of religious paper when the paper is owned and operated by the religious Sales and 4.01500 institution Exemption 1 1 Use Tax 1

Expenditure	Summary	Tax	State Tax Ex Type of	State	State	State
Expenditure	Summal y	Тал	Expenditure	FY 2023	FY 2024	FY 2025
			Expenditure	1 1 2025	(in Millions)	FT 2025
	Sale of pipe					
	organs or steeple					
	bells to any					
	church					
	qualifying as a	Sales and				
4.01510	nonprofit	Use Tax	Exemption	(m)	(m)	(m)
	Sale of fuel or					
	consumable					
	supplies used by					
	ships engaged in					
	inter-coastal or					
	foreign	Sales and				
4.01700	commerce	Use Tax	Exemption	9	9	10
	Charges for					
	transportation of					
	tangible					
	personal					
	property made					
	in connection					
	with interstate or	Sales and				
4.01800	intrastate transportation	Use Tax	Exemption	Fetimete	not available at	this time
4.01800	All tangible	Use Tax	Exemption	Listimate	not available at	this time
	personal					
	property					
	purchased					
	outside this					
	State by a					
	nonresident					
	when the					
	property is					
	brought into					
	Georgia upon					
	the nonresident					
	becoming a	Sales and				
4.01900	resident	Use Tax	Exemption	Estimate	not available at	this time
	Water delivered					
	through water					
	mains, lines, or	Sales and				
4.02000	pipes	Use Tax	Exemption	34	37	35

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	0.1				(in Millions)	
	Sales, transfers,					
	or exchanges of					
	tangible					
	personal					
	property					
	resulting from					
	business					
	reorganization					
	when the					
	owners,					
	partners, or					
	stockholders					
	maintain the					
	same					
	proportionate					
	interest or share	a 1 1				
4 00100	in the newly	Sales and				
.02100	formed business	Use Tax	Exemption	Estimate	not available at	this time
	Professional,					
	insurance or					
	personal service					
	transactions					
	which involve					
	sales as					
	inconsequential					
	elements for					
	which no	a 1 1				
	separate charge	Sales and	- ·	a		
4.02200	is made	Use Tax	Exemption	See expend	diture estimates	tor 4.5050
	Repair services					
	when a separate	a 1 1				
4 0 2 2 0 0	charge is made	Sales and		a		6 4 5110
4.02300	to the customer	Use Tax	Exemption	See expend	diture estimates	for 4.5110
	Rental of					
	videotape or					
	film to persons					
	charging					
	admission to					
4 00 400	view the tape or	Sales and	. .	_	10	
4.02400	film	Use Tax	Exemption	7	10	11

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	Vehicles				(in Millions)	1
	purchased by					
	service-					
	connected					
	disabled					
	veterans when					
	the U.S. Dept. of					
	Veterans Affairs					
	supplies a grant					
	to purchase a					
	specially	a 1 .				
4.00000	adapted the	Sales and				
4.03000	vehicle	Use Tax	Exemption	(m)	(m)	(m)
	Sale of tangible					
	personal					
	property					
	manufactured or					
	assembled in					
	Georgia for					
	export when					
	delivery is taken					
	outside of	Sales and				
4.03100	Georgia	Use Tax	Exemption	Estimate	not available a	t this time
	Aircraft,					
	watercraft,					
	motor vehicles,					
	and other					
	transportation					
	equipment					
	manufactured or					
	assembled in					
	this State for					
	exclusive use	Sales and				
4.03200	outside Georgia	Use Tax	Exemption	Estimate	not available a	t this time
	Common or					
	common and	Sales and				
4.03300	contract carriers	Use Tax	Exemption	Estimate	not available a	t this time
	Machinery and		-			
	equipment used					
	to handle, move,					
	or store tangible					
	personal					
	property in					
	certain					
	distribution	Sales and				
4.03410	facilities	Use Tax	Exemption	Estimate	not available a	t this time
		cot run	Linemption		u u u u u u u	

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	
	Machinery and					
	equipment used					
	directly to					
	remanufacture					
	certain aircraft					
	engines or	C - 1 1				
4 02 420	aircraft engine	Sales and				
4.03420	parts	Use Tax	Exemption	(m)	(m)	(m)
	Machinery and					
	equipment used					
	in a facility for					
	the primary					
	purpose of					
	reducing or					
	eliminating air	0 1 1				
4.02600	and water	Sales and				
4.03600	pollution	Use Tax	Exemption	(m)	(m)	(m)
	Machinery and					
	equipment used					
	for water					
	conservation and					
	incorporated					
	into a qualified					
	water	0 1 1				
4.02610	conservation	Sales and	E	Estimate		
4.03610	facility	Use Tax	Exemption	Estimate	not available at	this time
	Sale of tangible					
	personal					
	property and					
	fees and charges					
	for services by the Rock Eagle	Salac and				
4.03800	Ū.	Sales and Use Tax	Exemption	(m)	(m)	(m)
+.03000	4-H Center Certain sales by	USE TAX	Exemption	(111)	(111)	(111)
	a public or					
	private school of					
	tangible					
	personal					
	property,					
	concessions, and					
	tickets for					
	admission to	Sales and				
4.03900	school functions	Use Tax	Exemption	3	3	3
T.05700	senoor runeuons	USC TAX	Exemption	5		5

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	
	Cargo containers					
	and related					
	chassis used for					
	storage or					
	shipping by					
	persons engaged in international					
	shipment of					
	tangible					
	personal	Sales and				
4.03910	property	Use Tax	Exemption	Estimate	not available a	t this time
4.03910	Sale of major	Use Tax	Exemption	Lotinate		
	components or					
	repair parts					
	installed in					
	military aircraft,					
	vehicles, or	Sales and				
4.04000	missiles	Use Tax	Exemption	29	27	22
	Sale of tangible		I I I I			
	personal					
	property and					
	services to a					
	nonprofit child-					
	caring					
	institution,					
	child-placing					
	agency, or	Sales and				
4.04100	maternity home	Use Tax	Exemption	1	1	1
	Use or lease of					
	tangible					
	personal					
	property when					
	the lessor and					
	lessee are under					
	100 percent					
	common					
	ownership and					
	where the					
	person who					
	furnishes, leases,					
	or rents the					
	property has					
	paid sales or use tax on the	Sales and				
4.04200		Use Tax	Exemption	Fetimete	not available a	t this time
7.04200	property		Exemption	Estimate	not available a	

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	D				(in Millions)	
	Revenues from					
	coin-operated					
	amusement					
	machines for					
	which individual	0 1 1				
4.0.4000	permits are	Sales and	T	50	<i>(</i> -	
4.04300	required	Use Tax	Exemption	59	65	73
	Sale of motor					
	vehicles to					
	nonresident					
	purchasers when					
	vehicles are					
	immediately					
	removed from					
	Georgia and					
	titled in another	Sales and				
4.04400	state	Use Tax	Exemption	Estimate	not available at	t this time
	The sale or use					
	of paper stock					
	when used to					
	print catalogs					
	for distribution	Sales and				
4.04500	outside Georgia	Use Tax	Exemption	Estimate	not available at	this time
	Sale of tangible					
	personal					
	property or					
	taxable services					
	to nonprofit	Sales and		_	_	_
4.04600	blood banks	Use Tax	Exemption	3	3	3
	Sale of drugs					
	dispensed by					
	prescription,					
	prescription					
	glasses, contact					
	lenses, contact					
	lens samples and					
	sales or use of					
	certain					
	controlled					
	substances or	Sales and				
4.04700	dangerous drugs	Use Tax	Exemption	528	548	572
	Sale of crab bait					
	to licensed					
	commercial	Sales and				
4.04800	fishermen	Use Tax	Exemption	(m)	(m)	(m)

Summary of State Tax Expenditures							
Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025	
					(in Millions)		
	Sale of insulin						
	syringes and						
	blood glucose level measuring						
	strips dispensed						
	without a	Sales and					
4.05000	prescription	Use Tax	Exemption	13	14	15	
1.02000	Sale of oxygen	Obe Tux	Exemption	10	11	10	
	when prescribed						
	by a licensed	Sales and					
4.05100	physician	Use Tax	Exemption	1	1	1	
	Sale or use of	Sales and	F				
4.05200	hearing aids	Use Tax	Exemption	11	12	13	
	Transactions in						
	which food						
	stamps or WIC						
	coupons are						
	used as the						
	method of	Sales and					
4.05300	payment	Use Tax	Exemption	144	136	138	
	Sale or use of						
	any durable						
	medical						
	equipment or						
	prosthetic device						
	prescribed by a	Sales and					
4.05400	physician	Use Tax	Exemption	58	60	63	
	Sale of Georgia	Sales and		2 4 2		• 60	
4.05500	lottery tickets	Use Tax	Exemption	243	255	268	
	Sale by any						
	qualified						
	nonprofit parent	Colos and					
4.05600	teacher	Sales and Use Tax	Examplian	(m)	(m)	()	
4.03000	organization Food purchased	Use Tax	Exemption	(m)	(m)	(m)	
	for off-premises	Sales and					
4.05700	consumption	Use Tax	Exemption	873	922	956	
т.03700	Sale of food and		Exemption	075	122	750	
	beverages to a						
	qualified food	Sales and					
4.05710	bank	Use Tax	Exemption	(m)	(m)	(m)	
1.03710	Junk	050 147	Exemption	(III)	(111)	(111)	

Expenditure	Summary	Tax	Type of	State	State	State
	-		Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	Γ
	Exemption for					
	prepared food					
	and food					
	ingredients that					
	are donated to a					
	qualified					
	nonprofit agency					
	and used for	Sales and				
4.05720	hunger relief	Use Tax	Exemption	2	2	2
4.03720	purposes Exemption for	Use Tax	Exemption	Z	2	Z
	food and food					
	ingredients that					
	are donated					
	following a					
	natural disaster					
	and used for	Sales and				
4.05730	disaster relief	Use Tax	Exemption	(m)	(m)	(m)
	Sale of eligible	0.50 1.001	2.10111911011	(111)	()	(111)
	food and					
	beverages by					
	any Girl or Boy	Sales and				
4.05900	Scout council	Use Tax	Exemption	2	2	2
	Sale of certain		•			
	machinery and					
	equipment used					
	to improve air					
	quality in a					
	clean room of					
	Class 100,000 or	Sales and				
4.06000	less	Use Tax	Exemption	(m)	(m)	(m)
	Advertising					
	inserts that are					
	used in	~				
1.0.51.0.0	newspapers for	Sales and	- ·	- ·		
4.06100	resale	Use Tax	Exemption	Estimate	not available at	t this time
	Sod grass sold in					
	the original state					
	of production by					
	the sod					
	producer,					
	employee of the					
	producer, or	Salaa and				
1 06200	family member	Sales and	Examplian	2	Λ	4
4.06200	of the producer	Use Tax	Exemption	3	4	4

Type of Expenditure Summary State Tax State State Expenditure FY 2023 FY 2024 FY 2025 (in Millions) Funeral merchandise when paid with funds from the Georgia Crime Victims Emergency Sales and 4.06300 Fund Use Tax Exemption (m) (m) (m) Sale of dyed diesel fuel used exclusively for

	operations of					
	vessels or boats					
	by licensed					
	commercial	Sales and				
4.06500	fishermen	Use Tax	Exemption	(m)	(m)	(m)
	Sale of gold,					
	silver, or	Sales and				
4.06600	platinum bullion	Use Tax	Exemption	4	4	4
	Sale of coins or	Sales and				
4.06700	currency	Use Tax	Exemption	(m)	(m)	(m)
	Sale of certain					
	computer					
	equipment when					
	the total					
	qualifying					
	purchases by a					
	high technology					
	company exceed	Sales and				
4.06800	\$15 million	Use Tax	Exemption	80	83	85
	High-Tech Data					
	Center					
	Equipment	Sales and				
4.06810	Exemption	Use Tax	Exemption	13	15	17
	Sale of					
	machinery and					
	equipment and					
	material					
	incorporated and					
	used in a clean					
	room of Class	Sales and				
4.06900	100 or less	Use Tax	Exemption	Estimate	Combined wit	h 4.06000

		Ŭ	State Tax Ex	_	1	
Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025
			Expenditure	112025	(in Millions)	112025
	Sale of natural					
	gas used directly					
	in the					
	manufacture of	Sales and				
4.07000	electricity	Use Tax	Exemption	142	107	88
	Sale to or by an					
	organization					
	whose primary					
	purpose is to					
	raise funds for					
	books, materials,					
	and programs					
	for public	Sales and				
4.07100	libraries	Use Tax	Exemption	(m)	(m)	(m)
	Sale of					
	prescribed					
	mobility					
	enhancing	Sales and				
4.07200	equipment	Use Tax	Exemption	1	1	1
	Exemption for					
	personal					
	property used in					
	the renovation					
	or expansion of	a 1 1				
4.07.000	an aquarium or	Sales and	T			
4.07600	Z00	Use Tax	Exemption	(m)	(m)	(m)
	The purchase of					
	food and					
	nonalcoholic					
	beverages					
	provided at no	Colos and				
4.08100	charge aboard a	Sales and	Examption	6	6	7
4.08100	qualified airline Sale of biomass	Use Tax	Exemption	0	0	/
	materials used to					
	produce					
	electricity or steam intended	Sales and				
4.08300	for sale	Use Tax	Exemption	3	4	5
4.08300	for sale	Use Tax	Exemption	5	4	3

	Summary	Tax	Type of	State	State State State			
Expenditure	Summary	1 4/1	Expenditure	FY 2023	FY 2024	FY 2025		
			Laponunuro	112020	(in Millions)	112020		
	Sale of engines,							
	parts,							
	equipment, and							
	other tangible							
	personal							
	property used in							
	the maintenance							
	or repair of	Sales and						
4.08600	certain aircraft	Use Tax	Exemption	23	23	23		
	The sale of							
	prewritten							
	software which							
	has been							
	delivered to the							
	purchaser							
	electronically or	Sales and						
4.09100	by means of load and leave	Use Tax	Exemption	Estimate	not available a	this time		
4.09100	Sale of tangible	Use Tax	Exemption	LStillate				
	personal							
	property used							
	for and in the							
	construction of a							
	competitive							
	project of							
	regional							
	significance, for							
	the period							
	commencing							
	January 1, 2012,							
	until December	Sales and	_	_	_			
4.09300	31, 2026	Use Tax	Exemption	9	9	9		
	The sale, use,							
	consumption, or							
	storage of							
	materials,							
	containers,							
	labels, sacks, or bags used for							
	packaging							
	tangible							
	nersonal							
	personal property for	Sales and						

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	Sale of				(in Millions)	
	admission to a					
	nonrecurring					
	Ū,	Sales and				
4.09700	major sporting event	Use Tax	Exemption	(m)	(m)	2
4.09700	Exemption for	Use Tax	Exemption	(111)	(111)	2
	sales of tickets					
	to a qualified					
	fine arts					
	performance or	Sales and				
4.10000	exhibition	Use Tax	Exemption	6	7	7
	The sale of	050 I uA	Litemption	5	, ,	1
	certain written					
	material by a	Sales and				
4.10100	nonprofit	Use Tax	Exemption	9	9	9
	Partial		I I I I			
	exemption for					
	qualified					
	manufactured	Sales and				
4.10200	homes	Use Tax	Exemption	3	3	3
	Exemption for					
	poultry					
	diagnostic and					
	disease					
	monitoring					
	service nonprofit	Sales and				
4.10400	organization	Use Tax	Exemption	(m)	(m)	(m)
	Exemption for					
	energy,					
	machinery or					
	equipment,					
	industrial					
	material, and					
	consumable	Coloo on 1				
420	supplies used in	Sales and	Examplian	2 9 4 0	4.042	4 221
4.3.2	manufacturing	Use Tax	Exemption	3,849	4,042	4,231

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	Sales and use by				(in Millions)	
	a qualified					
	agriculture					
	producer of					
	agricultural					
	production					
	inputs, energy					
	used in					
	agriculture, and					
	agricultural					
	machinery and	Sales and				
4.3.3	equipment	Use Tax	Exemption	154	156	159
	Exemption for					
	qualified boat	Sales and				
4.3.4	repairs	Use Tax	Exemption	(m)	(m)	(m)
	Exemption for					
	the sale and use	Sales and				
4.3.5	of jet fuel	Use Tax	Exemption	101	102	101
	Exemption for					
	sales within an	Sales and		- ·		
4.3.6	enterprise zone	Use Tax	Exemption	Estimate	not available at	this time
4.5010	Construction	Sales and		0 405	0.011	2 2 2 2
4.5000	Services	Use Tax	Exemption	2,405	2,311	2,278
4.5020	Automotive					
	Services by Motor Vehicle					
	and Parts	Sales and				
	Dealers	Use Tax	Exemption	127	132	135
4.5030	Investment and	Use I da	Exemption	12/	132	155
т.2020	Financial	Sales and				
	Advisers	Use Tax	Exemption	679	705	722
4.5040	Real Estate	Sales and	LACINPHON	017	,05	122
	Services	Use Tax	Exemption	427	417	422
4.5050	Professional,					
	Scientific and					
	Technical	Sales and				
	Services	Use Tax	Exemption	3,042	3,076	3,053
4.5060	Administrative					
	and Support	Sales and				
	Services	Use Tax	Exemption	1,280	1,293	1,307
4.5070	Waste					
	Management					
	and Remediation	Sales and				
	Services	Use Tax	Exemption	199	200	202

Expenditure	Summary	Tax	Type of	State	State	State
-	-		Expenditure	FY 2023	FY 2024	FY 2025
					(in Millions)	
4.5080	Educational					
	Services					
	(excluding	Sales and				
	schools)	Use Tax	Exemption	66	67	67
4.5090	Health Care and					
	Social	0.1 1				
	Assistance	Sales and		2 401	2 4 4 9	2,520
4 5100	Services	Use Tax	Exemption	3,401	3,448	3,539
4.5100	Promoters of	0.1 1				
	Events; Agents	Sales and		1.5	1.6	1.6
4 5110	for Entertainers	Use Tax	Exemption	15	16	16
4.5110	Repair and	0.1 1				
	Maintenance	Sales and	E	111	110	111
4.5120	Services	Use Tax	Exemption	111	112	114
4.5120	Personal and	Caler 1				
	Laundry	Sales and		104	105	105
4 70000	Services	Use Tax	Exemption	184	185	185
4.70000	Compensation					
	of dealers for	Sales and				
	reporting and	Sales and Use Tax	Examption	106	107	111
4.90000	paying tax Sales tax	Use Tax	Exemption	100	107	111
4.90000	exemption for	Sales and				
	casual sales	Use Tax	Exemption	3	3	4
Insurance Pre		Use Tax	Exemption	5	5	4
Insulance I I	Deduction of					
	retaliatory taxes	Insurance				
	paid to other	Premium				
5.00100	states	Tax	Deduction	3	3	3
2.00100	Georgia Job Tax	Total State	Deduction	5		5
5.00200	Credit	Credit	Credit	217	230	239
2.30200	Exemption for	Crount	Crount	- 1 /	200	20)
	premiums of	Insurance				
	high-deductible	Premium				
5.00300	health plans	Tax	Exemption	1	2	2
-	Exemption for		F · · ·			
	insurance					
	companies that					
	only insure	Insurance				
	places of	Premium				
5.00400	worship	Tax	Exemption	(m)	(m)	(m)
		Insurance	•			~ /
	Insurance	Premium	Rate			
5.00500	abatements	Tax	Reduction	222	240	261

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024	FY 2025
	a				(in Millions)	
	Special	Tu anno u a a				
	deductions for life insurance	Insurance Premium				
5 00600		Tax	Deduction	247	269	294
5.00600	companies Low Income	Total State	Deduction	247	209	294
5.00700	Housing Credit	Credit	Credit	344	377	415
5.00700	Insurance	Clean	Clean	544	577	415
	Premium Tax					
	Exemption for					
	multiple					
	employer self-	Insurance				
	insured health	Premium				
5.00800	plans	Tax	Exemption	2	2	2
2.00000	Agribusiness	Total State				
5.00900	Tax Credit	Credit	Credit	14	13	12
Motor Fuel T				·		· ·-
	Motor fuel tax					
	exemption for	Motor Fuel				
6.00400	aviation fuel	Tax	Exemption	1	2	2
	Motor fuel tax		1			
	vendor	Motor Fuel				
6.00500	compensation	Tax	Exemption	8	17	21
Alcoholic Bev	•		•			
	Sales to persons					
	outside the state					
	for resale or	Alcoholic				
	consumption	Beverage				
7.00100	outside the state	Tax	Exemption	Estimate	not available at	t this time
	Sales to stores or					
	canteens in U.S.	Alcoholic				
	military	Beverage				
7.00200	reservations	Tax	Exemption	Estimate	not available at	t this time
	200 gallons					
	annually of	Alcoholic				
7 00200	homebrew per	Beverage				
7.00300	household	Tax	Exemption	1	1	1
	Sales to and use					
	by religious	A 1 1 - 1'				
	organizations for	Alcoholic				
7 00400	sacramental	Beverage	Examplian	(()	()
7.00400	purposes	Tax	Exemption	(m)	(m)	(m)
	Exemption for	Alcoholic				
	ethyl alcohol used for certain	Alcoholic				
7.00500		Beverage Tax	Examption	Fatimata	not available at	t this time
1.00500	purposes	1 dX	Exemption	Estimate	not available al	i uns inne

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2023	FY 2024 (in Millions)	FY 2025
	Malt beverages				(in Millions)	
	containing less					
	than one-half of					
	0.5 percent	Alcoholic				
	alcohol by	Beverage				
7.00600	volume	Tax	Exemption	1	1	1
	ucts Excise Tax		F			
	Exemption for					
	purchases for					
	use exclusively					
	by patients at the					
	Georgia War					
	Veterans Home					
	and the Georgia	Cigar and				
	War Veterans	Cigarette				
8.00100	Nursing Home	Excise Tax	Exemption	(m)	(m)	(m)
	De minimis					
	amount brought	Cigar and				
	into the state by	Cigarette				
8.00200	one person	Excise Tax	Exemption	Estimate	not available at	t this time
	Cigars and					
	cigarettes stored	Cigar and				
	in a public	Cigarette				
8.00300	warehouse	Excise Tax	Exemption	Estimate	not available at	t this time
	Certain cigars					
	and cigarettes	Cigar and				
	held by licensed	Cigarette				
8.00400	dealers	Excise Tax	Exemption	Estimate	not available at	t this time
Financial Inst	itutions Special Sta	ate Occupation	Tax		1	
		Financial				
		Institutions				
	Deduction for	Business				
9.00100	interest paid	License Tax	Deduction	7	8	8
	Deduction for					
	income from					
	authorized					
	activities of a	Financial				
	domestic	Institutions				
	international	Business				
9.00200	banking facility	License Tax	Deduction	Estimate	not available at	t this time

Summary of State Tax Expenditures						
Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025
	Deduction for				(in Millions)	
	Deduction for income from					
	banking business with	Financial				
		Institutions				
	persons or entities outside	Business				
9.00300	the U.S.	License Tax	Deduction	Estimata	not available at	this time
	sment of Forest La			Estimate	not available at	uns une
Special Assess		lu Conservatio	on Use Property			
	Special assessment of					
	forest land					
	conservation use					
10.00000		State Grant	Credit	34	43	38
	property d Valorem Tax on			34	43	30
Alternative A	Reduced rate for	Niotor venicie	S			
			Data			
11.001	related family	Title Dee	Rate	10	1.0	10
11.001	transfers	Title Fee	Reduction	18	18	18
11.002	Disabled veteran		Entration	()	()	()
11.002	exemption	Title Fee	Exemption	(m)	(m)	(m)
11.002	Reduced rate for		Rate	22	22	24
1.003	rental vehicles	Title Fee	Reduction	23	23	24
	Reduced rate for					
	vehicles					
11.004	manufactured in		Rate			
11.004	years 1963-89	Title Fee	Reduction	(m)	(m)	(m)
11.005	Reduced rate for		Rate	12	12	12
11.005	salvage vehicles	Title Fee	Reduction	13	13	13
	Dealer loaner					
11.004	vehicle				2	2
11.006	exemption	Title Fee	Deferral	4	3	3
	Reduced rate for		Rate			
11.007	donated vehicles	Title Fee	Reduction	(m)	(m)	(m)
	Extended					
	payment period		_			
	for out-of-state		Rate	• •		
11.008	vehicles	Title Fee	Reduction	24	24	25
	Trade-in					
	exemption					
	(including					
	rebates and cash					
11.009	discounts)	Title Fee	Exemption	171	182	188
	Special					
	assessment for					
11.010	used vehicles	Title Fee	Special Rule	9	9	9
	Buy here pay		Rate			
11.012	here transactions	Title Fee	Reduction	7	7	7

Expenditure	Summary	Tax	Type of Expenditure	State FY 2023	State FY 2024	State FY 2025
			Expenditure	F 1 2025	(in Millions)	F I 2023
	Exemption for					
	leased vehicles					
	qualifying for					
	Manufacturing					
11.013	Headquarters	Title Fee	Exemption	Estimate	not available a	t this time
	Treatment of					
11.014	leased vehicles	Title Fee	Special Rule	9	9	9
	Treatment of					
	vehicles					
	involved in					
	divorce					
	settlement or					
	business		Rate			
11.015	reorganization	Title Fee	Reduction	(m)	(m)	(m)
	Treatment of					
11.016	non-IRP Buses	Title Fee	Deferral	22	40	41
	Exemption for					
	vehicles					
	purchased by					
	disabled first					
11.017	responders	Title Fee	Exemption	(m)	(m)	(m)
-	Tax on Consumer	· Fireworks				
State Hotel-M						
For-Hire Grou	und Transportation	n Excise Tax				

1. Individual Income Tax

The individual income tax was first levied in Georgia in 1929 at a rate equal to one-third the federal rate of income taxation. The rate structure effective January 1, 2019, and until January 1, 2024, includes six brackets ranging from 1 percent to 5.75 percent. Prior to 2019, the rate structure had a top rate of 6 percent and had remained unchanged since 1955 when the 7 percent rate on taxable incomes over \$20,000 was eliminated. The threshold for each bracket under current law depends on the filing status of the taxpayer, i.e., single, head of household, and married filing separate or joint. Effective January 1, 2024, the bracket structure is replaced by a single rate of 5.49 percent, with scheduled reductions in the flat rate to 4.99 percent as early as January 1, 2029, if certain conditions are met. The rate reduction would be delayed if 1) the Governor's revenue estimate is less than 3 percent more than the current year's revenue estimate, 2) the prior year's net revenues were less than any of the preceding three years, or 3) the revenue shortfall reserve does not contain an amount at least equivalent to the potential reduction in income taxes resulting from the rate decrease.

The initial base of the Georgia individual income tax is the taxpayer's federal adjusted gross income (AGI). Several adjustments are made to this starting point to arrive at the version of AGI adopted by Georgia. After computing the Georgia version of AGI, taxpayers deduct an amount representing either the value of their Georgia itemized deductions or the Georgia standard deduction, the latter of which was increased effective January 1, 2022, from \$6,000 to \$7,100 for married filers and from \$4,600 to \$5,400 for single and head of household filers. These standard deduction amounts were \$3,000 and \$2,300 respectively prior to January 1, 2018. In addition, filers are allowed a personal exemption of \$7,400 for joint filers, \$3,700 for married filing separately, and \$2,700 for other filers as well as \$3,000 for each dependent. Effective January 1, 2024, the standard deduction is \$12,000 for individual filers and \$24,000 for joint filers; personal exemption amounts are repealed, though the \$3,000 exemption per dependent remains. A credit of \$300 for eligible itemizers will also become effective January 1, 2024.

The tax is administered by the Georgia DOR. Individual income tax collections equaled \$18.3 billion in FY 2022 and accounted for 55.3 percent of Georgia's revenues from taxation. In CY 2022, 5.5 million individual state returns were processed. While predominately paid by individuals, a significant number of business entities are organized so that income associated with these enterprises is reported through the individual income tax. All revenue collected from the individual income tax is deposited in the State General Fund.

It is important to keep in mind that tax expenditure estimates may differ from revenue estimates presented in fiscal notes. Estimates included in fiscal notes incorporate behavioral effects that are not considered when estimating tax expenditure provisions. The purpose of a tax expenditure estimate is to convey the cost that would be necessary if the item were offered as a direct budgetary expenditure instead of a reduction in the tax liability. A second caveat concerns the estimates associated with the state individual income tax credit provisions. Forecasting the value

of the revenue loss stemming from the use of these credits is problematic because of the presence of extensive carryforwards in the case of some credits. Because of past credit carryforwards, taxpayers may claim credits on current or future year tax returns that were created in prior years. In some cases, the credit may have expired such that taxpayers are no longer able to create new credits, but the revenue loss to the state continues for several years until all carryforward liabilities have been exhausted. Therefore, the estimates provided in this report should be interpreted as the expected revenue loss stemming from the use of currently created or previously created credits and not an estimate of the value of credits created in a given year.

The Tax Expenditure Report includes the expenditures associated with both state and federal tax provisions. Because the Georgia individual income tax is based on the federal system, expenditures that are present at the federal level have revenue implications at the state level. For example, changes to itemized deductions by the federal government have repercussions on state tax revenues. The value of the expenditure as it relates to state taxes paid by those filing a Georgia return is presented in section 1.1 on federal exclusions. In some cases, Georgia might not adopt a federal provision. In that case, the expenditure is not listed because there is no loss of revenue to the state. In general, the value of the federal tax expenditure to the state of Georgia is determined by allocating a portion of the federal tax base associated with the expenditure estimate as estimated by the Joint Committee on Taxation for the U.S. Congress. The data and estimate reliability for the conformity provisions are considered class A. In some cases, however, the values of the Georgia estimates are highly sensitive to the assumptions made concerning the appropriate tax rate for a given expenditure provision and the allocation factor that is used to determine the amount of federal activity associated with Georgia. The estimates associated with the federal conformity provisions are based on current law as it existed on January 1, 2021; any changes to provisions that may occur because of federal legislative action after that date are not reflected in the estimates.

The explanations of the federal conformity provisions are taken from *Tax Expenditures: Compendium of Background Material on Individual Provisions*, prepared by the Congressional Research Service for the U.S. Senate Committee on the Budget, December 2022. Estimates of the federal provisions generally rely on the U.S. Congress Joint Committee on Taxation's *Estimates of Federal Tax Expenditures for Fiscal Years 2022-2026*, published December 22, 2022.

1.1 Federal Exclusions

<u>1.1.001</u>		mployee meals and lodgin	-			
	Federal Statute	IRC section 119 and 1		<u> </u>	1 6 1	
	Description:	Employees are allowed to				
		lodging furnished by emp		ovided on the	e employer's pr	emises for
		the convenience of the en		1 Voora (\$ in	Milliona	
			2022	l Years (\$ in 2023	2024	
	State Tex Experies	nditura	50	53	55	
	State Tax Exper	of less than \$1 million	50	55	35	
<u>1.1.002</u>	Exclusion of h	ousing allowances for min	nisters			
1.1.002	Federal Statute	IRC Section 107 and 2				
	Description:	In general, this provision		sters to dedu	ict certain hous	ing related
	Description	expenditures from their g				ing related
		enpendicates from them 8		l Years (\$ in	Millions)	
			2022	2023	2024	
	State Tax Exper	nditure	7	8	8	
		of less than \$1 million	,	0		
1.1.003	Exclusion of e	mployer-provided child ca	are			
	Federal Statute					
	Description:	Payments by an employed	r, under a de	pendent care	e assistance pro	ogram, for
		qualified dependent care	assistance pi	rovided to an	n employee are	excluded
		from the employee's inco	me.			
			State Fisca	l Years (\$ in	Millions)	
			2022	2023	2024	
	State Tax Expen		22	19	20	
	(m) Denotes a value of	of less than \$1 million				
<u>1.1.004</u>		mployee awards				
	Federal Statute	IRC Section 74(c) and		c	1 6 4 11	1 1
	Description:	This provision provides a				
		property given to employ	U U		•	chievement.
			2022	l Years (\$ in 2023	2024	
	State Tax Exper	nditura	4	4	4	
		of less than \$1 million	4	4	4	
	(
<u>1.1.005</u>	Exclusion of e	mployer contributions and	l earnings to	pension pla	ns includes Ke	oghs
1.1.005		t and defined contribution		pension pia	iis merudes Rec	<u>Jg113,</u>
	Federal Statute	IRC Sections 401-407		and 457		
	Description:	Employer contributions to			it-sharing stoc	k-bonus
	- comptions	and annuity plans on beha				
		Furthermore, the employe				· ·
		are distributed.	Denoral	jst tanou		

	State Fiscal Years (\$ in Millions)				
	2022	2023	2024		
State Tax Expenditure	2,540	2,879	3,302		
(m) Denotes a value of loss than \$1 million					

<u>1.1.006</u>	Exclusion of e	employer contributions	for health care,	health insur	ance premiums a	and long-
	term care insurance premiums					
	Federal Statute IRC Sections 105,106, and 125					
	Description: Employees are allowed to exclude contributions by their employers for					
	healthcare coverage for themselves and their dependents.					
				l Years (\$ ir	,	
			2022	2023	2024	
	State Tax Expe	of less than \$1 million	1,450	1,505	1,580	
	(m) Denotes a value	of less than \$1 million				
<u>1.1.007</u>	Exclusion of a	employer-paid accident	and disability p	remiums		
	Federal Statute					
	Description:	Premiums paid by em	ployers for emp	loyee accide	ent and disability	/
		insurance plans are ex				es.
			State Fisca	l Years (\$ ir	n Millions)	
			2022	2023	2024	
	State Tax Expe		33	34	35	
	(m) Denotes a value	of less than \$1 million				
1 1 000		a	c :		1.0 .	
<u>1.1.008</u>		employer contributions	for premiums of	n group-terr	n life insurance	
	Federal Statute Description:		amplayar for a	ulified ano	un tama lifa ingu	****
	Description:	Premiums paid by the plans for the employed				
		plans for the employed		l Years (\$ ir		me.
			2022	2023	2024	
	State Tax Expe	nditure	30	32	34	
		of less than \$1 million	00			
1.1.009	Exclusion of e	employer-paid transport	ation benefits a	nd employe	r-provided transi	t and
	vanpool benet	Fits			*	
	Federal Statute	IRC Section 132(f)	1			
	Description:	Employer provided qu	alified transpor	tation benef	its are excluded	from
		employee taxable inco				
				l Years (\$ ir	n Millions)	
			2022	2023	2024	
	State Tax Expe		57	60	62	
	(m) Denotes a value	of less than \$1 million				
4 4 6 4 4						
<u>1.1.011</u>		employer-provided adop	otion assistance			
	Federal Statute		• • • • • • 1:£ • 1		and adverte	
	Description:	Benefits received from	a qualified em	pioyer-spon	isored adoption a	assistance

544	State Fiscal Years (\$ in Millions)			
2	2022 2023 2024			
State Tax Expenditure	3	3	3	

(m) Denotes a value of less than \$1 million

1.1.012 Exclusion of employer-provided education benefits (including education assistance and tuition reduction benefits) Federal Statute IRC Section 117(d) and Section 127 **Description:** Tuition reductions for employees of educational institutions may be excluded from taxable income. In addition, an employee may exclude amounts paid by the employer for qualified educational assistance programs. State Figen Vegra (\$ in Millions)

	State Fiscal Years (\$ in Millio		
	2022	2023	2024
State Tax Expenditure	15	16	16
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

Exclusion of miscellaneous fringe benefits 1.1.013

Federal Statute IRC Section 132 and 117(D)

Certain miscellaneous fringe benefits provided by employers, including **Description:** services provided at no additional costs, employee discounts, working condition fringes, de minimis fringes and certain tuition reductions, can be excluded from the employee's taxable income.

	State Fiscal Years (\$ in Millions)		
	2022	2023	2024
State Tax Expenditure	74	77	80
(m) Depotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

1.1.014 Exclusion of foreign earned income (including housing and salary)

Federal Statute IRC Section 911

Description: U.S. taxpayers who live and work abroad are allowed a capped exclusion of their wage and salary income. In addition, qualified individuals can also exclude certain excess foreign housing costs. This provision does not apply to federal employees working abroad.

	State Fiscal Years (\$ in Millions)		
	2022	2023	2024
State Tax Expenditure	46	48	51

(m) Denotes a value of less than \$1 million

1.1.015 Exclusion of certain allowances for federal employees abroad Federal Statute IRC Section 912

Description:	U.S. federal civilian employees who work abroad are allowed to exclude
	from taxable income certain special allowances they receive that are
	generally linked to the cost of living.

	State Fiscal Years (\$ in Millions)			
	2022 2023 202			
State Tax Expenditure	10	10	11	

<u>1.1.016</u>		penefits and allowances to	o armed forces	s personnel ((includes expend	iture for
		military disability benefits)				
	Federal Statute	,				
	Description:	Military personnel are p		•		
		payments in lieu of such				
		members of the armed f	forces are eligi	ible for a tax	exclusion of dis	ability
		pay.				
			State Fisca	l Years (\$ ir	n Millions)	
			2022	2023	2024	
	State Tax Expe		84	88	93	
	(m) Denotes a value	of less than \$1 million				
<u>1.1.017</u>	Exclusion of r	medical care and Tricare	medical insura	ance for mili	itary dependents,	retirees,
	and retiree dep	<u>pendents</u>				
	Federal Statute	IRC Section 112 and	1134			
	Description:	Military personnel are p	provided with	a variety of	in-kind benefits	(or cash
		payments in lieu of such	h benefits) that	t are not tax	ed. Such benefits	s include
		medical and dental bene	efits			
			State Fisca	l Years (\$ ir	n Millions)	
			2022	2023	2024	
	State Tax Expe	nditure	44	47	50	
	(m) Denotes a value	of less than \$1 million				
<u>1.1.018</u>	Exclusion of v	veterans' benefits (includ	es veterans dis	sability com	pensation, pension	ons, and
	readjustment l	penefits)		-		
	Federal Statute	38 U.S.C. Section 53	301			
	Description:	All benefits administered	ed by the U.S.	Department	of Veterans Aff	airs are
		exempt from income.		_		
		_	State Fisca	l Years (\$ ir	n Millions)	
			2022	2023	2024	
	State Tax Expe	nditure	113	115	120	
	(m) Denotes a value	of less than \$1 million				
<u>1.1.019</u>	Exclusion of i	ncome attributable to the	discharge of d	certain stude	ent loan debt and	National
	Health Service	e Corp and certain state e	ducational loa	in repaymen	ts	
	Federal Statute	IRC Section 108(f)				
	Description:	This section provides the	nat, in certain i	nstances, st	udent loan cance	llation
		and student loan repayn	nent assistance	e may be exe	cluded from gros	s income.
			State Fisca	l Years (\$ ir	n Millions)	
			2022	2023	2024	
	State Tax Expe	nditure	17	9	2	
	(m) Denotes a value	of less than \$1 million				
<u>1.1.020</u>	Exclusion of v	workers' compensation be	enefits (include	es disability	and survivor ber	nefits and
	medical benef	its, and exclusion of dam	lages on accou	int of person	al physical injur	ies or
	physical sickn	less)	-	-		
	Federal Statute	IRC Section 104(a)(1)-(5)			
	Description:	Employees are not taxe		of insuranc	e contributions for	or
	-	workers' compensation				
		or on the medical benef				
		Workers' compensation				
		*				

injury and to survivors in cases of work-related death are not taxable. Damages paid, through either a court award or a settlement, to compensate for physical injury or sickness, are not included in income of the recipient.

	State Fiscal Tears (\$ III WITHONS		
	2022	2023	2024
State Tax Expenditure	66	67	70
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

<u>1.1.021</u> Exclusion of special benefits for disabled coal miners

Federal Statute IRC Section 104(a)(1)

Description: Cash and medical benefits to coal mine workers or their survivors for total disability or death resulting from coal workers' pneumoconiosis (black lung disease) paid under the Black Lung Benefits Act generally are not taxable.

State Fiscal	Years (\$	in Millions)
2022	2023	2024
(m)	(m)	(m)

State Tax Expenditure (m) Denotes a value of less than \$1 million

1.1.022 Exclusion of untaxed Social Security and railroad retirement benefits Federal Statute IRC Section 86

Description: In general, Social Security and railroad retirement benefits are not subject to tax.

	State Fiscal Years (\$ in Millions)		
	2022	2023	2024
State Tax Expenditure	291	308	333
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

1.1.024 Exclusion of certain foster care payments

Federal Statute IRC Section 131

Description: Qualified payments are excluded from the foster care provider's gross income.

20222023State Tax Expenditure33		State Fisca	ll Years (\$ in	n Millions)
State Tax Expenditure 3 3		2022	2023	2024
· · · · · · · · · · · · · · · · · · ·	State Tax Expenditure	3	3	3

(m) Denotes a value of less than \$1 million

<u>1.1.026</u> Exclusion of scholarship and fellowship income

Federal StatuteIRC Section 117**Description:**IRC Section 117**Description:**Scholarships and fellowships can be excluded from the gross income of students and their families provided: (1) the students are pursuing degrees and (2) the amounts are used for tuition and fees required for enrollment or for books, supplies, and equipment required for courses at a qualified institution. Amounts used for room, board and incidental expenses are not excluded from gross income.

		ll Years (\$ in	n Millions)
	2022	2023	2024
State Tax Expenditure	31	32	33

<u>1.1.027</u>		earnings of Coverdell educ	ation savings	accounts ar	nd interest on ed	lucational
	savings bonds Federal Statute	=				
	Description:	Contributions to a Cover	dell Educatio	n Savings A	ccount are not	deductible
	Description.	but the earnings grow on		•		
				Years (\$ in	Millions)	
			2022	2023	2024	
	State Tax Expe	enditure	1	1	1	
	(m) Denotes a value	of less than \$1 million				
<u>1.1.028</u>		Contributions to qualifie	d tuition prog	rams are no	t deductible at t	•
		level but earnings accum				
				Years (\$ in		
	State Terr Erres		2022 23	<u>2023</u> 27	<u>2024</u> 31	
	State Tax Expe	of less than \$1 million	23	27	51	
	() Denotes a value					
1.1.029	Exclusion for	certain agricultural cost-sl	naring payme	nts		
	Federal Statute	IRC Section 126				
	Description:	Grants made for the purp				
		protecting the environme	ent are exclud	ed from the	recipient's taxa	ble
		income.	~ ~ ~ ~ ~		.	
				Years (\$ in		
	State Tex Expe	anditura	<u>2022</u>	$\frac{2023}{(m)}$	<u>2024</u> (m)	
	State Tax Expe	of less than \$1 million	(m)	(m)	(111)	
1.1.030	Exclusion of a	cancellation of indebtednes	ss income for	farmers		
	Federal Statute	Sections 108 and 107	0(b)(4)			
	Description:	The provision allows far				
		from the cancellation of			•	
		taxpayers. As such, incom		•	e subject to tax	would be
		excluded from tax under		Years (\$ in	Milliona)	
			2022	2023	2024	
	State Tax Expe	enditure	(m)	(m)	1	
		of less than \$1 million	(111)	(111)		
<u>1.1.031</u>	Exclusion of i	interest on state and local g	government p	rivate activi	<u>ty bonds</u>	
	Federal Statute					
	Description:	Interest earned on qualifi	·	•	·	
				Years (\$ in		
			2022	2023 2	2024	
	State Tax Expe	of less than \$1 million	2	2	2	
	(, 2 enotes a value					
<u>1.1.032</u>	Exclusion of a	capital gains on sales of pr	incipal reside	nces		
	Federal Statute					

Description: A taxpayer may exclude from federal income tax up to \$250,000 of capital gain (\$500,000 in the case of married taxpayers filing joint returns) from the sale or exchange of their principal residence. State Fiscal Years (\$ in Millions)

	State I Isea	Γ ΓCurs (ψ n	i minons)
	2022	2023	2024
State Tax Expenditure	340	331	337
(m) Denotes a value of less than \$1 million			

1.1.033 Exclusion of capital gains at death

Federal StatuteIRC Sections 1001,1002,1014,1015,1023,1040,1221, and 1222Description:Capital gains tax is not imposed on the increased value of an asset when
ownership of the property is transferred as a result of the death of the
owner.

	State Fisca	l Years (\$ in	n Millions)
	2022	2023	2024
State Tax Expenditure	297	306	313

(m) Denotes a value of less than \$1 million

<u>1.1.034</u> Carryover basis of capital gains on gifts

Federal StatuteIRC Sections 1001,1014,1015,1023,1040,1221, and 1222Description:Capital gains tax is not imposed on the increased value of an asset when
ownership of the property is transferred as a gift during the owner's
lifetime.

	State Fisca	l Years (\$ in	n Millions)
	2022	2023	2024
State Tax Expenditure	10	16	35

(m) Denotes a value of less than \$1 million

<u>1.1.035</u> Permanent exemption from imputed interest rules

Federal StatuteIRC Sections 163(e), 483, 1274, and 1274ADescription:Debt instruments for amounts not exceeding an inflation adjusted maximum
that are given in exchange for real property may not have imputed to them
an interest rate greater than 9 percent.

	State Fiscal	l Years (\$ 1	n Millions)
	2022	2023	2024
State Tax Expenditure	5	5	6
(m) Domester a surface of large them \$1 million			

(m) Denotes a value of less than \$1 million

1.1.036 Exclusion of combat pay

Federal Statute IRC Section 112

Description: Compensation received by active members of the armed forces is excluded from gross income for any month the service member served in a combat zone or was hospitalized as a result of an injury or illness incurred while serving in a combat zone.

	State Fiscal	l Years (\$ ii	n Millions)
	2022	2023	2024
State Tax Expenditure	11	12	13

<u>1.1.037</u>		energy conservation subsidi	es provided	by public ut	ilities
	Federal Statute				
	Description:	In general, this provision income the value of any s			
		purchase or of any energy			one utility for the
		purchase of of any energy	State Fiscal		Millions)
			2022	2023	2024
	State Tax Expe	nditure	(m)	(m)	(m)
		of less than \$1 million	(111)	(111)	
	()				
<u>1.1.039</u>	Exclusion of g Federal Statute	ain for certain small busing IRC Sections 1202 and			
	Description:	This provision allows non		ixpavers to e	exclude from gross
	Description	income 100 percent of any			
		small business stock issue			
		in a closely held business			
		redemption of stock.		I	8
		1	State Fiscal	Years (\$ in	Millions)
			2022	2023	2024
	State Tax Expe	nditure	9	11	12
	(m) Denotes a value of	of less than \$1 million			
<u>1.1.040</u>	Exclusion of i	nterest on public purpose s	tate and local	l governmer	nt bonds
	Federal Statute	IRC Sections 103, 141	and 146		
	Description:	Interest income of qualify			
		income (expenditure estin			reflect GA law that only
		interest on GA bonds is ex		,	
			State Fiscal		-
			2022	2023	2024
	State Tax Exper	nditure of less than \$1 million	1	1	
	(m) Denotes a value o	of less than \$1 million			
1 1 0 4 1		11 1 /	1 1	1 6	• ,•
<u>1.1.041</u>		ncome earned by voluntary		beneficiary	associations
	Federal Statute			the income	and here realizations
	Description:	Provided certain requirem employee beneficiary asso			
		taxes.		DA) is exem	ipt from rederar filcome
		taxes.	State Fiscal	Vears (\$ in	Millions)
			2022	2023	2024
	State Tax Expe	nditure	4	7	11
		of less than \$1 million	·	/	11
1.1.042	Exclusion of s	urvivor annuities paid to fa	milies of pul	blic safety o	fficers killed in the line
	<u>of duty</u>	ar (i) (i) a marries para to it		<u>ene surety s</u>	
	Federal Statute	IRC Section 101(h)			
	Description:	The surviving spouse of a	public safet	v officer kill	led in the line of duty can
	1	exclude from gross incom	-		-
		governmental pension pla		··· · · · · · · · · · · · · · · · · ·	
		- I - F			

		State Fisca	l Years (\$ i	n Millions)	
		2022	2023	2024	
	State Tax Expenditure	0	0	0	
	(m) Denotes a value of less than \$1 million				
<u>1.1.043</u>	Exclusion of disaster mitigation particular for the section 13 Federal Statute IRC Section 13				
	Description: Payments made for	r disaster mitigation	n under the	Robert T. Staf	ford
	Disaster Relief and				
		cluded from incon			
			1 Years (\$ i	n Millions)	
		2022	2023	2024	
	State Tax Expenditure	1	1	1	
	(m) Denotes a value of less than \$1 million	1	1	1	
1 1 0 4 4	Deduction for Non-Itemizers of C	haritabla Contribut	iona		
<u>1.1.044</u>	Federal Statute IRC Section 17		<u>10118</u>		
			ina daduatio	ma oon tolvo ye	to a \$200
		als who don't item			
		uction for cash con		1	
	e	r 2021, this above-t			i on a joint
	return is \$600 (it re				
			l Years (\$ in	,	
		2022	2023	2024	
	State Tax Expenditure	Estimate	included ir	1.2.021	
	(m) Denotes a value of less than \$1 million				
<u>1.1.045</u>	Exclusion of income attributable t indebtedness	o the discharge of 1	principal res	sidence acquis	<u>ition</u>
	Federal Statute IRC Section 10	8			
	Description: Income from disch		ss on qualif	ied principal r	residence
		thousand limit (\$37			
		s excluded from gr			
		gh Dec. 31, 2025. I		•	0 0
		ere \$2 million and \$	•	• •	5101C Jall. 1,
	2021, the minus we				
		2022	1 Years (\$ in 2022	2024	
	State Toy Expenditure		2023		
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1	
	(iii) Denotes a value of less than \$1 minion				

1.2 Federal Deductions

<u>1.2.001</u>	Accelerated depreciation (MACRS) Federal Statute IRC Sections 167 an Description: Under the Modified Ac of tangible depreciation shorter depreciation per of new rental housing a accelerated schedule.	celerated Cost n property of c riod. Taxpayer and certain other	ertain energy rs are allowe	y property is allow d to depreciate the and equipment on	ved a e costs
		2023	2024	2025	
	State Tax Expenditure	43	40	37	
	(m) Denotes a value of less than \$1 million	15	10	51	
<u>1.2.002</u>	Deduction of expenditures on energy-ofFederal StatuteIRC Sections 179DDescription:This provision provides cost of energy-efficient after December 31, 200	s a formula-ba commercial b)5 and before J	sed tax dedu building prop	ction for all or par erty placed in serv 21, .	
	State Tax Expenditure		(m)		
	(m) Denotes a value of less than \$1 million	(m)	(111)	(m)	
<u>1.2.003</u>	Expensing of exploration and developFederal StatuteIRC Sections 263, 2Description:Firms engaged in minin development costs.	91, 616-617,50 ng are permitte	6,1254	e certain exploratio	on and
		2023	2024	2025	
	State Tax Expenditure	(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 million	<u>_</u>	(111)	()	
<u>1.2.004</u>	Amortization of business start-up costs	<u>s</u>			
	Federal StatuteIRC Section 195Description:This provision allows a qualified start-up expension		ayer to dedu	ct up to \$10,000 i	n
			ll Years (\$ in		
		2023	2024	2025	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	2	2	2	
<u>1.2.005</u>	Expensing of research and experimentFederal StatuteIRC Section 174 andDescription:This provision allows a expenditures that are pa trade or business.	d 59(e) business taxp	•		

			State Fisca	al Years (\$ i	n Millions)
			2023	2024	2025
	(m) Denotes a value of		(m)	0	0
<u>1.2.006</u> <u>1.2.007</u>	Expensing of r Federal Statute Description: State Tax Exper (m) Denotes a value of Deductions of	nagazine circulation ex IRC Section 173 In general, current fed magazines, and other p establish, or increase c nditure of less than \$1 million	eral tax law all periodicals to d irculation in th State Fisca 2023 (m) and developm	educt their of the year in what Years (\$ i 2024 (m) ent costs	expenditures to maintain hich they are made. n Millions) 2025 (m)
	Federal Statute	IRC Sections 611, (59(e) and 1254	512, 613, 613A	and 291; 2	63(c), 616-617, 57(a)(2)
	Description:	recover their capital in to the physical and eco	vestment in a r phomic depletion ged in the expl	nineral rese on or exhaus oration and	development of oil, gas
		drilling and developme		ii oi expensi	ing certain intaligible
			State Fisca 2023	al Years (\$ i 2024	n Millions) 2025
	State Tax Exper	nditure	0	0	0
	(m) Denotes a value of				
1 2 000	Special treatm	ent for expenses related		Juction	
<u>1.2.008</u>	Federal Statute Description:	IRC Sections 194, 2 This provision allows Taxpayers are also allo	263A(c)(5) expensing of p owed different	roduction co	osts of growing timber. n practices for qualified
<u>1.2.008</u>	Federal Statute	IRC Sections 194, 2 This provision allows	263A(c)(5) expensing of p owed different	roduction co depreciation	n practices for qualified
<u>1.2.008</u>	Federal Statute	IRC Sections 194, 2 This provision allows Taxpayers are also allo	263A(c)(5) expensing of p owed different	roduction co	n practices for qualified
<u>1.2.008</u>	Federal Statute	IRC Sections 194, 2 This provision allows Taxpayers are also allo reforestation expenses	263A(c)(5) expensing of p owed different State Fisca	roduction co depreciation al Years (\$ i	n practices for qualified n Millions)
<u>1.2.008</u>	Federal Statute Description:	IRC Sections 194, 2 This provision allows Taxpayers are also allo reforestation expenses	263A(c)(5) expensing of p owed different State Fisca 2023	roduction co depreciation al Years (\$ i 2024	n practices for qualified n Millions) 2025
<u>1.2.008</u> <u>1.2.009</u>	Federal Statute Description: State Tax Exper (m) Denotes a value of	IRC Sections 194, 2 This provision allows Taxpayers are also allo reforestation expenses nditure of less than \$1 million ler IRC Section 179 of IRC Section 179 Within certain limits, a	263A(c)(5) expensing of p owed different State Fisca 2023 3 depreciable but a taxpayer may property in the State Fisca	roduction co depreciation al Years (\$ i 2024 3 siness properties relect to dec tax year wh al Years (\$ i	n practices for qualified n Millions) 2025 3 erty duct as a current expense ien it is placed in service n Millions)
	Federal Statute Description: State Tax Exper (m) Denotes a value of Expensing und Federal Statute	IRC Sections 194, 2 This provision allows Taxpayers are also allo reforestation expenses nditure of less than \$1 million ler IRC Section 179 of IRC Section 179 Within certain limits, a the cost of qualifying p	263A(c)(5) expensing of p owed different State Fisca 2023 3 depreciable bus a taxpayer may property in the	roduction co depreciation al Years (\$ i 2024 3 siness property relect to dec tax year wh	n practices for qualified n Millions) 2025 3 erty duct as a current expense ien it is placed in service

<u>1.2.010</u>	Exceptions for energy-related	r publicly traded partnersh	ips with quali	fied income	derived from cer	<u>tain</u>
	Federal Statute					
	Description:	This code section allows	publicly trade	ed partnersh	ips to be treated a	is a
	Description	corporation for the purpo				.5 4
		situations.				
			State Fiscal	Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	nditure	3	4	4	
	(m) Denotes a value	of less than \$1 million				
<u>1.2.011</u>	Treatment of i	ncome from exploration a	nd mining of	natural reso	urces as qualifyin	g
	income under	the publicly traded partner	<u>ships rules.</u>			
	Federal Statute	,				
	Description:	This code section allows				is a
		corporation for the purpo	ses of the fed	eral income	tax under most	
		situations.		N 7 (¢.	X (*11)*	
			State Fiscal			
	State Terr Erree		2023	2024	2025	
	State Tax Expe	of less than \$1 million	1	1	1	
	(iii) Denotes a value (
1.2.012	Various agricu	ultural expensing provision	1C			
1.2.012	Federal Statute		<u>18</u> 5 180 446 4	48 461 464	1	
	Description:	Taxpayers in the business				
	Description	associated with soil and v				ne costs
		associated with raising da				
		C	State Fiscal	-		
			2023	2024	2025	
	State Tax Expe		2	2	1	
	(m) Denotes a value	of less than \$1 million				
<u>1.2.014</u>		remove architectural and tr	ansportation	barriers to t	he handicapped ar	nd
	elderly					
	Federal Statute	IRC Section 190			5 000 C	
	Description:	This provision allows tax				
		incurred in a single year f	U U	* •		
		elderly individuals in qua		es or public	transportation ver	ncies
		owned or leased by the ta	State Fiscal	Voors (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	nditure	(m)	(m)	(m)	
		of less than \$1 million	(111)	(111)	(111)	
<u>1.2.015</u>	Inventory met	hods and valuation, (inclue	ding last-in fi	rst-out. low	er of cost or mark	et.
	•	fication for homogenous p	-			
	Federal Statute	÷ .				
	Description: This provision allows to you alternative inventory systems to					

Federal StatuteIRC Sections 475, 491-492Description:This provision allows taxpayers to use alternative inventory systems to
determine cost of goods sold.

			State Fisca 2023	l Years (\$ ir 2024	n Millions) 2025	
	State Tax Expenditure		2023	2024	2023	
	(m) Denotes a value of less than \$1	million	2	L	L	
<u>1.2.017</u>	Health Savings Accounts Federal Statute IRC S	ection 223				
	Description: This prov	ision allows tax	payers to ex	clude their h	ealth savings ac	count
					ing their taxable	
				l Years (\$ in		
			2023	2024	2025	
	State Tax Expenditure		70	75	80	
	(m) Denotes a value of less than \$1	million				
<u>1.2.018</u>	Deduction of property ta	xes on real prop	<u>perty</u>			
		ection 164				
	Description: Taxpayer	s may claim an	itemized dec	luction for p	roperty taxes pai	id on
					operty and state i	ncome or
	sales taxe	s in total canno		/		
				l Years (\$ in		
			2023	2024	2025	
	State Tax Expenditure		118	122	195	
	(m) Denotes a value of less than \$1	million				
<u>1.2.020</u>	Deduction of mortgage i		er-occupied r	esidences		
		ection 163(h)				
					'qualified resider	
				on a mortga	ge secured by a	principal
	residence	and a second r		1.87 (ф.	X // 11/	
				l Years (\$ ir		
	State Terr Frence Biterra		2023	2024	2025	
	State Tax Expenditure (m) Denotes a value of less than \$1	million	202	216	271	
	(III) Denotes a value of less than \$1					
<u>1.2.021</u>	Deduction of charitable of			ctions for he	ealth, education,	<u>and for</u>
	purposes other than heal					
		ections 170 and				
	- 5		ions, charital	ole contribut	ions may be ded	ucted by
	individua	ls.	a F i		X F 111	
				l Years (\$ ir	,	
			2023	2024	2025	
	State Tax Expenditure		461	483	537	
	(m) Denotes a value of less than \$1	million				
<u>1.2.022</u>	Deduction of casualty an					
		ections 165(c)				
	-	•			or unreimbursed	personal
	casualty of	or theft losses u	p to a specifi	ed limit.		

	State Fisca	State Fiscal Years (\$ in Millions)					
	2023	2024	2025				
State Tax Expenditure	1	1	1				
(m) Denotes a value of less than \$1 million							
1.2.023 Deduction of overnight expenses for National Guard and							
	(m) Denotes a value of less than \$1 million	2023 State Tax Expenditure 1 (m) Denotes a value of less than \$1 million	20232024State Tax Expenditure111				

Federal Statute IRC Sections 162(p) and 62(a)(2)(E)An above-the-line deduction is available for unreimbursed overnight travel, **Description:** meals, and lodging expenses of National Guard and Reserve members. $\mathbf{C}_{1} = \mathbf{C}_{1} = \mathbf{C}_{1} = \mathbf{V}_{2} = \mathbf{C}_{1} = \mathbf{C}_{1}$

	State Fiscal Years (\$ in Millions)				
	2023	2024	2025		
State Tax Expenditure	3	3	3		

(m) Denotes a value of less than \$1 million

Deduction of interest on student loans 1.2.025

Federal Statute **IRC Section 221**

Description: Taxpayers may deduct interest paid on qualified education loans in determining their adjusted gross income.

	State Fiscal Years (\$ in Millions)				
	2023	2024	2025		
State Tax Expenditure	11	17	18		
(m) Denotes a value of less than \$1 million					

Deduction of teacher classroom expenses 1.2.027

Federal Statute **IRC Section 62**

Description: An eligible employee of a public or private elementary or secondary school may claim a deduction for certain unreimbursed expenses

	State Fiscal Years (\$ in Millions)				
	2023	2024	2025		
State Tax Expenditure	2	2	2		
(m) Depotes a value of lass then \$1 million					

(m) Denotes a value of less than \$1 million

Deduction of health insurance premiums and long-term care insurance premiums by the <u>1.2.028</u> self-employed

Federal Statute IRC Section 162(1)

Description: Generally, a self-employed individual may deduct the entire amount paid for health insurance or long-term care insurance.

	State Fisca	State Fiscal Years (\$ in Millions)				
	2023	2024	2025			
State Tax Expenditure	39	41	45			
(m) Denotes a value of less than \$1 million						

1.2.029 Deduction of medical and dental expenses and long-term care expenses

Federal Statute **IRC Section 213**

Description: Most medical expenses that are paid by an individual but not reimbursed by an employer or insurance company may be deducted from taxable income to the extent they exceed 7.5 percent of adjusted gross income.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	79	85	102	

(m) Denotes a value of less than \$1 million

1.2.030 Net exclusion of pension contributions and earnings: traditional and Roth IRAs Federal Statute Section 219 and 408 and 408A **Description:** Individuals participating in a traditional or Roth IRA are allowed to deduct contributions in the case of traditional IRAs and distributions in the case of Roth IRAs. Both exemptions are phased out for higher-income individuals. State Fiscal Years (\$ in Millions) 2023 2024 2025 State Tax Expenditure 163 172 188 (m) Denotes a value of less than \$1 million 1.2.031 Limit on NOL deduction Federal Statute Pub. L. No. 115-63 **Description:** The deduction for net operating losses is limited to 80 percent of taxable income. State Fiscal Years (\$ in Millions) 2023 2024 2025 State Tax Expenditure -1 -1 -1 (m) Denotes a value of less than \$1 million 7-year recovery period for motorsports entertainment complexes 1.2.032 Federal Statute IRC Sections 167 and 168 **Description:** Taxpayers are allowed to deduct the cost of certain depreciable assets from motorsports complexes over 7 years. State Fiscal Years (\$ in Millions) 2023 2025 2024 State Tax Expenditure (m) (m) (m) (m) Denotes a value of less than \$1 million

1.3 Special Federal Conformity Provisions

<u>1.3.001</u>		in on like-kind exchanges				
	Federal Statute	IRC Section 1031		· 1	1.6	C 1'1
	Description:	When business or investm				
		kind, no gain or loss is re-		the exchang	e and therefor	re no tax is
		paid at the time of the exc	-	al Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	nditure	2023	2024	2023	
	(m) Denotes a value	of less than \$1 million	21	20	2)	
	()					
1.3.002	Special rules f	or magazine, paperback bo	ook. and rec	ord returns		
	Federal Statute		7			
	Description:	Publishers and distributor	rs of magazi	nes, paperba	cks, and recor	ds may elect
	-	to exclude from gross inc				
		goods that are returned af	ter the close	e of the tax ye	ear.	
			State Fisca	d Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	nditure	(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 million				
	_					
<u>1.3.003</u>		yback for net operating los	sses attributa	able to farmin	<u>ng</u>	
	Federal Statute				C 1 1	. 1.
	Description:	Current law provides a tw	vo-year carr	yback period	for losses rel	ated to
		farming.	Stata Eigan	1 Voora (¢ in	Millions)	
			2023	1 Years (\$ in 2024	2025	
	State Tax Expe	nditura	1	1	1	
		of less than \$1 million	1	1	1	
<u>1.3.004</u>	Special rules f	or mining reclamation rese	erves			
	Federal Statute	IRC Section 468 and 1				
	Description:	Electing taxpayers may d		rrent value e	quivalent of c	ertain
	-	estimated future reclamat				
		disposal sites.		-	-	
			State Fisca	al Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe		(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 million				
<u>1.3.005</u>		ng, for certain businesses				
	Federal Statute	IRC Sections 446 and				
	Description:	The cash method of account				
		is not a tax shelter and fall			·	•
		These are farming busine entities that meet a gross			service corpor	ations, and
		enuties that meet a gross	receipts test	•		

		State Fisca	l Years (\$ ir	Millions)	
		2023	2024	2025	
	State Tax Expenditure	18	18	18	
	(m) Denotes a value of less than \$1 million				
<u>1.3.006</u>	Deferral of gain on non-dealer installn	nent sales			
	Federal Statute IRC Sections 453 and	· · ·			
	Description: Some taxpayers are all				
	method of accounting i				ted
	over the years during w				
			l Years (\$ in		
		2023	2024	2025	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	7	7	7	
	(m) Denotes a value of less than \$1 million				
1 2 007					
<u>1.3.007</u>	<u>Completed contract rules</u> Federal Statute IRC Section 460				
		onstruction or	monufocturi	na contracta avtand	ing for
	Description: Some taxpayers with comore than one tax year				
	contracts under special		.		
	accounting.	accounting rul		an the normal rules	or tax
		State Fisca	l Years (\$ ir	(Millions)	
		2023	2024	2025	
	State Tax Expenditure	1	1	1	
	(m) Denotes a value of less than \$1 million				
<u>1.3.008</u>	Special treatment of employee stock o	wnership plans	<u>s (ESOPs) (i</u>	ncludes deferral of	tax on
	<u>certain employee stock plans)</u>				
	Federal Statute IRC Sections 401(a)), 404(k), 41	15(c)(6), 512(e), 10	42,
	4975(d)(3), 4978, 4		. 1 1	. т	1 1
	Description: Employer contributions	•			
	some contributions are				
	other employee benefit plans are not taxed whe				
	sold.	in granted of e	ACISCU. I dA	is deferred until sto	CK 15
	solu.	State Fisca	l Years (\$ ir	Millions)	
		2023	2024	2025	
	State Tax Expenditure	2025	26	28	
	(m) Denotes a value of less than \$1 million	21	-0		
<u>1.3.009</u>	Various agricultural expensing provisi	ons			
	Enderal Statute IPC Section 1301				

<u>3.009</u>	Various agricu	Iltural expensing provision	<u>15</u>			
	Federal Statute	IRC Section 1301				
	Description:	Beginning with tax years	after 1997, 1	taxpayers ha	we the option	n to calculate
	their current year income tax by averaging over a prior three-year period,					
		all or a portion of their income from farming and/or fishing.				
		State Fiscal Years (\$ in Millions)				
			2023	2024	2025	
	State Tax Exper	nditure	1	1	1	
	(m) Denotes a value of	of less than \$1 million				

<u>1.3.010</u> Qualified Opportunity Zones

Federal Statute PL 115-97; IRS 1400Z-1

Description: The inclusion in gross income of capital gains reinvested in a qualified opportunity fund may be temporarily deferred and 15 percent of capital gains reinvested may be excluded if the investment is held for seven years. Capital gains from the sale or exchange of an investment in the qualified opportunity fund held for at least 10 years are excluded from gross income. A qualified opportunity fund is an investment vehicle organized as a corporation or a partnership for the purpose of investing in qualified opportunity zone property that holds at least 90 percent of its assets in qualified opportunity zone property. Qualified opportunity zone property includes any qualified opportunity zone stock, any qualified opportunity zone partnership interest, and any qualified opportunity zone business property. Certain low-income community population census tracts may be designated as qualified opportunity zones by the chief executive officer of the State (which includes the District of Columbia).

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	32	33	12	

(m) Denotes a value of less than \$1 million

<u>1.3.011</u> Expensing rules for certain productions

Federal Statute IRC Section 181

Description: A taxpayer may elect to treat the cost, up to a maximum of \$15 million (\$20 million in some areas) for any production, of any qualified film, television, or live theatrical production commencing production prior to Jan. 1, 2026, as an expense which is not chargeable to a capital account. Any cost so treated shall be allowed as a deduction.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	

(m) Denotes a value of less than \$1 million

1.4 Georgia Exemptions

<u>1.4.001</u>	Personal Exer	<u>mption</u>					
	Statute	_	§48-7-26				
	Year Enacted		1987				
	Year Effective		1987				
	Data Source		DOR data f	for TY 2021			
	Estimate Relia	bility	Class A				
	Data Reliabilit	у	Class A				
	Note		For distribu	tional analys	sis, see Table	e 3 in Appen	dix.
	Description:	For tax year	rs 2012 and a	fter, the perso	onal exempt	ion is \$7,400) for married
		filing joint,	\$3,700 for m	arried filing	separately, a	and \$2,700 fo	or all other
		filers. In add	dition, \$3,000) is excluded	from incom	e for each de	ependent
		claimed on	the tax return	l.			_
	State Fiscal Years (\$ in Millions)						
				2023	2024	2025	
	State Tax Expe	enditure		1,399	971	438	
	(m) Denotes a value	of less than \$1 mil	llion				

<u>1.4.002</u>	Retirement Income	
	Statute	§48-7-27(a)(5)
	Year Enacted	1971
	Year Effective	1971
	Data Source	DOR data for TY 2021
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The definition of retirement income was modified, effective
		tax year 2018, to include Dept. of Defense survivor benefit
		payments regardless of age of beneficiary. For distributional
		analysis of this provision, see Table 4 in Appendix.
	- •	rs beginning in 2012, individuals age 62 and above may exclude
		n of \$35,000 and age 65 and above may exclude a maximum of
		retirement income. This income exclusion may include a
	maximum o	of \$4,000 of earned income.
		State Fiscal Years (\$ in Millions)
		2023 2024 2025
	State Tax Expenditure	1,390 1,438 1,453
	(m) Denotes a value of less than \$1 m	illion
<u>1.4.003</u>	Exclusion of federally taxa	able Social Security benefits
	Statute	§48-7-27(a)(7)
	Year Enacted	1971
	Year Effective	1971
	Data Source	DOR data for TY 2021
	Estimate Reliability	Class A
	Data Reliability	Class A
	NT	

Note **Description:** Social Secu

ption: Social Security and tier 1 railroad retirement benefits are excluded from state taxable income.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	463	442	411	

(m) Denotes a value of less than \$1 million

<u>1.4.004</u>	Georgia Higher Education Savings Plan Contributions					
	Statute	§48-7-27(a)(11) and (11.1)				
	Year Enacted	NA				
	Year Effective	Taxable years beginning on or after January 1, 2002				
	Data Source	DOR data for TY 2021				
	Estimate Reliability	Class A				
	Data Reliability Class A					
	Note The contribution limits were increased from \$2,000 to \$4,000					
	effective January 1, 2016 and again in 2019 from \$4,000 to					
		\$8,000, effective January 1, 2020. For distributional analysis,				
		see Table 5 in Appendix.				
	Description: An exer	ption from income is allowed for contributions to a qualified				
	higher e	lucation savings plan. The exemption is limited to \$8,000 per				
	qualified plan beneficiary starting in 2020.					
	State Fiscal Years (\$ in Millions)					
	2023 2024 2025					
	State Tax Expenditure	20 20 20				
	(m) Denotes a value of less than S	million				

<u>1.4.005</u>	Interest on U.S. obligations	
	Statute	§48-7-27(b)(2)
	Year Enacted	1971
	Year Effective	1971
	Data Source	DOR data for TY 2021
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	For distributional analysis see Table 6 in Appendix
	-	ed on U.S. government bonds and other obligations are not taxable income.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	36	46	42	

(m) Denotes a value of less than \$1 million

<u>1.4.007</u> Organ donation expenses

<u>Organ donatio</u>	<u>n expenses</u>	
Statute		§48-7-27(a)(13)
Year Enacted		1981
Year Effective		Taxable years beginning on or after January 1, 2005
Data Source		U.S. Dept. of Health and Human Services, Organ Procurement and Transplantation Network, and DOR data for TY 2020
Estimate Reliab	oility	Class B
Data Reliability	7	Class A
Note		
Description:		imbursed expenses associated with the donation of organs in with the National Organ Procurement Act are deductible from

				l Years (\$ i	
			2023	2024	2025
	State Tax Expenditure (m) Denotes a value of less than \$1		(m)	(m)	(m)
	(m) Denotes a value of less than \$1	million			
008	Aged 65/Blind deductio	n			
	Statute	§48-7-27(a))(1)		
	Year Enacted	1971			
	Year Effective	1971			
	Data Source	DOR data f	or TY 2021		
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note	For distribu	tional analys	sis see Table	e 7 in Appendix
		exemption i	is set to expin	re January 1	, 2024.
	Description: Taxpaye	rs aged 65 or old			
	of \$1,300	0 per taxpayer. T	axpayers wh	no are blind	are allowed an
	deductio	n from income o	of \$1,300 per	taxpayer.	
				· ·	
			State Fisca	l Years (\$ i	n Millions)
			State Fisca 2023	l Years (\$ ii 2024	n Millions) 2025
	State Tax Expenditure				,
		l million	2023	2024	2025
109	State Tax Expenditure (m) Denotes a value of less than \$1		2023	2024	2025
<u>009</u>	State Tax Expenditure	earned income	2023 25	2024	2025
<u>009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 Certain dependent's une		2023 25	2024	2025
<u>009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute	<u>earned income</u> §48-7-27(a)	2023 25	2024	2025
<u>009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted	<u>earned income</u> §48-7-27(a) 1971	2023 25	2024	2025
<u>009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source	earned income §48-7-27(a) 1971 1971	2023 25	2024	2025
<u>009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source Estimate Reliability	earned income §48-7-27(a) 1971 1971 DOR data fo	2023 25	2024	2025
<u>)09</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source	earned income §48-7-27(a) 1971 1971 DOR data fo Class A	2023 25	2024	2025
<u>)09</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	earned income §48-7-27(a) 1971 1971 DOR data fo Class A Class A	2023 25 0(8) for TY 2021	<u>2024</u> 14	<u>2025</u> 0
<u>)09</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Taxpaye	earned income §48-7-27(a) 1971 1971 DOR data fo Class A Class A rs can exclude un	2023 25 (8) for TY 2021 nearned inco	<u>2024</u> 14	<u>2025</u> 0
<u>009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Taxpaye	earned income §48-7-27(a) 1971 1971 DOR data fo Class A Class A	2023 25 (8) for TY 2021 nearned inco nt's return.	2024 14	2025 0
<u>)09</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Taxpaye	earned income §48-7-27(a) 1971 1971 DOR data fo Class A Class A rs can exclude un	2023 25 0(8) for TY 2021 nearned inco nt's return. State Fisca	2024 14 0me of dependence 1 Years (\$ in	2025 0 ndents that was
<u>109</u>	State Tax Expenditure (m) Denotes a value of less than \$1 <u>Certain dependent's une</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Taxpaye	earned income §48-7-27(a) 1971 1971 DOR data fo Class A Class A rs can exclude un	2023 25 (8) for TY 2021 nearned inco nt's return.	2024 14	2025 0

<u>1.4.010</u>	Premiums for high-deduc	tible health plans			
	Statute	§48-7-27(a)(13.1)			
	Year Enacted	2008			
	Year Effective	Taxable years beginning on or after January 1, 2009			
	Data Source	DOR data for TY 2021			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	1 1 2	s are allowed to exclude 100 percent of premiums paid for certain			
	high-dedu	actible health plans.			

			State Fisca	ll Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expenditure		7	8	8	
	(m) Denotes a value of less than	\$1 million				
<u>1.4.021</u>	Exclusion of Military S	Survivor Benefit	S			
	Statute	§48-7-27(
	Year Enacted	2018				
	Year Effective	2018				
	Data Source	Fiscal not	e for HB 749	(2018) and D	oD Statistical Report	rt of
			ry Retirement		1	
	Estimate Reliability	Class A	•			
	Data Reliability	Class A				
	Note					
					sed on the service re	cord
	of a dec	eased service m		•		
				Years (\$ in N	,	
			2023	2024	2025	
	State Tax Expenditure	h.a. 1111	(m)	(m)	(m)	
	(m) Denotes a value of less than S	\$1 million				
<u>1.4.022</u>	Exclusion from the inc	come tax for disa	hility navmen	ts for disable	d first responders	
1.7.022	Statute	§48-7-27(d mst responders	
	Year Enacted	2019	u)(12.+)			
	Year Effective	2019				
	Data Source		e SB 138 LC 4	43 1258 (201	9)	
	Estimate Reliability	Class A			~)	
	Data Reliability	Class A				
	Note					
		ome tax exclusio	on is allowed f	or first respo	nders equal to 100	
					a disabled first respo	onder
	pursuar	nt to O.C.G.A 45	5-9-85. This ex	xclusion requ	ires that such amour	nts are
	include	d in the taxpaye	r's federal adju	usted gross ir	come and are not	
			the tax impos	ed by this art	icle under any other	•
	provisi	on of law.				
				ll Years (\$ in	,	
			2023	2024	2025	
	State Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than	\$1 million				
<u>1.4.023</u>	USDA Disaster Relief	Payments Even	ntion			
1.4.023	Statute	§48-7-27(
	Year Enacted	2020	a)(11.2)			
	Year Effective		ears beginning	on or after	anuary 1, 2019, and	4
		•	or before Dec	-	-	۶.
	Data Source	÷	te for HB 105			
	Estimate Reliability	Class A	101 HD 105	LC +5 1001	(2020)	
	Data Reliability	Class A Class A				
	Noto	Class A				

Note

Description: Income received as payments from a federal disaster relief or assistance

grant program administered by this state or its instrumentalities or the United States Department of Agriculture to address agricultural losses suffered due to Hurricane Michael, to the extent such income is included in federal adjusted gross income or federal taxable income, is exempt from state income tax.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	6	0	0	

(m) Denotes a value of less than \$1 million

Georgia individual income tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
		Certain military income of members of the National Guard
1.4.006	§48-7-27(a)(12)	and Reserves
1.4.011	§48-7-27(a)(12.2)	Exclusion of qualified insurance benefits for firefighters
		Individual retirement account, Keogh, SEP, and Sub-S plan
		withdrawals where tax has been paid to Georgia because of
		the difference between Georgia and Federal law for tax
1.4.012	§48-7-27	years 1981 through 1986
		Depreciation because of differences in Georgia and Federal
1.4.013	§48-7-27	law during tax years 1981 through 1986
		Income from any fund, program or system which is
1.4.014	§48-7-27(a)(4)(A)	exempted by federal law or treaty
		Certain income in which the Sub-S election is not
		recognized by Georgia or another state in order to avoid
1.4.015	§48-7-27(d)	double taxation
		Adjustment for certain teachers retired from the Teachers
1.4.016	§48-7-27(a)(9)	Retirement System of Georgia
		Amount of employer social security credit claimed by
1.4.017	§48-7-28.2	certain food and beverage establishments
1.4.018	§48-7-27	Adjustment of certain payments to minority subcontractors
		Adjustments to federal AGI for certain Georgia resident
1.4.019	§48-7-27	partners
1.4.020	§48-2-100	Exemption for certain disaster relief firms

1.5 Georgia Deductions

<u>1.5.001</u>	Standard Dedu	ction					
	Statute		§48-7-27(a)(1)				
	Year Enacted		1971				
	Year Effective		1971				
	Data Source		DOR data for T	Y 2021			
	Estimate Reliab	ility	Class A				
	Data Reliability		Class A				
	Note		For distributiona	al analysis	s see Table	8 in Append	lix. The
			allowable standa	ard deduc	tion amoun	its were incr	eased
			effective Januar	y 1, 2022			
	Description:	Taxpayers w	ho do not itemize	e expense	s on their f	ederal returr	are allowed
		a standard de	eduction of \$5,40	0 for sing	gle and head	d of househo	old filers,
		\$7,100 for m	narried joint filers	s, and \$3,	550 for mar	ried separat	e filers.
			Sta	te Fiscal	Years (\$ in	Millions)	
			2	2023	2024	2025	
	State Tax Exper	nditure	1	,126	1,955	2,949	
	(m) Denotes a value o	f less than \$1 mill	ion				

(m) Denotes a value of less than \$1 million

Georgia individual income tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
		Deduction of qualified insurance premiums for former
1.5.002	§48-7-27	firefighters

1.6 Georgia Credits

<u>1.6.001</u>	Rural Physicia Statute Year Enacted Year Effective Data Source Estimate Relial	pility	DOR Tax C Class A	ars beginning Tredit data as		January 1, 1996	
	Data Reliability Note	ý	Class A				
	Description:	of the credit liability and		ne lessor of \$ ned for five y State Fiscal 2023	5,000 or the years.	2025	
	State Tax Expe			1	1	1	
	(m) Denotes a value	of less than \$1 mil	llion				
<u>1.6.002</u>	Disabled pers Statute Year Enacted Year Effective Data Source Estimate Reliad Data Reliability Note	bility y	§48-7-29.1 1998 Taxable yea DOR Tax C Class A Class A	ars beginning Fredit data as	of 2023	January 1, 1999	
	Description:					e of a new single- etrofit of an exist	
		home.	C	·			ing
			C	State Fiscal	l Years (\$ in	n Millions)	ung
	State Tax Expe	home.		State Fiscal 2023	l Years (\$ in 2024	n Millions) 2025	ung
	State Tax Expe (m) Denotes a value	home.		State Fiscal	l Years (\$ in	n Millions)	ing
<u>1.6.004</u>	(m) Denotes a value Disaster Assis Statute	home. nditure of less than \$1 mil	llion §48-7-29.4	State Fiscal 2023	l Years (\$ in 2024	n Millions) 2025	ing
<u>1.6.004</u>	(m) Denotes a value Disaster Assis Statute Year Enacted	home. nditure of less than \$1 mil	llion §48-7-29.4 2000	State Fisca 2023 (m)	l Years (\$ in 2024 (m)	n Millions) 2025 (m)	ing
<u>1.6.004</u>	(m) Denotes a value <u>Disaster Assis</u> Statute Year Enacted Year Effective	home. nditure of less than \$1 mil	llion §48-7-29.4 2000 Taxable yea	State Fisca 2023 (m)	l Years (\$ in 2024 (m)	Millions) 2025 (m) January 1, 2000	
<u>1.6.004</u>	(m) Denotes a value <u>Disaster Assis</u> Statute Year Enacted Year Effective Data Source	home. nditure of less than \$1 mil stance Credit	llion §48-7-29.4 2000 Taxable yea DOR Tax C	State Fisca 2023 (m)	l Years (\$ in 2024 (m)	n Millions) 2025 (m)	
<u>1.6.004</u>	(m) Denotes a value <u>Disaster Assis</u> Statute Year Enacted Year Effective Data Source Estimate Relial Data Reliability	home. nditure of less than \$1 mil stance Credit	llion §48-7-29.4 2000 Taxable yea	State Fisca 2023 (m)	l Years (\$ in 2024 (m)	Millions) 2025 (m) January 1, 2000	
<u>1.6.004</u>	(m) Denotes a value <u>Disaster Assis</u> Statute Year Enacted Year Effective Data Source Estimate Relial	home. nditure of less than \$1 mil stance Credit stance Credit i Georgia Em Managemer disaster relia	llion §48-7-29.4 2000 Taxable yea DOR Tax C Class A Class A Class A is for individu pergency Man	State Fisca 2023 (m) ars beginning credit data as als receiving agement Age ac credit amo or \$500, which	l Years (\$ in 2024 (m) con or after of 2023 and g disaster re- ency or from unt is the ac	a Millions) 2025 (m) January 1, 2000 d FEMA disasters lief payments from a the Federal Eme ctual amount of the ss.	s database m the ergency

(m) Denotes a value of less than \$1 million

<u>1.6.005</u>	Qualified Care	egiving Exper	nse Credit				
	Statute		§48-7-29.2				
	Year Enacted		1998				
	Year Effective		Taxable year	s beginning	on or after.	January 1, 199	9
	Data Source		DOR Tax Cr			5	
	Estimate Reliab	oility	Class A				
	Data Reliability	•	Class A				
	Note						
	Description:	family mem of the total a	ber. The value amount expendence	of the credi led for quali	t is equal to fying caregi	to the care of a no more than iving expenses	10 percent . In no
					le taxpayer	's income tax l	laointy,
		whichever is	s less.	Clarke Elevel	V	N(:11:)	
				State Fiscal			
	State Ter Erma	ndituno		2023	2024	2025	
	State Tax Experimentary (m) Denotes a value of		lion	(m)	(m)	(m)	
	(III) Denotes a value o	51 less than \$1 mm	lioli				
<u>1.6.006</u>	Tax credit for	life insurance		National Gua	rd and Air	National Guard	<u>d</u>
	Statute		§48-7-29.9				
	Year Enacted		2005				
	Year Effective					January 1, 200	5
	Data Source		DOR Tax Cr	edit data as o	of 2023		
	Estimate Reliab	-	Class A				
	Data Reliability	7	Class A				
	Note				_		
	Description:					f the Georgia N	
					-	more than 90 c	
						rough the Serv	
			~ ~		-	Department of	
				is equal to f	the cost of t	he premiums o	of the life
		insurance po	olicy.		N 7 (f) •		
				State Fiscal	•	,	
		1.		2023	2024	2025	
	State Tax Expe		1.	(m)	(m)	(m)	
	(m) Denotes a value of	of less than \$1 mil	lion				
<u>1.6.007</u>	Child and Dep	andant Cara	Cradit				
1.0.007	Statute		§48-7-29.10				
	Year Enacted		2006				
	Year Effective			s heginning	on or after	January 1, 200	6
	Data Source		DOR Tax Cr	U U		January 1, 200	0
		•••		cuit uata as (01 2023		

Estimate Reliability Data Reliability Class A The American Recovery Plan Act temporarily increased, for TY 2021, the amount of the federal credit that is the base for this state credit. The percentage of the federal credit earning credits in Georgia remained at 30 percent.
 This credit is equal to 30 percent of the federal credit claimed for qualified

Description:

Class A

Note

		expenses rel	ated to the c	are of childre	n and denen	dents	
		expenses rei		State Fiscal			
				2023	2024	2025	
	State Tax Expen	nditure		42	43	44	
	(m) Denotes a value of		lion				
<u>1.6.008</u>	Adoption of F	oster Child C	redit				
1.0.000	Statute		§48-7-29.1	5			
	Year Enacted		2008	0			
	Year Effective			beginning on o	or after Janu	ary 1, 2008	
	Data Source					l fiscal note for H	B 114
			LC 43 1943	3S (2021)			
	Estimate Reliab	oility	Class A				
	Data Reliability Note	-	Class A				
	Description:	This credit p	provides an a	innual tax crea	dit for taxpa	yers adopting qua	alified
		foster childr	en. The valu	e of the credit	t is \$2,000 p	er child annually	until the
						s occurring in tax	
						doptions beginni	
						is increased to \$6	
		credits not u	itilized for th			ot be carried forw	vard.
				State Fiscal			
	Ctata Tara France			2023	2024	2025	
	State Tax Experience (m) Denotes a value of		lion	9	9	10	
	(III) Denotes a value (n less than 51 mm	11011				
<u>1.6.009</u>	Low-Income (Credit					
	Statute		§48-7A-3				
	Year Enacted		1991				
	Year Effective					January 1, 1992	
	Data Source	•1•,		Credit data as	of 2023		
	Estimate Reliab	•	Class A				
	Data Reliability	7	Class A				
	Note Description:	This credit r	rovides a ta	v credit to low	income in	dividuals. The cre	dit is
	Description.					e of the credit is \$	
						2010 and after, the	
		is nonrefund			,		
				State Fiscal	Years (\$ in	Millions)	
				2023	2024	2025	
	State Tax Exper	nditure		8	8	8	
	(m) Denotes a value of	of less than \$1 mil	lion				
4 6 0 4 0							
<u>1.6.010</u>	Credit for taxe	es paid to ano					
	Statute Year Enacted		§48-7-28				
	Year Effective		1931 1931				
	Data Source			Credit data as	of 2023		
	Estimate Reliab	ility	Class A	Licuit uata as	01 2023		
	Data Reliability	•	Class A Class A				
			C1055 / 1				

Note

Description: A resident individual with income taxed by another state is allowed a credit for such tax. The maximum value of this credit is equal to the amount that would be due if the income were taxed by Georgia.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	351	346	354

(m) Denotes a value of less than \$1 million

<u>1.6.011</u>	Credit for Con	mmunity-Base	ed Faculty Pre	ceptors			
	Statute		§48-7-29.22				
	Year Enacted		2019				
	Year Effective		2019				
	Data Source		DOR Tax Cr	edit data as	of 2023 and	l fiscal note for	HB 287
			LC 43 1215 ((2019)			
	Estimate Relia	bility	Class A				
	Data Reliabilit	у	Class A				
	Note		Effective for	tax years b	eginning on	or after January	y 1, 2019,
			the deduction	n under O.C	C.G.A. 48-7-	27 was replaced	l by a tax
			credit and de	finition of v	who qualifie	s changed from	
			community-	based facul	ty physician	s to community	based
			faculty prece	ptors.			
	Description:	Tax credits	are earned by o	community	-based facul	ty preceptors th	at
		are physicia	ns, as defined	by O.C.G.A	A. §43-34-21	, in the amount	of \$500
						s and \$1,000 fo	
		their fourth	through tenth j	preceptorsh	ip rotations.	Tax credits for	
		community-	based faculty	preceptors (that are adva	nced practice re	egistered
			•		•	G.A.§43-34-21,	
			÷	• •		1 \$750 for their	
		through tent	· ·			res December 3	31, 2026.
				State Fisca	l Years (\$ in	Millions)	
				2023	2024	2025	
	State Tax Expe	enditure		3	3	6	

(m) Denotes a value of less than \$1 million

<u>**1.6.012**</u> Georgia Job Tax Credit

Statute	§48-7-40 and §48-7-40.1
Year Enacted	§48-7-40: 1989; §48-7-40.1: 1993
Year Effective	§48-7-40: Taxable years beginning on or after January 1,1990; §48-7-40.1: Taxable years beginning on or after January1, 1994
Data Source	DOR data for TY 2021 and Office of Insurance and Safety Fire Commissioner
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax and insurance premium tax sections, see 2.6.001 and 5.00200. In 2018, the qualifying areas were expanded to include counties with military bases and industrial parks that are owned and operated by a government entity.

Description:	The credit provides a statewide job tax credit to any business or headquarters engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, or research and development. Retail establishments are only allowed the credit if located in
	one of the 40 least-developed counties of the state. Average wages must be greater than the average wage of the county in the state with the lowest average wage. To be eligible, employers must offer health insurance to all new employees. It also provides a tax credit for business enterprises designated as operating in less-developed areas. These include areas with ten or more contiguous census tracts with higher than 15 percent poverty and counties with both a military base and a government owned and
	operated industrial park. State Fiscal Years (\$ in Millions)

	State Fiscal Years (\$ in Millions		
	2023	2024	2025
Income Tax Expenditure	83	88	91
Corporate Income Tax Expenditure	130	138	143
Insurance Premium Tax Expenditure	4	4	5
State Tax Expenditure	217	230	239

Quality 5000 1	tax eledat
Statute	§48-7-40.17
Year Enacted	2009
Year Effective	Taxable years beginning on or after January 1, 2009
Data Source	DOR data as of TY 2021
Estimate Reliab	bility Class A
Data Reliability	y Class A
Note	This provision was modified to allow consideration of jobs in
	disregarded entities for purposes of qualifying for the credit.
	This statute was modified in 2017 allowing taxpayers to
	establish subsequent job creation periods for a qualified
	project. The same estimate is provided in the corporate
	income tax section, see 2.6.002.
Description:	This credit is for employers creating new high-wage jobs or relocating
-	high-wage jobs into the state. A quality job or high-wage job has 30 hours
	a week of regular work, is not already located in Georgia, and pays at or
	above 110 percent of the average wage of the county in which it is located.
	State Fiscal Years (\$ in Millions)

	State I isear Tears (\$ in Minions)		
	2023	2024	2025
Income Tax Expenditure	2	2	2
Corporate Income Tax Expenditure	102	106	109
State Tax Expenditure	103	107	111

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>1.6.014</u>	New Facilities Jobs Credit
	a

Statute	§48-7-40.24
Year Enacted	2003
Year Effective	Latest modifications are effective for taxable years beginning on or after July 1, 2021
	on of after July 1, 2021
Data Source	Fiscal note for HB 587 LC 43 2010S for 2021

Estimate Reliab	Estimate Reliability NA				
Data Reliability	NA				
Note	The same estimate is provided in the corporate income tax section, see 2.6.003.				
Description:	This provision provides for a credit of \$5,250 per year per qualified new job for up to five years, subject to recapture based on job and payroll maintenance requirements. After December 31, 2026, new jobs for any one qualified project will be limited to 4,500. For business enterprises that first qualify in a taxable year beginning on or after January 1, 2009, the business enterprise must meet the job creation requirement of 1,800 eligible new full-time employees and either the qualified investment requirement of \$450 million in qualified investment property, or the payroll requirement of \$150 million in total annual Georgia W-2 reported payroll within the six- year period, subject to extension under certain conditions. State Fiscal Years (\$ in Millions)				
	2023 2024 2025				
State Tax Expen	Estimate combined with 1.6.012				

(m) Denotes a value of less than \$1 million.

<u>1.6.015</u>	New Manufac	cturing Faciliti	ies Property Cr	edit			
	Statute	-	§48-7-40.25				
	Year Enacted		2003				
	Year Effective		Latest modifi	cations are	effective for	taxable years beginning	5
			on or after Ju	ly 1, 2021			
	Data Source		Fiscal note fo	r HB 587 L	C 43 2010S	for 2021	
	Estimate Relia	bility	NA				
	Data Reliabilit	У	NA				
	Note		Utilization of	this credit	resulting from	m known or anticipated	
			projects is ex	pected to be	material, bu	it not within the time	
			horizon of thi	s report; see	e fiscal note.		
			The same esti	imate is pro	vided in the	corporate income tax	
			section, see 2	.6.004.			
	Description:	This is an in	centive for a m	nanufacture	who has op	erated a manufacturing	
		facility in th	is state for at le	east 3 years	and who spo	ends \$800 million on a	
	new manufacturing facility in this state, subject to a job requirement of						
		1,800 full-ti	me employees.	The credit	is equal to 6	percent of the cost of al	1
		qualified inv	vestment prope	rty purchase	ed or acquire	ed, up to \$50 million wit	h
		respect to an	ny one project.	For qualifie	ed high-impa	ct aerospace defense	
		projects cert	tified on or afte	er July 1, 20	21, the maxi	mum credit for any one	
		project is ind	creased to \$100) million an	d the taxpay	er may begin claiming	
	credits once investment and job thresholds of \$500 million and 1,000,						
		respectively	, are reached.				
				State Fiscal	Years (\$ in	Millions)	
				2023	2024	2025	
	State Tax Expe	enditure		0	0	0	
	(m) Denotes a value	of less than \$1 mil	lion				

(m) Denotes a value of less than \$1 million.

<u>1.6.016</u>	6.016 Manufacturer's Investment Tax Credit			
	Statute §§48-7-40.2, 48-7-40.3, and 48-7-40.4			
	Year Enacted	1994		
	Year Effective	Taxable years beginning on or after January 1, 1994		

Data Source DOR data a		ata as of TY 202	21		
Estimate Relia	bility Class B	Class B			
Data Reliabilit	y Class A				
Note	The sam	ne estimate is pr	ovided in th	e corporate i	ncome tax
	section,	see 2.6.005.			
Description:				g the tax year Eligible g three years.	
Income Tax Ex	Income Tax Expenditure 7 8 9				
Corporate Income Tax Expenditure 47 52 57					
State Tax Expenditure546066					
(m) Denotes a value	(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding				

<u>1.6.017</u> **Optional Investment Tax Credit**

Optional myc.	sinchi Tax Cicuit					
Statute	§ §48	§§48-7-40.7, 48-7-40.8, and 48-7-40.9				
Year Enacted	1995					
Year Effective Taxable years beginning on or after January 1, 1996.				996.		
Data Source	data as of TY 202	21				
Estimate Reliab	ility Class	А				
Data Reliability	Class	А				
Note	The	ame estimate is p	rovided in th	e corporate i	ncome tax	
	section	on, see 2.6.006.				
Description:	An alternative inv	estment tax credit	is available f	for taxpayers	based on their	
investments in manufacturing or telecommunications facilities or support				s or support		
facilities where these facilities have been operating for the three				ree		
	immediately preceding years. The credit is available for investments in				tments in	
	excess of \$5 millio	n and placed in se	ervice no ear	lier than Janı	ary 1, 1996,	
	for tier 1 counties.	The investment th	nreshold is \$	10 million fo	r tier 2	
	counties and is \$20 million for tier 3 and 4 counties.					
	State Fiscal Years (\$ in Millions)					
	2023 2024 2025					
Income Tax Exp	penditure	1	2	2		
Corporate Incor	ne Tax Expenditure	1	1	1		
	1'	2	2	2		

 State Tax Expenditure
 2
 2

 (m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>1.6.018</u>	Port Activity Tax Credit	
	Statute	§48-7-40.15
	Year Enacted	1998
	Year Effective	Latest modifications apply to taxable years beginning on or
		after January 1, 2010
	Data Source	DOR data as of TY 2021
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	Estimate combined with 1.6.019. The same estimate is provided in the corporate income tax section, see 2.6.007.

3

Description:	Businesses or the headquarters of any such businesses engaged in
	manufacturing, warehousing and distribution, processing,
	telecommunications, broadcasting, tourism, or research and development
	that have increased shipments out of Georgia ports during the previous 12-
	month period by more than 10 percent, based on a comparison of the
	previous 12-month period to the second preceding 12-month period, are
	qualified for increased job tax credits or investment tax credits.
	State Fiscal Vears (\$ in Millions)

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
Income Tax Expenditure	0	0	0	
Corporate Income Tax Expenditure	6	6	6	
State Tax Expenditure	6	6	6	
(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding				

<u>1.6.019</u>	Alternate Port Activity Tax Credit				
	Statute	-	§48-7-40.15A		
	Year Enacted		2009		
	Year Effective		2009		
	Data Source		DOR data as of TY 2021		
	Estimate Relia	bility	Class A		
	Data Reliabilit	у	Class A		
	Note		Estimate combined with 1.6.018. The same estimate is provided in the corporate income tax section, see 2.6.008.		
	Description:	Credit is allo	owed to any business enterprise located in a tier 2 or 3 county or		
		in a less dev	reloped area and which qualifies and receives the Jobs Tax		
		Credit and w	vhich:		
		1. Consists of	of a distribution facility of greater than 650,000 square feet in		
		operation in	this state prior to December 31, 2008;		
		2. Distribute	es product to retail stores owned by the same legal entity or its		
		subsidiaries	as such distribution facility; and		
		3. Has a min	nimum of eight retail stores in this state in the first year of		
		operations.			
			State Fiscal Years (\$ in Millions)		
			2023 2024 2025		
	State Tax Expenditure Estimate combined with 1.6.018				
	(m) Denotes a value	of less than \$1 mill	lion. Numbers may not sum due to rounding		

<u>1.6.020</u>	Film Tax Credit	
	Statute	§48-7-40.26
	Year Enacted	2005
	Year Effective	Taxable years beginning on or after January 1, 2005
	Data Source	DOR data for TY 2020
	Estimate Reliabilit	Class B
	Data Reliability	Class A
	Note	The same estimate is provided in the corporate income tax section, see 2.6.009. Tax credit provisions applicable to qualified interactive entertainment production companies were modified in 2015.
	ex	duction companies which have at least \$500,000 of qualified enditures in a state-certified production may claim this credit. tification must be approved through the Georgia Department of

Economic Development. There are special provisions relating to the tax credits awarded to interactive entertainment companies. Under the 2017 modifications to this statute, the 2019 sunset for the qualified interactive entertainment production company tax credit has been eliminated.

State Fiscal Years	(\$ in Millions)
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	2023	2024	2025
Income Tax Expenditure	427	484	648
Corporate Income Tax Expenditure	246	279	373
State Tax Expenditure	673	763	1,021
	. 1.	11	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>1.6.021</u>	Research Tax C	redit					
	Statute	§48-7-40.12	2				
	Year Enacted	1997	*				
	Year Effective	Taxable yea	Taxable years beginning on or after January 1, 1998				
	Data Source		DOR data a	s of TY 202	1		
	Estimate Reliabil	ity	Class A				
	Data Reliability	•					
	Note		The same estimate is provided in the corporate income tax				ncome tax
			section, see 2.6.010.				
							in Georgia by
			ngaged in ma	•		•	
			elecommuni				
				-			enterprise for
			•				under Section
	2	1 of the Int	ernal Revenu		,		
	State Fiscal Years (\$ in Millions) 2023 2024 2025						
	Income Tax Expe	enditure		2023	30	34	
	Corporate Incom		nditure	206	230	256	
-	State Tax Expend		laitaic	233	260	290	
•	(m) Denotes a value of		ion. Numbers ma			290	
				-	-		
<u>1.6.022</u>	Seed-Capital Fu	ind Credit					
	Statute		§48-7-40.27	7 & 40.28			
	Year Enacted		2008				
	Year Effective				its made on o	or after July	1,2008
	Data Source			s of TY 202	1		
	Estimate Reliabil	ity	Class A				
	Data Reliability		Class A				

Note The same estimate is provided in the corporate income tax section, see 2.6.011. **Description:** This provides a tax credit for certain qualified investments made on or after July 1, 2008, in a research fund, the purpose of which is to provide early-

stage financing for businesses formed as a result of research conducted in Georgia's research universities.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	(m)	(m)	1

1.6.023 Qualified Health Insurance Expense Credit

Statute	§48-7-29.13
Year Enacted	2008
Year Effective	Taxable years beginning on or after January 1, 2009
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax
	section, see 2.6.012.

Description: Employers earn a tax credit based on the premiums paid for a highdeductible health plan. Employers must employ 50 or fewer persons for whom the employer provides high-deductible health plans as defined by Section 223 of the Internal Revenue Code and in which such employees are enrolled. The qualified health insurance must be made available to all employees and compensated individuals of the employer pursuant to the applicable provisions of Section 125 of the Internal Revenue Code. The qualified health insurance premium expense must equal at least \$250 annually.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million Numbers	may not sum due to	rounding	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

1.6.026 Business Enterprise Vehicle Credit

Dusiness Lineiprise venier	
Statute	§48-7-40.22
Year Enacted	2001
Year Effective	Taxable years beginning on or after January 1, 2002.
Data Source	DOR data as of TY 2020
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax
	section, see 2.6.015.
Description: This is a creating the second	dit given to a business enterprise for the purchase of a motor

escription: This is a credit given to a business enterprise for the purchase of a motor vehicle that is used exclusively to provide transportation for its employees. To qualify, a business enterprise must certify that each vehicle carries an average daily ridership of not less than four employees for an entire taxable year.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)

1.6.027 Employer's credit for providing or sponsoring child care for employees, and employer's credit for purchasing child-care property

creat for purchasing clina	-care property
Statute	§48-7-40.6
Year Enacted	1994 & 1999
Year Effective	Credit for cost of operation: taxable years beginning on or
	after January 1, 1994. Credit for cost of qualified child-care
	property: taxable years beginning on or after January 1, 2000.
Data Source	DOR data as of TY 2021
Estimate Reliability	Class B
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax
	section, see 2.6.016.

Description: This credit is provided to employers based on their expenses related to providing or sponsoring child care for their employees' children and for the purchase of qualified child-care property.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	6	6	7
Corporate Income Tax Expenditure	13	13	14
State Tax Expenditure	19	20	20
	. 1.	1*	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

1.6.028 Low-Income Housing Credit

Low meome n	iousing creat	
Statute	_	§48-7-29.6
Year Enacted		2000
Year Effective		Taxable years beginning on or after January 1, 2001.
Data Source		DOR data as of TY 2021
Estimate Reliabi	lity	Class B
Data Reliability		Class A
Note		The same estimate is provided in the corporate income tax and
		insurance premium tax sections, see 2.6.017 and 5.00700.
Description:	This is a crea	dit against Georgia income taxes for taxpayers owning
	development	ts which receive the federal low-income housing tax credit and
	that are place	ed in service on or after January 1, 2001.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	107	120	132
Corporate Income Tax Expenditure	25	28	31
Insurance Premium Tax Expenditure	211	229	252
State Tax Expenditure	344	377	415

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>1.6.029</u>	9 <u>Historic Rehabilitation Credit</u>		
	Statute		§48-7-29.8
	Year Enacted		2002
	Year Effective		Taxable years beginning on or after January 1, 2004
	Data Source		DOR data as of TY 2021 and Fiscal Note for HB 469 LC 43
			2035S (2021)
	Estimate Relia	bility	Class B
	Data Reliabilit	у	Class B
	Note		The same estimate is provided in the corporate income tax
			section, see 2.6.018. This provision expires December 31,
			2022.
	Description:	A credit is p	provided based on expenses related to the certified rehabilitation
	of a certified structure or historic home. Standards set by the Georgia		d structure or historic home. Standards set by the Georgia
		Department	of Natural Resources must be met. A \$25 million per calendar
		year aggreg	ate cap applies to projects earning more than \$300,000 in
		credits. The	credit was modified in 2015 to allow unused credits to be
		assigned or	sold to other taxpayers. Further modifications in 2021 applied a
		\$5 million p	per calendar year cap on smaller projects and added a sunset date
		for the cred	it of December 31, 2022.
			State Fiscal Years (\$ in Millions)

for the creat of December 51, 2022.				
	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
Income Tax Expenditure	21	18	20	
Corporate Income Tax Expenditure	9	7	8	
State Tax Expenditure	30	26	29	

<u>1.6.031</u> Low/Zero-Emission Vehicle Charger Credit

	United Child Str. Credit
Statute	§48-7-40.16
Year Enacted	1998
Year Effective	Taxable years beginning on or after January 1, 1998
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax
	section, see 2.6.020.
Description: This cr	redit applies to the purchase or lease of an electric vehicle charger
and to	the conversion of a standard vehicle to a low- or zero-emission

vehicle.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
		11	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

Land Conservation Credit <u>1.6.032</u>

Statute	§48-7-29.12
Year Enacted	2006
Year Effective	Taxable years beginning on or after January 1, 2006
Data Source	DOR data as of TY 2021

Estimate Reliab	ility Class B
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax
	section, see 2.6.021.
Description:	This provides for an income tax credit for the qualified donation of real
	property that qualifies as conservation land pursuant to Chapter 22 of
	O.C.G.A. Title 36. This credit was modified in 2015 such that the aggregate
	value of credits awarded under this provision cannot exceed \$30 million per

year and no new credit applications will be accepted after December 31, 2021. ~ ----1 3 7 (¢ :...) (:11:

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	2	2	2
Corporate Income Tax Expenditure	0	0	0
Insurance Premium Tax	0	1	2
State Tax Expenditure	2	3	4

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>1.6.035</u> Employer's Credit for Approved Employee Retraining

Statute	§48-7-4	0.5			
Year Enacted	1994	1994			
Year Effective	Latest n	nodifications are	e effective fo	or taxable yea	ars beginning
	on or af	ter January 1, 20	009		
Data Source	DOR da	ata as of TY 202	.1		
Estimate Reliat	oility Class A	L.			
Data Reliability	Class A	<u> </u>			
Note	The san	ne estimate is pr	ovided in th	e corporate i	ncome tax
	section,	see 2.6.024.			
Description:	The tax credit reimbu	urses employers	for the cost	of providing	retraining
	services to their empl	loyees. As of Jar	nuary 1, 200	9, retraining	programs
	shall not include any	retraining on co	mmercially,	mass produc	ced software
	packages for word pr	ocessing, databa	ase managen	nent, present	ations,
	spreadsheets, e-mail,	personal inform	nation manag	gement, or co	omputer
	operating systems ex			hall be allow	able for those
	providing support or				
		State Fisca	al Years (\$ in	n Millions)	
		2023	2024	2025	
Income Tax Ex	penditure	22	23	25	
Corporate Inco	me Tax Expenditure	34	36	38	
State Tax Expe		56	59	62	
(m) Denotes a value	of less than \$1 million. Numbe	ers may not sum due to	rounding		
	cation Expense Credit				

1.6.036	Qualified Education Expense Credit

Quanted Education Expense Crean		
Statute	§48-7-29.16	
Year Enacted	2008	
Year Effective	Taxable years beginning on or after January 1, 2008	
Data Source	DOR data as of TY 2021	
Estimate Reliability	Class A	
Data Reliability	Class A	
Note	The same estimate is provided in the corporate income tax	

section, see 2.6.025.

Description: This provides a tax credit for donations made by taxpayers to a student scholarship organization which are used for tuition and fees for a qualified school or program. Annual cap increased to \$100 million effective January1, 2019.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	78	84	87
Corporate Income Tax Expenditure	22	24	25
State Tax Expenditure	100	108	112

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

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1.6.037	Qualified Inv	estor Tax Cre	dit				
	Statute		§48-7-40.30)			
	Year Enacted		2010				
	Year Effective		2011; legisl	ation modifi	ed in 2013 a	nd 2015	
	Data Source		DOR data fo	or TY 2021			
	Estimate Relia	bility	Class A				
	Data Reliabilit	У	Class A				
	Note						
	Description:	-	provides a 35	^			
		÷	adquartered sr				
			available for o	•		•	
			ts may be tak		•	÷	
	year and carried forward up to three years. The aggregate value of credits						
	awarded under this provision cannot exceed \$5 million per year. No new						
	credits can be approved after 2020.						
				State Fisca	l Years (\$ in	Millions)	
	2023 2024 2025						
	State Tax Expe	enditure		(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 mil	llion				
1.6.038	Energy-efficie	ent or water-e	fficient equip	ment credit			
	Statute		§48-7-40.29				

Statute		§48-7-40.29
Year Enacted		2010
Year Effective		January 1 of the year following the year in which federal funds for this program are made available and received by the state
Data Source		DOR data as of TY 2021
Estimate Reliab	ility	Class A
Data Reliability	,	Class A
Note		The same estimate is provided in the corporate income tax section, see 2.6.027.
Description:	water conser of the cost of credit is only	lit applies to taxpayers who purchase energy-efficient and vation equipment. The value of the credit is equal to 25 percent f the qualified equipment or \$2,500, whichever is less. The variable for those tax years in which federal funds are made the state for this purpose. Given no federal funding, the state ct is zero.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	0	0	0
Corporate Income Tax Expenditure	0	0	0
State Tax Expenditure	0	0	0

<u>1.6.041</u> Tax credit for existing business enterprises undergoing qualified business expansion

Statute	§48-7-40.21
Year Enacted	2001
Year Effective	Latest modifications are applicable to tax years beginning on
	or after January 1, 2008
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax
	section, see 2.6.030.
Decomintion. This gradit	applies to businesses that grants at least 500 new full time jobs

Description: This credit applies to businesses that create at least 500 new full-time jobs within a taxable year. (h

		State Fiscal Years (\$ in Millions)				
ate Tax Expenditure Estimate combined with 1		2023	2024	2025		
	Tax Expenditure	Estimate combined with 1.6.013				

Sta (m) Denotes a value of less than \$1 million.

<u>1.6.043</u>	Bank Tax Cre	<u>edit</u>		
	Statute		§48-7-29.7	
	Year Enacted		2000	
	Year Effective		2001	
	Data Source		DOR data as of TY 2021 and IBISWorld industry forecasts	
	Estimate Relia	bility	Class B	
	Data Reliabilit	У	Class A	
	Note		The same estimate is provided in the corporate income tax	
			section, see 2.6.032.	
	Description:	Depository	financial institutions are allowed a credit against their state	
		income tax liability equal to the sum of the amount of their business license		
		taxes paid to local governments and any special state occupation taxes paid		
		to the state.		

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	3	3	3
Corporate Income Tax Expenditure	61	63	63
State Tax Expenditure	64	66	66

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

1.6.044 Employer tax credit for hiring qualified parolees

Statute	§48-7-40.31
Year Enacted	2016
Year Effective	2016
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A

Data Reliability Note	The same section, se		s credit exp	pired for new	ncome tax hires January ed by January
Description:	For new hires made on 2020, an employer that least 40 weeks during a credit in the amount of S	employs a qua 12-month per \$2,500 per yea	alified parol iod shall be ar for each e	lee in a full-t e eligible for	ime job for at an income tax
Income Tax Expenditure		(m)	0	0	
Corporate Inco	(m)	0	0		
State Tax Expe	nditure	(m)	0	0	

State Tax Expenditure(m)0(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

Income Tax Credit for Contributions to Rural Health Care Organizations <u>1.6.045</u>

Statute		§48-7-29.20)			
Year Enacted		2016				
Year Effective		2017				
Data Source		DOR data fo	or 2021			
Estimate Relia	bility	Class A				
Data Reliabilit	у	Class A				
Note	-	This statute	was modifie	ed in 2017 a	nd 2018 to in	crease
		taxpayer lim	itations and	l the credit r	ate, modify th	he aggregate
		~ •			-	was modified
		again in 201	9 to extend	the expiration	on. The same	estimate is
		provided in	the corporat	e income ta	x section, see	2.6.034.
Description:	An individua	al taxpayer sh	all be allow	ed an incon	ne tax credit e	equal to a
	maximum of	f \$5,000 for a	n individual	l filing a sin	gle return or	\$10,000 for
	joint returns	A corporation	on or other e	entity shall b	e allowed an	income tax
	credit equal	to a maximui	n of 75 perc	ent of the co	orporation's i	ncome tax
liability. The aggregate amount of credits cannot exceed \$60 million in a				nillion in any		
year. The provision expires December 31, 2024.						
	State Fiscal Years (\$ in Millions)					
			2023	2024	2025	
Income Tax Expenditure			59	66	41	
Corporate Inco	ma Tay Eynar	ditura	7	7	5	

Corporate Income Tax Expenditure 5 1 1 State Tax Expenditure6573(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding 46

<u>1.6.046</u> Revitalization Zone Tax Credit

Statute	§48-7-40.32	
Year Enacted	2017	
Year Effective	Taxable years beginning on or after January 1, 2018.	
Data Source	DOR data as of TY 2021	
Estimate Reliability	Class B	
Data Reliability	Class A	
Note	The same estimate is provided in the corporate income tax section, see 2.6.035.	

Description:	The statute includes three credits intended to promote the revitalization of
	vacant rural Georgia downtowns. The first allows certified entities to claim
	an annual tax credit for five consecutive years of \$2,000 per qualified
	employee but not to exceed \$40,000 per taxable year for any taxpayer. The
	second provides for a credit equal to 25 percent of the purchase price of
	qualified property up to an amount equal to \$125,000 per project. The third
	provides for a tax credit of 30 percent of qualified rehabilitation expenses
	but not to exceed \$150,000 per project.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	1

(m) Denotes a value of less than \$1 million

<u>1.6.047</u>	Georgia Music	cal Investmen	t Tax Credit				
	Statute		§48-7-40.33				
	Year Enacted		2017				
	Year Effective		Taxable years	beginning of	on or after J	anuary 1, 20)18.
	Data Source		DOR data as o			2	
	Estimate Reliab	oility	Class C				
	Data Reliability		Class A				
	Note		The same estimate is provided in the corporate income tax section, see 2.6.036.				
	Description:	This income	tax credit is ec		rcent of au	alified produ	uction
	F		of a musical o				
			incorporated i				
			ntertainment pi				
			ved for certain				
		•	pealed effectiv	•			
				State Fiscal		Millions)	
				2023	2024	2025	
	State Tax Exper	nditure		(m)	(m)	(m)	
	(m) Denotes a value of		ion				
1 6 0 4 9	Dublic Educati	an Transvetier	- Even d Terr Car				
<u>1.6.048</u>		ion innovation	n Fund Tax Cre	<u>ean</u>			
	Statute Year Enacted		§48-7-29.21				
	Year Effective		2017	hasimulas			10
			Taxable years	U U		•	
	Data Source		DOR data as (DI I I 2021 a	and Fiscal I	Note for HB	237 LC 33
	Estimata Daliah	.:1:+	7049S (2017) Class C				
	Estimate Reliab Data Reliability		Class C Class A				
	Note	,		moto io mnor	idad in the	a ama anata in	
	Note		The same estimates section, see 2.		lueu III the	corporate in	leonne
	Description:	This income	tax credit is ec		ibutions to a	a qualified F	Public
	Description		novation Fund				
			g type from \$1,			• •	
			to 75 percent o				
			nount of credits				
			xpires Decemb				
			1	- ,			

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	1	(m)	(m)

1.6.049 Agribusiness Tax Credit

<u>rightousiness rux cicuit</u>	
Statute	§33-1-25
Year Enacted	2017
Year Effective	Taxable years beginning on or after January 1, 2018.
Data Source	DOR data as of TY 2021 and Office of Insurance and Safety
	Fire Commissioner
Estimate Reliability	Class B
Data Reliability	Class B
Note	The same estimate is provided in the corporate income tax and
	insurance premium tax sections, see 2.6.038 and 5.00900.

Description: This income tax credit establishes qualified low-income community rural investment funds and tax credits. The credit amount is 15 percent of the eligible investment per year beginning in the third year after the investment is made and continuing through the sixth year, for a total credit equal to 60 percent of the eligible investment. The credit is nonrefundable and may not be sold, but may be carried forward indefinitely. The amount of credits available is subject to a cumulative cap of \$100 million.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	1	1	1
Corporate Income Tax Expenditure	4	3	2
Insurance Premium Tax Expenditure	9	9	9
State Tax Expenditure	14	13	12

(m) Denotes a value of less than \$1 million

1.6.050 Railroad Track Maintenance Tax Credit

<u> </u>		
	Statute	§48-7-40.34
	Year Enacted	2018
	Year Effective	2019
	Data Source	Fiscal Note for LC 39 2856 (2021)
	Estimate Reliability	Class C
	Data Reliability	Class B
	Note	The same estimate is provided in the corporate income tax
		section, see 2.6.039.
	Description: This income	tax credit is based on maintenance expenditures related to

Description: This income tax credit is based on maintenance expenditures related to railroad track owned or leased by Class III railroads. The credit equals 50 percent of railroad track maintenance expenditures, subject to a maximum credit of \$3,500 per track mile per year. In addition to Class III railroads, persons transporting property using a Class III railroad's facilities or persons furnishing railroad-related property or services to a Class III railroad are eligible for the credit with respect to maintenance of their assigned track miles. This credit expires December 31, 2026.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	6	9	9

(m) Denotes a value of less than \$1 million

<u>1.6.051</u>	Reforestation	credit for losses incurred on commercial timberland due to hurricane
	Statute	§48-7-40.36
	Year Enacted	2018
	Year Effective	2018
	Data Source	Fiscal Note for HB4EX LC 43 1048S (2018 Special Session)
		and DOR data as of TY 2021
	Estimate Reliab	bility Class B
	Data Reliability	Class A
	Note	The same estimate is provided in the corporate income tax, see section 2.6.040.
	Description:	This income tax credit is based on casualty losses incurred on commercial timberland due to damage attributed to Hurricane Michael in the fall of 2018, subject to replanting requirements as described below. The amount of the credit is equal to 100 percent of the casualty loss deduction reported on the taxpayer's federal return, provided that the credit amount does not exceed \$400 per acre. Taxpayers must seek preapproval for the credit on or before December 31, 2019. Taxpayers are eligible to claim the credit in the taxable year in which the taxpayer replants 90 percent of the timber lost in the hurricane. All tax credits must be claimed by December 31, 2024. Credits can be sold once prior to January 1, 2024. Credits claimed are nonrefundable but can be carried forward for up to 10 years. The total amount of credits preapproved may not exceed \$200 million. State Fiscal Years (\$ in Millions) 2023 2024 2025

	2023	2024	2025
Income Tax Expenditure	4	2	2
Corporate Income Tax Expenditure	3	3	1
State Tax Expenditure	7	5	4

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>1.6.052</u> Qualified Post-Production Expenditures Credits

Statute		§48-7-40.26A
Year Enacted		2017
Year Effective		2018
Data Source		DOR data as of TY 2021
Estimate Reliab	oility	Class A
Data Reliability	7	Class A
Note		The same estimate is provided in the corporate income tax
		section, see section 2.6.041.
Description:	Postproducti	on companies with at least \$500,000 in qualified
	postproducti	on expenditures per year will be eligible for a credit equal to 20
	percent of th	e qualified postproduction expenditures. An additional 10
	percent cred	it is allowed if the qualified production expenditures were
	incurred in t	he state. An additional 5 percent credit is allowed if the
	qualified pro	oduction expenditures were incurred in a tier 1 or tier 2 county.
	The value of	credits awarded is limited to a maximum of \$10 million for

2018 through 2022. If in any year the aggregate amount of credits allowable is not awarded, the remaining credits will be rolled in the allowable credits for the following year. Postproduction companies with expenditures between \$100,000 and \$500,000 per year are eligible for a separate credit equal to 20 percent of the qualified postproduction expenditures. Aggregate annual claims on this credit are limited to \$1 million. The \$1 million small company credit limit does not count against the credit limit for the large company credit discussed above. No credits shall be earned in years after 2022. ~

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	4	4	4
Corporate Income Tax Expenditure	1	1	1
State Tax Expenditure	5	5	5

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

1.6.053	Personal	protective e	quipment	manufacturer	job tax credit

Statute		§48-7-40.1A		
Year Enacted		2020		
Year Effective		Taxable years beginning on or after January 1, 2020		
Data Source		DOR data as of TY 2021		
Estimate Relia	bility	Class A		
Data Reliabilit	У	Class A		
Note		The same estimate is provided in the corporate income tax section, see section 2.6.042.		
Description:	Personal pro	ptective equipment manufacturers that qualify for the Georgia		
_	job tax cred	it (see 1.6.012/2.6.001/5.00200) may earn \$1,250 per for each		

qualifying new job in addition to the amounts earned under the existing job credit. No credits shall be earned for jobs created after 2024. State Fiscal Years (\$ in Millions)

	State Miscar Tears (\$ 11 Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of lass than \$1 million. Numbers may not sum due to rounding				

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>1.6.054</u>	Medical equipment, medical supplies, pharmaceuticals, and medicine manufacturers job	
	tax gradit	

tax credit		
Statute		§48-7-40.1B
Year Enacted		2021
Year Effective		Taxable years beginning on or after January 1, 2021
Data Source		Fiscal Note for HB 587 LC 43 2010S (2021)
Estimate Reliab	oility	Class A
Data Reliability	7	NA
Note		The same estimate is provided in the corporate income tax
		section, see section 2.6.043.
Description:	Medical equ	ipment and supply manufacturers, and pharmaceutical and
	medicine ma	inufacturers that qualify for the Georgia job tax credit (see
	1.6.012/2.6.0	001/5.00200) may earn \$1,250 for each qualifying new job in
		he amounts earned under the existing job credit.
		0.5

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	0	0	0
Corporate Income Tax Expenditure	0	3	3
State Tax Expenditure	0	3	4

1.6.055 Teacher Recruitment and Retention Credit

Statute		§48-7-29.23 and §20-2-251	
Year Enacted		2021	
Year Effective		Taxable years beginning on or after January 1, 2022	
Data Source		Fiscal note for HB 32 LC 43 2019S (2021)	
Estimate Reliability		Class A	
Data Reliability		Class A	
Note			
Description:	This credit i	is for teachers who agree to teach in certain rural schools or	
	certain low-performing schools in high-need subject areas. The credit		
	amount agu	a_1a \$2,000 mer year for up to five concentive years for teach	

lit amount equals \$3,000 per year for up to five consecutive years for teachers who remain employed in qualifying schools. No new applications for the program shall be accepted after December 31, 2026.

State Fiscal Years (\$ in Millions)

	2022	2023	2024
State Tax Expenditure	(m)	(m)	1
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than 1 million.

Qualified Foster Child Donation Credit <u>1.6.056</u>

Quannie 1 05	ter enna Bonation erean		
Statute	§48-7-29.24		
Year Enacted	2022		
Year Effective	Taxable years beginning on or after January 1, 2023		
Data Source	Fiscal note for SB 370 43 2189 (2022)		
Estimate Reliab	bility Class A		
Data Reliability	y Class A		
Note	The same estimate is provided in the corporate income tax		
	section, see section 2.6.044.		
Description:	This credit is equal to 100 percent of qualified donations paid by the		
taxpayer to approved foster child support organizations. The Georgia			
	Department of Humans Services qualifies organizations for purposes of the		
	program. Credits are nonrefundable, but any unutilized credits can be		
	carried forward for up to five years. The aggregate amount of credits		
	allowed per year is subject to a statewide cap of \$20 million, enforced		
through an annual credit preapproval process.			
State Fiscal Years (\$ in Millions)			

2023

0

2024

14

2025

18

State Tax Expenditure

(m) Denotes a value of less than \$1 million.

<u>1.6.057</u>	Qualified Law Enf	Forcement Donation Credit
	Statute	§48-7-29.25
Year Enacted		2022
	Year Effective	Taxable years beginning on or after January 1, 2023

Data Source	Fiscal not	Fiscal note for SB361 LC 43 2159 (2022)				
Estimate Reliab	oility Class A	Class A				
Data Reliability	Class A					
Note	The same	estimate is pro	ovided in the	e corporate in	ncome tax	
	section, se	section, see section 2.6.045.				
Description:	This credit is equal to 1	00 percent of	qualified do	nations paid	by the	
-	taxpayer to qualified law enforcement foundations. The cre			s. The credit	ts are	
	nonrefundable, but any unutilized credits can be carried forv			carried forwa	ard for up to	
	five years. The aggregate amount of credits allowed per year is subj			is subject to a		
	statewide cap of \$75 m	illion, enforce	d through ar	n annual cred	lit preapproval	
process.						
	State Fiscal Years (\$ in Millions)					
		2023	2024	2025		
State Tax Expenditure		0	51	69		

State Tax Expenditure (m) Denotes a value of less than \$1 million.

2. Corporate Income Tax

The corporate income tax was first levied in Georgia in 1929. While originally levied at a rate equal to one-third of the federal corporate tax rate, the rate was changed to 4 percent in 1931. The tax has gone through several rate changes since its introduction, including in 1949 when it was temporarily increased to 7.5 percent. The rate was 6 percent from 1969 through 2018 but was reduced to 5.75 percent effective for tax years beginning on or after January 1, 2019. The Georgia corporate income tax is a flat rate tax, with a single rate applying to all Georgia taxable income of the corporation.

The starting point for the construction of the tax base is federal taxable income of a corporation. Several adjustments are made in order to determine Georgia business income. For example, although corporations are allowed certain special depreciation deductions at the federal level, some of these deductions are not allowed at the state level. Firms taking these deductions on their federal return must add these deductions back to their tax base when determining their state taxable income. In addition, firms operating in multiple states must apportion their corporate income to each of the states in which they have a legal obligation to pay the tax. Since 2008, firms with multistate income determine the portion of their total income associated with Georgia by computing their total Georgia receipts relative to their total receipts. Prior to 2008, Georgia firms were required to use a three-factor apportionment formula.

It is important to keep in mind that tax expenditure estimates may differ from revenue estimates presented in fiscal notes. Estimates included in fiscal notes incorporate behavioral effects that are not considered when estimating tax expenditure provisions. The purpose of a tax expenditure estimate is to convey the cost that would be necessary if the item were offered as a direct budgetary expenditure instead of a reduction in the tax liability. A second caveat concerns the estimates associated with the state corporate credit provisions. Forecasting the value of the revenue loss stemming from the use of these credits. Because of past credit carry forwards, firms may claim credits on current or future year tax returns that were created in prior years. In some cases, the credit may have expired such that taxpayers are no longer able to create new credits, but the revenue loss to the state continues for several years until all carryforward liabilities have been exhausted. Therefore, the estimates provided in this report should be interpreted as the expected revenue loss stemming from the use of currently created or previously created credits and not an estimate of the value of credits created in a given year.

The tax is administered by the Georgia DOR. Corporate tax collections for FY 2022 were \$2.4 billion or 7.3 percent of total state tax revenues. Approximately 338 thousand corporate returns were processed in CY 2022. All revenue collected from this tax is deposited into the State General Fund.

2.1 Federal Corporate Exclusions

<u>2.1.001</u>	Permanent ex	emption from imputed inte				
	Federal Statute					
	Description:	Debt instruments for am		•	•	
		maximum, given in exch			ay not have impu	uted to
		them an interest rate grea				
			2023	l Years (\$ ir 2024	2025	
	State Tax Expe	nditura				
		of less than \$1 million	(m)	(m)	(m)	
	(iii) Denotes a value					
2 1 002	Evolution of i	ntanast on state and local	orrownnant n	mirroto optivi	try bonds	
<u>2.1.002</u>	Federal Statute	nterest on state and local s IRC Section 103,141,		rivate activi	<u>ity bonds</u>	
	Description:	Interest earned on qualify		tivity bonds	is tay evennt	
	Description.	interest carned on quant		l Years (\$ ir		
			2023	2024	2025	
	State Tax Expe	nditure	1	1	1	
		of less than \$1 million	1	-		
2.1.004	Exclusion of e	earnings of certain environ	mental settle	ment funds		
2.1.004	Federal Statute	-	mental settle	ment runus		
	Description:	Under certain conditions	environment	al settlemer	nt funds are exem	pt from
	2000-1000	tax.	••••••			prinoin
			State Fisca	l Years (\$ ir	Millions)	
			2023	2024	2025	
			2023	2021	2025	
	State Tax Expe	nditure	(m)	(m)	(m)	
		nditure of less than \$1 million				
<u>2.1.005</u>	(m) Denotes a value Exclusion of c	of less than \$1 million certain agricultural cost-sh	(m)	(m)		
<u>2.1.005</u>	(m) Denotes a value Exclusion of a Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126	(m) aring paymer	(m) <u>nts</u>	(m)	
<u>2.1.005</u>	(m) Denotes a value Exclusion of c	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp	(m) aring payment pose of conset	(m) <u>nts</u> rving soil ar	(m)	
<u>2.1.005</u>	(m) Denotes a value Exclusion of a Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126	(m) aring paymer pose of conser- ent are exclude	(m) <u>nts</u> rving soil ar led from the	(m) nd water resource recipient's gross	
<u>2.1.005</u>	(m) Denotes a value Exclusion of a Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp	(m) aring paymen pose of conservation of conse	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir	(m) nd water resource recipient's gross n Millions)	
<u>2.1.005</u>	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description:	of less than \$1 million <u>certain agricultural cost-sh</u> IRC Section 126 Grants made for the purp protecting the environme	(m) aring paymen oose of consent are exclud State Fisca 2023	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024	(m) nd water resource recipient's gross n Millions) 2025	
<u>2.1.005</u>	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: State Tax Expe	of less than \$1 million <u>certain agricultural cost-sh</u> IRC Section 126 Grants made for the purp protecting the environment nditure	(m) aring paymen pose of conservation of conse	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir	(m) nd water resource recipient's gross n Millions)	
<u>2.1.005</u>	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: State Tax Expe	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme	(m) aring paymen oose of consent are exclud State Fisca 2023	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024	(m) nd water resource recipient's gross n Millions) 2025	
	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million	(m) aring paymen oose of conser- ent are exclud State Fisca 2023 (m)	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024 (m)	(m) nd water resource recipient's gross n Millions) 2025 (m)	
<u>2.1.005</u> <u>2.1.006</u>	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value <u>Exclusion of g</u>	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million gain or loss on sale or exch	(m) aring paymen oose of consent are exclud State Fisca 2023 (m) aange for bro	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024 (m)	(m) nd water resource recipient's gross n Millions) 2025 (m)	
	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value <u>Exclusion of g</u> Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million gain or loss on sale or exch IRC Section 512 and	(m) aring paymen oose of conser- ont are exclud State Fisca 2023 (m) ange for bro 514	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir <u>2024</u> (m) wnfield proj	(m) nd water resource recipient's gross n Millions) 2025 (m) perty	income.
	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value <u>Exclusion of g</u>	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million gain or loss on sale or exch IRC Section 512 and Qualifying brownfield pr	(m) aring paymen oose of conser- ent are exclud State Fisca 2023 (m) ange for brow 514 operty that is	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024 (m) wnfield prop s acquired fr	(m) nd water resource recipient's gross n Millions) 2025 (m) perty rom an unrelated	income. party,
	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value <u>Exclusion of g</u> Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million gain or loss on sale or exch IRC Section 512 and	(m) aring paymen oose of conser- ent are exclud State Fisca 2023 (m) aange for bro 514 coperty that is nd sold to an	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024 (m) wnfield prop s acquired fr	(m) nd water resource recipient's gross n Millions) 2025 (m) perty rom an unrelated	income. party,
	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value <u>Exclusion of g</u> Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million gain or loss on sale or exch IRC Section 512 and Qualifying brownfield pu subject to remediation, a	(m) aring paymen cose of conser- ent are exclude State Fisca 2023 (m) ange for bro- 514 roperty that is nd sold to and the tax.	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024 (m) wnfield prop s acquired fr	(m) nd water resource recipient's gross n Millions) 2025 (m) perty rom an unrelated ted party is exem	income. party,
	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value <u>Exclusion of g</u> Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million gain or loss on sale or exch IRC Section 512 and Qualifying brownfield pu subject to remediation, a	(m) aring paymen cose of conser- ent are exclude State Fisca 2023 (m) ange for bro- 514 roperty that is nd sold to and the tax.	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir 2024 (m) wnfield proj s acquired fronter unrela	(m) nd water resource recipient's gross n Millions) 2025 (m) perty rom an unrelated ted party is exem	income. party,
	(m) Denotes a value <u>Exclusion of c</u> Federal Statute Description: <u>State Tax Expe</u> (m) Denotes a value <u>Exclusion of g</u> Federal Statute	of less than \$1 million certain agricultural cost-sh IRC Section 126 Grants made for the purp protecting the environme nditure of less than \$1 million gain or loss on sale or exch IRC Section 512 and Qualifying brownfield pu subject to remediation, a unrelated business incon	(m) aring paymen pose of conservation of conservation of conservation of conservation State Fisca 2023 (m) ange for brow 514 roperty that is nd sold to and the tax. State Fisca	(m) <u>nts</u> rving soil ar led from the l Years (\$ ir <u>2024</u> (m) wnfield prop s acquired fr other unrela l Years (\$ ir	(m) id water resource recipient's gross in Millions) 2025 (m) perty rom an unrelated ted party is exem in Millions)	income. party,

	Exclusion of interest on public purp		al governme	ent bonds	
	Federal Statute IRC Sections 103			a ia amalandad	fuerra terralita
	Description: Interest income of quincome.	alifying governm	nental bond	s is excluded	from taxable
	meome.	State Fisca	l Years (\$ ii	n Millions)	
		2023	2024	2025	
	State Tax Expenditure	(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 million				
<u>2.1.010</u>	Various foreign provisions including				
	interest expense allocation, deferral	of active income	of controlle	ed foreign cor	porations,
	<u>deferral of active financing income</u> Federal Statute IRC Sections 861	962 965 052 0	51 061		
	Description: These provisions pro			e general trea	tment of
	foreign sourced inco		puons to ui	e general trea	
			l Years (\$ ii	n Millions)	
		2023	2024	2025	
	State Tax Expenditure	226	230	227	
	(m) Denotes a value of less than \$1 million				
		1 .			
<u>2.1.011</u>	Exclusion of employee meals and lo				
<u>2.1.011</u>	Federal Statute IRC Section 119	and 132(e)(2)	s provided (on or near bus	iness
<u>2.1.011</u>	Federal StatuteIRC Section 119 aDescription:Only 50 percent of ex	and 132(e)(2) xpenses for meal	s provided o	on or near bus	iness
<u>2.1.011</u>	Federal Statute IRC Section 119	and 132(e)(2) xpenses for meal venience of the e	s provided o mployer or	on or near bus as a de minim	iness iis fringe is
<u>2.1.011</u>	Federal StatuteIRC Section 119 aDescription:Only 50 percent of expremises for the compremises for the compression	and 132(e)(2) xpenses for meal venience of the e	s provided o mployer or l Years (\$ ii	as a de minim	iness iis fringe is
<u>2.1.011</u>	Federal StatuteIRC Section 119 aDescription:Only 50 percent of expremises for the compremises for the compression	and 132(e)(2) xpenses for meal venience of the e	mployer or	as a de minim	iness iis fringe is
<u>2.1.011</u>	Federal StatuteIRC Section 119 aDescription:Only 50 percent of expremises for the com allowed as deductionState Tax Expenditure	and 132(e)(2) xpenses for meal venience of the e State Fisca	mployer or 1 Years (\$ ii	as a de minim n Millions)	iness nis fringe is
<u>2.1.011</u>	Federal StatuteIRC Section 119 aDescription:Only 50 percent of expremises for the com allowed as deduction	and 132(e)(2) xpenses for meal venience of the e t. State Fisca 2023	mployer or l Years (\$ ii 2024	as a de minim n Millions) 2025	iness iis fringe is
	Federal Statute IRC Section 119 a Description: Only 50 percent of expremises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million	and 132(e)(2) xpenses for meal venience of the e t. State Fisca 2023 -8	mployer or 1 Years (\$ in 2024 -9	as a de minim n Millions) 2025 -10	nis fringe is
<u>2.1.011</u> <u>2.1.012</u>	Federal Statute IRC Section 119 a Description: Only 50 percent of expremises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million Exclusion of employer-paid transponent	and 132(e)(2) xpenses for meal venience of the e t. State Fisca 2023 -8	mployer or 1 Years (\$ in 2024 -9	as a de minim n Millions) 2025 -10	nis fringe is
	Federal Statute IRC Section 119 a Description: Only 50 percent of expremises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million Exclusion of employer-paid transportion vanpool benefits.	and 132(e)(2) xpenses for meal venience of the e State Fisca 2023 -8 rtation benefits a	mployer or 1 Years (\$ in 2024 -9	as a de minim n Millions) 2025 -10	nis fringe is
	Federal Statute IRC Section 119 a Description: Only 50 percent of e. premises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million Exclusion of employer-paid transporvanpool benefits. Federal Statute IRC Section 132(and 132(e)(2) xpenses for meal venience of the e State Fisca 2023 -8 rtation benefits a f)	mployer or 1 Years (\$ ii 2024 -9 nd employe	as a de minim n Millions) 2025 -10 r-provided tra	nis fringe is
	Federal Statute IRC Section 119 a Description: Only 50 percent of expremises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million Exclusion of employer-paid transportion vanpool benefits.	and 132(e)(2) xpenses for meal venience of the e State Fisca 2023 -8 rtation benefits a f) jualified transpor	mployer or 1 Years (\$ ii 2024 -9 nd employe	as a de minim n Millions) 2025 -10 r-provided tra	nis fringe is
	Federal Statute IRC Section 119 a Description: Only 50 percent of expremises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million Exclusion of employer-paid transporvanpool benefits. Federal Statute IRC Section 132(Description: Employer provided of the section 132(and 132(e)(2) xpenses for meal venience of the e State Fisca 2023 -8 rtation benefits a f) pualified transpor- come.	mployer or 1 Years (\$ ii 2024 -9 nd employe	as a de minim n Millions) 2025 -10 r-provided tra fits are exclud	nis fringe is
	Federal Statute IRC Section 119 a Description: Only 50 percent of expremises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million Exclusion of employer-paid transporvanpool benefits. Federal Statute IRC Section 132(Description: Employer provided of the section 132(and 132(e)(2) xpenses for meal venience of the e State Fisca 2023 -8 rtation benefits a f) pualified transpor come. State Fisca 2023	mployer or 1 Years (\$ in 2024 -9 nd employe rtation benef 1 Years (\$ in 2024	as a de minim n Millions) 2025 -10 r-provided tra fits are exclud n Millions) 2025	nis fringe is
	Federal Statute IRC Section 119 a Description: Only 50 percent of expremises for the comallowed as deduction State Tax Expenditure (m) Denotes a value of less than \$1 million Exclusion of employer-paid transporvanpool benefits. Federal Statute IRC Section 132(Description: Employer provided of the section 132(and 132(e)(2) xpenses for meal venience of the e State Fisca 2023 -8 rtation benefits a f) pualified transpor come. State Fisca	mployer or 1 Years (\$ in <u>2024</u> -9 nd employe rtation benef 1 Years (\$ in	as a de minim n Millions) 2025 -10 r-provided tra fits are exclud n Millions)	nis fringe is

2.2 Federal Corporate Deductions

<u>2.2.001</u>	Accelerated d	epreciation (MACRS)				
	Federal Statute					
	Description:	Under the Modified Acce		•	•	
		of tangible depreciation p				
		shorter depreciation perio				
		of new rental housing and	d certain othe	er buildings	and equipment	t on an
		accelerated schedule.	State Eigenl	Veena (¢ in	M:11: and)	
				Vears (\$ in		
	State Ter Erne	ndituno	2023	2024	2025	
	State Tax Expe	of less than \$1 million	8	8	/	
	(iii) Denotes a value					
2 2 002	E	annlandian and davalanm		.f., .1	1.	
<u>2.2.003</u>	Federal Statute	exploration and developme			<u>115</u>	
	Description:	IRC Sections 263, 292 Firms engaged in mining			ortain ornlo	ration and
	Description:	development costs.	are permitted	u to expense	e certain exploi	
		development costs.	State Figen	l Years (\$ in	Millions	
			2023	2024	2025	
	State Tax Expe	nditura	(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 million	(11)	(111)	(111)	
	()					
2.2.004	Amortization	of business start-up costs				
<u>2.2.004</u>	Federal Statute					
	Description:	This provision allows a b	usiness taxna	aver to dedu	ct up to \$5.000) in
	Description.	qualified start-up expend	-	iyer to dedu	et up to \$5,000) III
		qualified start up experie		l Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	enditure	(m)	(m)	(m)	
		of less than \$1 million	()	()	()	
2.2.005	Expensing of	research and experimental	expenses			
	Federal Statute					
	Description:	This provision allows a b	usiness taxpa	aver to dedu	ct certain resea	arch
	•	expenditures that are paid	-	•		
		trade or business.				
			State Fiscal	l Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	enditure	1	0	0	
		of less than \$1 million				
<u>2.2.006</u>		magazine circulation expe	nditures			
	Federal Statute					
	Description:	In general, current federa	l tax law allo	ws publishe	ers of newspap	ers,

iption: In general, current federal tax law allows publishers of newspapers, magazines, and other periodicals to deduct their expenditures to maintain, establish, or increase circulation in the year in which they are made.

	State Fisca	al Years (\$ in	n Millions)
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

<u>2.2.007</u>		foil and gas exploration				
	Federal Statute		512, 613, 613A	and 291; 26	3(c), 616-617, 57(a)(2)),
	Decomintion	59(e) and 1254	ag or other mi	norala ara na	rmitted a deduction to	
	Description:	Firms that extract oil, g recover their capital in				
		to the physical and eco				iue
		recovered. Firms engag				or
		geothermal properties l				01
		drilling and developme		or expension	g cortain intangiolo	
		arming and developme		Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	nditure	0	0	0	
		of less than \$1 million	Ŭ	0		
2.2.008	Special treatm	nent of expenses related	to timber produ	ction		
	Federal Statute	-				
	Description:	This provision allows e		oduction cos	ts of growing timber.	
	•	Taxpayers are also allo				
		reforestation expenses.		1		
		*		Years (\$ in	Millions)	
			2023	2024	2025	
	State Tax Expe	nditure	3	3	3	
	(m) Denotes a value	of less than \$1 million				
<u>2.2.009</u>		charitable contributions		tions for hea	alth, education, and for	<u>.</u>
		r than health and educati				
	Federal Statute					
	Description:	Subject to certain limit	ations, charitab	le contributi	ons may be deducted b	уy
		taxpayers.			× ••••	
				Years (\$ in		
	<u> </u>	11.	2023	2024	2025	
	State Tax Expe		32	33	35	
	(m) Denotes a value	of less than \$1 million				
0 0 0 1 1	г .	1 IDC 0 (170 C				
<u>2.2.011</u>		der IRC Section 179 of a	iepreciable busi	ness proper	<u>ty</u>	
	Federal Statute		4	uhah at ta dadu		-
	Description:	Within certain limits, a				
		the cost of qualifying p		Years (\$ in		
			2023	2024	2025	
	State Tax Expe	nditure	4	6	7	
		of less than \$1 million	4	0	1	
	(
<u>2.2.012</u>	Amortization	of air pollution control f	acilities			
	Federal Statute	-				

Amortization of air pollution control facilities Federal Statute IRC Section 169(d)(5) Federal Statute

	Description:	This provision allows				
		option of amortizing i		ollution con	trol equipment	for coal-
		fired electric generation	A	1 Voora (¢ in	Milliona	
			2023	ll Years (\$ in 2024	2025	
	State Tax Expe	enditure	2023	2024	2025	
		of less than \$1 million				
2.2.014	Various agric	ultural expensing provis	sions			
	Federal Statute	IRC Section 162, 1	75, 180, 446, 4	48, 461, 464	1	
	Description:	Taxpayers in the busin				
		associated with soil an			•	d the costs
		associated with raising				
				ll Years (\$ ii		
		11.	2023	2024	2025	
	State Tax Expe	of less than \$1 million	(m)	(m)	(m)	
	(iii) Denotes a value	of 1658 that \$1 fillillon				
2 2 015	Community	nd regional developmen	tincontivos			
<u>2.2.015</u>	Federal Statute			80C(a) = 130	1-1397D and 14	400F H I
	I cuciai Statute	and J	(u), +511, 2	00C(a), 157		+001 ,11,1
	Description:	Communities designation	ted as empower	ment zones	and renewable	
	2000110110	communities are eligi				
		8		l Years (\$ in		
			2023	2024	2025	
	State Tax Expe		(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 million				
<u>2.2.016</u>		remove architectural an	d transportation	h barriers to	the handicappe	<u>d and</u>
	<u>elderly</u>					
	Federal Statute		tomo or one to do	durat um ta ¢	15,000 of owner	
	Description:	This provision allows incurred in a single ye				
		elderly individuals in		· . •		.
		owned or leased by th	-	ies of public	unisportation	vennenes
		- ····································	1 .	ll Years (\$ in	n Millions)	
			2023	2024	2025	
	State Tax Expe	enditure	(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 million				
	_					
<u>2.2.017</u>		thods and valuation	01 400			
	Federal Statute			1	· , ,	
	Description:	This provision allows		e alternative	e inventory syste	eins to
		determine the cost of		l Years (\$ ii	Millions)	
			2023	2024	2025	
	State Tax Expe	enditure	8	9	9	
		of less than \$1 million	0	,)	

State Tax Expenditure
(m) Denotes a value of less than \$1 million

	State Tax Expe	corporate income tax	k. State Fisca	1.87 / .		
	State Tax Expe		Duite I 1900	al Years (8 1	n Millions)	
	State Tax Expe		2023	2024	2025	
			-23	-23	-24	
	(m) Denotes a value	of less than \$1 million				
<u>2.2.019</u>		foreign-derived intan	-			
	Federal Statute	/			1 50	2
	Description:	A domestic corporati				
		foreign-derived intar	•			hereafte
			2023	al Years (\$ in 2024	2025	
	State Tax Expe	nditura	35	37	36	
		of less than \$1 million		57	30	
<u>2.2.020</u>		deduction of FDIC pr				
	Federal Statute					
	Description:	The deduction for the	e applicable perc	entage of ar	E 11 D	
	_					
	-	Insurance Corporation	on ("FDIC") prei	nium paid o	r incurred by th	ne taxpa
			on ("FDIC") prei	nium paid o	r incurred by th	ne taxpa
	-	Insurance Corporation	on ("FDIC") prei xpayers with tota	nium paid o al consolidat	r incurred by the d assets of \$50	ne taxpa 0 billio
	-	Insurance Corporation is disallowed. For tax	on ("FDIC") prei xpayers with tota percentage is 10	nium paid o al consolidat 0 percent. C	r incurred by the ed assets of \$50 Otherwise, the a	ne taxpa 0 billio pplicał
	-	Insurance Corporation is disallowed. For tax more, the applicable	on ("FDIC") prei xpayers with tota percentage is 10 to of the excess of	nium paid o al consolidat 0 percent. C of total conso	r incurred by the ed assets of \$50 Otherwise, the a oblidated assets (ne taxpa 0 billio pplicat (as of ti
	-	Insurance Corporation is disallowed. For tax more, the applicable percentage is the rational statement of the statement of th	on ("FDIC") pren xpayers with tota percentage is 10 to of the excess of year) over \$10 bi	nium paid o al consolidat 0 percent. C of total conso 1lion to \$40	r incurred by the ed assets of \$50 otherwise, the a plidated assets (billion. The pro-	ne taxpa 0 billio pplicat (as of the ovision
	-	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ration close of the taxable y	on ("FDIC") pren xpayers with tota percentage is 10 to of the excess of year) over \$10 bi rs with total cons	nium paid o al consolidat 0 percent. C of total conso 1lion to \$40 solidated ass	r incurred by the ed assets of \$50 otherwise, the a plidated assets (billion. The pro-	ne taxpa 0 billio pplicat (as of the ovision
	-	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ration close of the taxable yo not apply to taxpayer	on ("FDIC") pren xpayers with tota percentage is 10 to of the excess of year) over \$10 bit rs with total const not exceed \$10	nium paid o al consolidat 0 percent. C of total conso 1lion to \$40 solidated ass	r incurred by the ed assets of \$50 Otherwise, the a bildated assets (billion. The pro- ets (as of the cl	ne taxpa 0 billio pplicat (as of the ovision
		Insurance Corporation is disallowed. For tax more, the applicable percentage is the ration close of the taxable yo not apply to taxpayer	on ("FDIC") pren xpayers with tota percentage is 10 to of the excess of year) over \$10 bit rs with total const not exceed \$10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion.	r incurred by the ed assets of \$50 Otherwise, the a bildated assets (billion. The pro- ets (as of the cl	ne taxpa 0 billio pplicat (as of the ovision
	State Tax Expe	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ration close of the taxable y not apply to taxpayer taxable year) that do	on ("FDIC") pren xpayers with tota percentage is 10 to of the excess of year) over \$10 bit rs with total const not exceed \$10 State Fisca	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ ii	r incurred by the ed assets of \$50 otherwise, the a bildated assets (billion. The pro- ets (as of the cl n Millions)	ne taxpa 0 billio pplicat (as of the ovision
		Insurance Corporation is disallowed. For tax more, the applicable percentage is the ration close of the taxable y not apply to taxpayer taxable year) that do	on ("FDIC") prei xpayers with tota percentage is 10 to of the excess of year) over \$10 bi rs with total cons not exceed \$10 State Fisca 2023	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ in 2024	r incurred by the ed assets of \$50 Otherwise, the a olidated assets (billion. The pro- ets (as of the cl n Millions) 2025	ne taxp 0 billio pplicat (as of t ovision
2,2.021	(m) Denotes a value	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do	on ("FDIC") prei xpayers with tota percentage is 10 to of the excess of year) over \$10 bi rs with total cons not exceed \$10 State Fisca 2023	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ in 2024	r incurred by the ed assets of \$50 Otherwise, the a olidated assets (billion. The pro- ets (as of the cl n Millions) 2025	ne taxpa 0 billio pplicat (as of the ovision
<u>2.2.021</u>	(m) Denotes a value of Limitation on	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do	on ("FDIC") pret xpayers with tota percentage is 10 to of the excess of year) over \$10 bit rs with total const not exceed \$10 State Fisca 2023 -10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ in 2024	r incurred by the ed assets of \$50 Otherwise, the a olidated assets (billion. The pro- ets (as of the cl n Millions) 2025	ne taxpa 0 billio pplicat (as of the ovision
<u>2.2.021</u>	(m) Denotes a value (Limitation on Federal Statute	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do enditure of less than \$1 million <u>NOL deduction</u> Pub. L. No. 115-6	on ("FDIC") prei xpayers with tota percentage is 10 to of the excess of year) over \$10 bi rs with total cons not exceed \$10 State Fisca 2023 -10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ in 2024 -10	r incurred by the ed assets of \$50 otherwise, the a bildated assets (billion. The pro- ets (as of the cl n Millions) 2025 -10	ne taxp 0 billio pplicat (as of ti ovision lose of
<u>2.2.021</u>	(m) Denotes a value of Limitation on	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do enditure of less than \$1 million <u>NOL deduction</u> Pub. L. No. 115-6 The deduction for ne	on ("FDIC") prei xpayers with tota percentage is 10 to of the excess of year) over \$10 bi rs with total cons not exceed \$10 State Fisca 2023 -10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ in 2024 -10	r incurred by the ed assets of \$50 otherwise, the a bildated assets (billion. The pro- ets (as of the cl n Millions) 2025 -10	ne taxp 0 billio pplicat (as of ti ovision lose of
<u>2.2.021</u>	(m) Denotes a value (Limitation on Federal Statute	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do enditure of less than \$1 million <u>NOL deduction</u> Pub. L. No. 115-6	on ("FDIC") pret xpayers with tota percentage is 10 to of the excess of year) over \$10 bit rs with total const not exceed \$10 State Fisca 2023 -10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ if 2024 -10	r incurred by the ed assets of \$50 otherwise, the ablidated assets (billion. The pro- ets (as of the cl n Millions) 2025 -10 to 80 percent of	ne taxp 0 billio pplicat (as of ti ovision lose of
<u>2.2.021</u>	(m) Denotes a value (Limitation on Federal Statute	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do enditure of less than \$1 million <u>NOL deduction</u> Pub. L. No. 115-6 The deduction for ne	on ("FDIC") pret xpayers with tota percentage is 10 to of the excess of year) over \$10 bit rs with total const not exceed \$10 State Fisca 2023 -10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ in 2024 -10	r incurred by the ed assets of \$50 otherwise, the ablidated assets (billion. The pro- ets (as of the cl n Millions) 2025 -10 to 80 percent of	ne taxp 0 billio pplicat (as of ti ovision lose of
<u>2.2.021</u>	(m) Denotes a value (Limitation on Federal Statute	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do enditure of less than \$1 million <u>NOL deduction</u> Pub. L. No. 115-6 The deduction for ne income.	on ("FDIC") pret xpayers with tota percentage is 10 to of the excess of year) over \$10 bit rs with total const not exceed \$10 State Fisca 2023 -10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ ii 2024 -10 es is limited al Years (\$ ii	r incurred by the ed assets of \$50 otherwise, the ablidated assets (billion. The projects (as of the clan Millions) 2025 -10 to 80 percent of a Millions)	ne taxp 0 billio pplicat (as of ti ovision lose of
<u>2.2.021</u>	(m) Denotes a value of <u>Limitation on</u> Federal Statute Description:	Insurance Corporation is disallowed. For tax more, the applicable percentage is the ratic close of the taxable y not apply to taxpayer taxable year) that do enditure of less than \$1 million <u>NOL deduction</u> Pub. L. No. 115-6 The deduction for ne income.	on ("FDIC") prei xpayers with tota percentage is 10 to of the excess of year) over \$10 bi rs with total cons not exceed \$10 State Fisca 2023 -10	nium paid o al consolidat 0 percent. C of total conso llion to \$40 solidated ass billion. al Years (\$ in 2024 -10 es is limited al Years (\$ in 2024	r incurred by the ed assets of \$50 otherwise, the abilitated assets (billion. The projects (as of the clean Millions) 2025 -10 to 80 percent of m Millions) 2025	ne taxp 0 billio pplical (as of t ovision lose of

	State Fisca	l Years (\$ i	n Millions)
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

2.2.023 Employer credit for qualified wages in connection with qualified disasters

Federal Statute	P.L. No. 116–260; IR	C Section 30	3		
Description:	This credit is equal to 40	percent of qu	ualified wag	ges with resp	ect to each
	eligible employee of such an eligible employer for a certain taxable year.				
	The amount of qualified	wages shall r	not exceed §	6,000, reduc	ed by the
	amount of qualified wag	es accounted	for in any p	prior taxable	year.
		State Fiscal	l Years (\$ in	n Millions)	
		2022	2023	2024	
State Tax Expen	nditure	(m)	(m)	(m)	

(m) Denotes a value of less than \$1 million

2.3 Special Federal Corporate Conformity Provisions

<u>2.3.001</u>	Federal Statute Description:	on like-kind exchan IRC Section 1031 When business or inv	-		
	Description:				
			<i>lestment</i> propert	v is exchang	ped for prop
	1	kind no gain or loss is			
		baid at the time of the	U	the enemang	,e una merer
	1		0	ll Years (\$ in	n Millions)
			2023	2024	2025
	State Tax Expend	liture	4	4	4
	(m) Denotes a value of				
2.3.002		r magazine, paperbac	ck book, and rec	ord returns	
	Federal Statute	IRC Section 458			
	_	Publishers and distrib	-		
		o exclude from gross			
	٤	goods that are returned		-	
				l Years (\$ in	
	Ctata Tar Errora	1:4	2023	2024	2025
	State Tax Expendence	liture	(m)	(m)	(m)
	(m) Denotes a value of	less than \$1 million			
	(m) Denotes a value of	less than \$1 million			
.3.003			g losses attributa	ble to farm	inσ
<u>.3.003</u>	Two-year carry	back for net operating	g losses attributa	ble to farm	ing
. <u>3.003</u>	<u>Two-year carry</u> Federal Statute	back for net operating IRC Section 172	-		-
<u>.3.003</u>	<u>Two-year carryl</u> Federal Statute Description:	back for net operating IRC Section 172 Current law provides	-		-
<u>.3.003</u>	<u>Two-year carryl</u> Federal Statute Description:	back for net operating IRC Section 172	a two-year carr		d for losses 1
<u>.003</u>	<u>Two-year carryl</u> Federal Statute Description:	back for net operating IRC Section 172 Current law provides	a two-year carr	yback period	d for losses 1
<u>.003</u>	Two-year carry Federal Statute Description: (f	back for net operating IRC Section 172 Current law provides Farming.	a two-year carr	yback perioo ll Years (\$ in	d for losses in Millions)
<u>.3.003</u>	<u>Two-year carry</u> Federal Statute Description: (back for net operating IRC Section 172 Current law provides Farming.	a two-year carr State Fisca 2023	yback period Il Years (\$ in 2024	d for losses in Millions)
	Two-year carry Federal Statute Description: (f <u>State Tax Expend</u> (m) Denotes a value of	back for net operating IRC Section 172 Current law provides Farming. liture less than \$1 million	a two-year carr State Fisca 2023 (m)	yback period Il Years (\$ in 2024	d for losses in Millions)
	Two-year carry Federal Statute Description: (f State Tax Expend (m) Denotes a value of <u>Special rules for</u>	back for net operating IRC Section 172 Current law provides Farming. diture less than \$1 million	a two-year carr State Fisca 2023 (m) <u>reserves</u>	yback period Il Years (\$ in 2024	d for losses in Millions)
	Two-year carry Federal Statute Description: (f State Tax Expend (m) Denotes a value of <u>Special rules for</u> Federal Statute	back for net operating IRC Section 172 Current law provides Carming. diture less than \$1 million r mining reclamation IRC Section 468 a	a two-year carry State Fisca 2023 (m) reserves and 1274	yback period Il Years (\$ in 2024 (m)	d for losses n n Millions) 2025 (m)
	Two-year carry Federal Statute Description: (f State Tax Expend (m) Denotes a value of <u>Special rules for</u> Federal Statute Description: 1	back for net operating IRC Section 172 Current law provides Farming. diture less than \$1 million <u>r mining reclamation</u> IRC Section 468 a Electing taxpayers m	a two-year carr State Fisca 2023 (m) <u>reserves</u> und 1274 ay deduct the cu	yback period Il Years (\$ in 2024 (m)	d for losses in Millions) 2025 (m) equivalent o
	Two-year carry Federal Statute Description: (f State Tax Expend (m) Denotes a value of Special rules for Federal Statute Description: [back for net operating IRC Section 172 Current law provides Farming. diture less than \$1 million r mining reclamation IRC Section 468 a Electing taxpayers m estimated future recla	a two-year carr State Fisca 2023 (m) <u>reserves</u> und 1274 ay deduct the cu	yback period Il Years (\$ in 2024 (m)	d for losses in Millions) 2025 (m) equivalent o
2 <u>.3.003</u> 2 <u>.3.004</u>	Two-year carry Federal Statute Description: (f State Tax Expend (m) Denotes a value of Special rules for Federal Statute Description: [back for net operating IRC Section 172 Current law provides Farming. diture less than \$1 million <u>r mining reclamation</u> IRC Section 468 a Electing taxpayers m	a two-year carry State Fisca 2023 (m) <u>reserves</u> und 1274 ay deduct the cu amation and close	yback period Il Years (\$ in 2024 (m) rrent value o ing costs fo	d for losses in Millions) 2025 (m) equivalent or r mining and
	Two-year carry Federal Statute Description: (f State Tax Expend (m) Denotes a value of Special rules for Federal Statute Description: [back for net operating IRC Section 172 Current law provides Farming. diture less than \$1 million r mining reclamation IRC Section 468 a Electing taxpayers m estimated future recla	a two-year carry State Fisca 2023 (m) reserves und 1274 ay deduct the cu amation and clos State Fisca	yback period l Years (\$ in 2024 (m) rrent value ing costs fo l Years (\$ in	d for losses in Millions) 2025 (m) equivalent o r mining and n Millions)
	Two-year carry Federal Statute Description: (f State Tax Expend (m) Denotes a value of Special rules for Federal Statute Description: [back for net operating IRC Section 172 Current law provides Farming. diture less than \$1 million IRC Section 468 a Electing taxpayers m estimated future recla disposal sites.	a two-year carry State Fisca 2023 (m) <u>reserves</u> und 1274 ay deduct the cu amation and close	yback period Il Years (\$ in 2024 (m) rrent value o ing costs fo	d for losses in Millions) 2025 (m) equivalent or r mining and

	State Fisca	l Years (\$ i	n Millions)
	2023	2024	2025
State Tax Expenditure	4	4	4
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

2.3.006 Deferral of gain on non-dealer installment sales Federal Statute IRC Sections 453 and 453A(b) **Description:** Some taxpayers are allowed to report some sales using the installment method of accounting in which the gross profit from the sale is prorated over the years during which the payments are received. State Fiscal Years (\$ in Millions) 2023 2024 2025 State Tax Expenditure 21 22 23 (m) Denotes a value of less than \$1 million 2.3.007 Completed contract rules Federal Statute **IRC Section 460 Description:** Some taxpayers with construction or manufacturing contracts extending for more than one tax year are allowed to report some or all of the profit on the contracts under special accounting rules rather than the normal rules of tax accounting. State Fiscal Years (\$ in Millions) 2023 2024 2025 5 5 5 State Tax Expenditure (m) Denotes a value of less than \$1 million Special treatment of employee stock ownership plans (ESOPs) (includes deferral of tax on 2.3.008 certain employee stock plans) Federal Statute IRC Sections 401(a)(28), 404(a)(9), 404(k), 415(c)(6), 512(e), 1042, 497(e)(7), 4975(d)(3), 4978, 4979A **Description:** ESOPs are provided special tax treatment. Employer contributions may be deducted as a business expense. In addition, some contributions are subject to less restrictive limits than contributions to other employee benefit plans. Tax on qualified employee stock purchase plans are not taxed when granted or excised. Tax is deferred until stock is sold. State Fiscal Years (\$ in Millions) 2023 2024 2025 State Tax Expenditure 7 6 7

(m) Denotes a value of less than \$1 million

<u>2.3.0</u>09 Deferral of capital construction costs of shipping companies

Federal Statute **IRC Section 7518 Description:** U.S. operators of vessels in foreign, or domestic commerce of the U.S., or in U.S. fisheries, may establish a capital construction fund into which they may make certain tax deductible deposits. In addition, the earnings on the deposits are tax deferred.

	State Fisca	l Years (\$ i	n Millions)
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

2.3.010 **Qualified Opportunity Zones**

PL 115-97: IRS 1400Z-1 Federal Statute

Description: A qualified opportunity fund is an investment vehicle organized as a corporation or a partnership for the purpose of investing in qualified opportunity zone property that holds at least 90 percent of its assets in qualified opportunity zone property. Qualified opportunity zone property includes any qualified opportunity zone stock, any qualified opportunity zone partnership interest, and any qualified opportunity zone business property. Certain low-income community population census tracts may be designated as qualified opportunity zones by the chief executive officer of the state (which includes the District of Columbia). State Fiscal Vears (\$ in Millions)

	State Fisca	i i ears (\$ i	n winnons)
	2023	2024	2025
State Tax Expenditure	7	7	(m)
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

2.3.011 Expensing rules for certain productions

Federal Statute **IRC** Section 181

Description: A taxpayer may elect to treat the cost, up to a maximum of \$15 million (\$20 million in some areas) for any production, of any qualified film, television, or live theatrical production commencing production prior to Jan. 1, 2026, as an expense which is not chargeable to a capital account. Any cost so treated shall be allowed as a deduction.

	State Fisca	l Years (\$ ii	n Millions)
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

Special rules for interest-charge domestic international sales corporations (IC-DISC) 2.3.012 Federal Statute IRC Sections 991-997

Description: Shareholders of Interest-Charge Domestic International Sales Corporation are taxed only once. IC-DISC shareholders may defer up to \$10 million annually that is attributable to qualified export sales. An interest charge is imposed on shareholders based on the distribution that would have occurred had deferral not been elected.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	10	10	8
(m) Denotes a subset of last them $(1, m)$			

(m) Denotes a value of less than \$1 million

2.4 Corporate Apportionment

Discussed below are three issues relating to corporate apportionment that can be considered tax expenditures because they are deviations from the traditional formula of corporate apportionment and result in a benefit to some taxpayers. No estimate of the value of these expenditures is available at this time.

2.4.001 Single-Factor Apportionment

The traditional apportionment formula calculates corporate income tax liability of multi-state corporations based on the ratio of company property, payroll, and gross receipts in Georgia to all other states. This three-factor formula applies an equal weight of 33.33 percent to each ratio and was used in Georgia until the mid-2000s. Beginning in 2008, Georgia transitioned to a single-factor apportionment formula wherein firms determine state tax liability based solely on the ratio of Georgia receipts to total receipts. Products that are shipped or delivered to customers in Georgia are subject to the Georgia corporate tax, while sales negotiated or delivered to customers outside of Georgia are excluded. The only exception is for airline companies that ship passengers and cargo across state lines. Instead of using the single factor approach, income generated through these businesses is taxed by a three-factor formula as a ratio of Georgia activity to total activity. The formula weighs revenue air miles traveled at 25 percent, tons handled by aircraft at 25 percent, and originating passenger and cargo revenue at 50 percent. The single-factor formula benefits firms that have manufacturing presence in one state but significant sales outside of the state. Firms that are located and operate in a single state are not affected by the apportionment formula.

2.4.002 Throwback Rule

Under a throwback rule, out-of-state sales from a corporation are taxed by the state of origin if the corporation has no nexus in the destination state. 20 states, including Washington D.C., have a throwback rule. Georgia, Alabama, North Carolina, Florida, Tennessee, South Carolina, and Virginia do not, but Mississippi does. An alternative rule is the "throw-out rule," which eliminates sales to non-nexus states from both the numerator and denominator of the corporate apportionment formula. Only two states—Louisiana and Maine—have a throw-out rule.

2.4.003 Corporate Receipts Sourcing

Georgia is among 31 states, including Washington D.C., that use the single sales factor method (i.e., a 100-percent sales factor). This creates a destination-based corporate income tax system. Under this approach, corporations pay taxes based on the state in which their products are sold, not where production takes place. This rule applies to the sale of tangible property. When considering apportionment for services provided across state lines, Georgia employs a market-based sourcing rule. At the present, there is no consensus between the states on how to define a "market" for the purpose of implementing this rule but, in general, it means that services will be

taxed based on the state in which the customer receives the benefit. The rule is meant to apply a consistent destination-based treatment to services when compared to tangible goods.

Corporate apportionment expenditures for which an estimate is not currently available

Expenditure	Statute	Summary	
2.4.001	N/A	Single-factor Apportionment	
2.4.002	N/A	Throwback Rule	
2.4.003	N/A	Corporate Receipts Sourcing	

2.5 Georgia Deductions and Exclusions

<u>2.5.003</u>	Exclusion of global intangible low-taxed income (GILTI)						
	Statute		§48-7-21				
	Year Enacted		2018	2018			
	Year Effective		2018				
	Data Source		Estimates of F	ederal Tax	x Expenditu	res for Fisca	l Years 2020-
			2024, Joint Co	ommittee o	n Taxation,	U.S. Congre	ess
	Estimate Relia	bility	Class B				
	Data Reliability	у	Class B				
	Note						
	Description:	taxation in S returns reali in low-tax a taxable inco 37.5 percen GILTI.	ngible low-taxed Section 951A of ized by U.S. sha treas outside of t ome net of a 50 p t deduction there S	the Intern reholders the United percent dece eafter. Geo	al Revenue from contro States. GIL luction in ta	Code of 198 lled foreign TI is includa ax years 2013 ot tax any po	36 as excess corporations able in federal 8-25 and a
	State Tax Expe			205	222	240	
	(m) Denotes a value of less than \$1 million						

Corporate income tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary	
2.5.001	§48-7-21	Interest on obligations of United States	
2.5.002	§48-7-21	Exception to intangible expenses and related interest cost	

2.6 Georgia Credits

2.6.001	<u>Georgia Job T</u>	Tax Credit	
	Statute		§48-7-40 and §48-7-40.1
	Year Enacted		§48-7-40: 1989; §48-7-40.1: 1993
	Year Effective		§48-7-40: Taxable years beginning on or after January 1,
			1990; §48-7-40.1: Taxable years beginning on or after
			January 1, 1994.
	Data Source		DOR data as of 2021 and Office of Insurance and Safety Fire
			Commissioner
	Estimate Relial	bility	Class A
	Data Reliability	У	Class A
	Note		The same estimate is provided in the individual income tax
			and insurance premium tax sections, see 1.6.012 and 5.00200.
			In 2018, the qualifying areas were expanded to include
			counties with military bases and industrial parks that are
			owned and operated by a government entity.
	Description:		rovides a statewide job tax credit to any business or
		-	s engaged in manufacturing, warehousing and distribution,
			telecommunications, broadcasting, tourism, or research and
		·	t. Retail establishments are only allowed the credit if located in
			0 least-developed counties of the state. Average wages must be
			the average wage of the county in the state with the lowest
			ge. To be eligible, employers must offer health insurance to all
			rees. It also provides a tax credit for business enterprises
		-	as operating in less-developed areas. These include areas with
			contiguous census tracts with higher than 15 percent poverty
			s with both a military base and a government owned and
		operated ind	lustrial park.
			State Fiscal Years (\$ in Millions)

	State Fisca	al Years (\$ 11	n Millions)
	2023	2024	2025
Income Tax Expenditure	83	88	91
Corporate Income Tax Expenditure	130	138	143
Insurance Premium Tax Expenditure	4	4	5
State Tax Expenditure	217	230	239

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

Quality Jobs Tax Credit	
Statute	§48-7-40.17
Year Enacted	2009
Year Effective	Taxable years beginning on or after January 1, 2009
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	This statute was modified in 2017 allowing taxpayers to
	establish subsequent job creation periods for a qualified
	project. The same estimate is provided in the individual
	income tax section, see 1.6.013.
Description: This credit	is for employers creating new high-wage jobs or relocating
high-wage j	jobs into the state. A quality job or high-wage job has 30 hours a
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: This credit

week of regular work, a job that is not already located in Georgia, and pays at or above 110 percent of the average wage of the county in which it is located.

	State Fisca	al Years (\$ in	n Millions)
	2023	2024	2025
Income Tax Expenditure	2	2	2
Corporate Income Tax Expenditure	102	106	109
State Tax Expenditure	103	107	111

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.003	New Facilities	Jobs Credit				
	Statute		§48-7-40.24			
	Year Enacted		2003			
			Latest modif on or after Ju		ffective for	r taxable years beginning
	Data Source		Fiscal note for	or HB 587 LO	C 43 2010S	for 2021
	Estimate Reliab	oility	NA			
	Data Reliability	7	NA			
	Note		The same est section, see 1	•	vided in the	individual income tax
	Description:	This provision	on provides for a credit of \$5,250 per year per qualified new job			
	-	-	-		-	job and payroll
		maintenance	e requirements	. After Decei	mber 31, 20	026, new jobs for any one
		qualified project will be limited to 4,500. For business enterprises that first			ness enterprises that first	
		qualify in a	taxable year b	eginning on o	or after Jan	uary 1, 2009, the business
		enterprise m	ust meet the j	ob creation re	equirement	of 1,800 eligible new
		full-time em	ployees and e	ither the qual	ified invest	tment requirement of
		\$450 millior	n in qualified i	nvestment pr	operty, or	the payroll requirement of
		\$150 millior	n in total annu	al Georgia W	-2 reported	l payroll within the six-
		year period,	subject to exte	ension under	certain cor	iditions.
				State Fiscal	Years (\$ in	Millions)
				2023	2024	2025
	State Tax Expe	nditure		Estimate con	mbined wit	h 2.6.001
	(m) Denotes a value of	of less than \$1 mill	lion			

(m) Denotes a value of less than \$1 million.

2.6.004 New Manufacturing Facilities Property Credit

Statute	C	§48-7-40.24
Year Enacted		2003
Year Effective		Latest modifications are effective for taxable years beginning on or after July 1, 2021
Data Source		Fiscal note for HB 587 LC 43 2010S for 2021
Estimate Reliab	oility	NA
Data Reliability	7	NA
Note		Utilization of this credit resulting from known or anticipated projects is expected to be material, but not within the time horizon of this report; see fiscal note.
		The same estimate is provided in the individual income tax section, see 1.6.015.
Description:	facility in th	icentive for a manufacturer who has operated a manufacturing is state for at least 3 years and who spends \$800 million on a acturing facility in this state, subject to a job requirement of

1,800 full-time employees. The credit is equal to 6 percent of the cost of all qualified investment property purchased or acquired, up to \$50 million with respect to any one project. For qualified high-impact aerospace defense projects certified on or after July 1, 2021, the maximum credit for any one project is increased to \$100 million and the taxpayer may begin claiming credits once investment and job thresholds of \$500 million and 1,000, respectively, are reached.

	State Fiscal Years (\$ in Millions		
	2023	2024	2025
State Tax Expenditure	0	0	0

(m) Denotes a value of less than \$1 million.

<u>2.6.005</u>	Manufacturer's Investment Tax Credit						
	Statute		§§48-7-40.2, 48-7-40.3, and 48-7-40.4				
	Year Enacted		1994				
	Year Effective		Taxable ye	ars beginning	g on or after	January 1, 1	994
	Data Source		DOR data a	as of TY 202	1		
	Estimate Relia	bility	Class B				
	Data Reliabilit	у	Class A				
	Note		The same e	stimate is pro	ovided in the	e individual	income tax
			section, see	1.6.016.			
	Description:	For tax years	s beginning	on or after Ja	nuary 1, 202	20, the taxpa	yer must
		invest a mini	imum of \$10	00,000 per pr	oject per loc	cation during	the tax year
		to receive cre	edit, up fron	n a \$50,000 n	ninimum in	prior years.	Eligible
		taxpayers mu	ust be in operation for the immediately preceding three years.				
		Property leas	sed for a per	iod of five ye	ears or longe	er is eligible	for the credit.
	State Fiscal Years (\$ in Millions)						
				2023	2024	2025	
	Income Tax Ex	penditure		7	8	9	
	Corporate Inco	me Tax Exper	nditure	47	52	57	
	State Tax Expe	enditure		54	60	66	
	(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding						

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.006 Optional Investment Tax Credit

Statute	§§48-7-40.7, 48-7-40.8, and 48-7-40.9
Year Enacted	1995
Year Effective	Taxable years beginning on or after January 1, 1996.
Data Source	DOR data as of TY 2021
Estimate Reliab	bility Class A
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax
	section, see1.6.017.
Description:	An alternative investment tax credit available for investments in
	manufacturing or telecommunications facilities or support facilities that
	have been operating for the three immediately preceding years. The credit is
	available for investments in excess of \$5 million and placed in service no
	earlier than January 1, 1996, for tier 1 counties. The investment threshold is
	\$10 million for tier 2 counties and is \$20 million for tier 3 and 4 counties.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	1	2	2
Corporate Income Tax Expenditure	1	1	1
State Tax Expenditure	2	2	3

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.007 Port Activity Tax Credit

Statute	§48-7-40.15			
Year Enacted	1998			
Year Effective	Latest modifications apply to taxable years beginning on or after January 1, 2010			
Data Source	DOR data as of TY 2021			
Estimate Relial				
Data Reliability	Class A			
Note	Estimate combined with 2.6.008. The same estimate is			
	provided in the individual income tax section, see 1.6.018.			
Description:	Businesses or the headquarters of any such businesses engaged in			
	manufacturing, warehousing and distribution, processing,			
	telecommunications, broadcasting, tourism, or research and development			
	that have increased shipments out of Georgia ports during the previous 12-			
	month period by more than 10 percent, based on a comparison of the			
	previous 12-month period to the second preceding 12-month period, are			
	qualified for increased job tax credits or investment tax credits.			
	State Fiscal Years (\$ in Millions)			
	2022 2024 2025			

	2023	2024	2025
Income Tax Expenditure	0	0	0
Corporate Income Tax Expenditure	6	6	6
State Tax Expenditure	6	6	6

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.008 Alternative Port Activity Tax Credit

000		1011001109 10	
	Statute		§48-7-40.15A
	Year Enacted		2009
	Year Effective		2009
	Data Source		DOR data as of TY 2021
	Estimate Reliab	oility	Class A
	Data Reliability	/	Class A
	Note		Estimate combined with 2.6.007. The same estimate is
			provided in the individual income tax section, see 1.6.019.
	Description:	Credit is allo	owed to any business enterprise located in a tier 2 or 3 county or
		in a less dev	eloped area and which qualifies and receives the Jobs Tax
		Credit and w	vhich;
		1. Consists of	of a distribution facility of greater than 650,000 square feet in
		operation in	this state prior to December 31, 2008;
		2. Distribute	s product to retail stores owned by the same legal entity or its
		subsidiaries	as such distribution facility; and
		3. Has a mir	imum of eight retail stores in this state in the first year of
		operations.	

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	Estimate c	combined w	ith 2.6.007
(m) Demotes a subset of less them $(1, m)$			

(m) Denotes a value of less than \$1 million.

2.6.009	Film Tax Cred	<u>lit</u>					
	Statute		§48-7-40.26	5			
	Year Enacted		2005				
	Year Effective		Taxable yea	rs beginning	g on or after	January 1, 20	005
	Data Source		DOR data a	s of TY 202	1		
	Estimate Reliab	oility	Class B				
	Data Reliability	1	Class A				
	Note		The same es	stimate is pro	ovided in the	e individual i	ncome tax
			section, see	1.6.020. Tax	credit prov	visions applic	able to
			qualified int	teractive ente	ertainment p	production co	mpanies were
			modified in	2015.			
	Description:		companies wl				
		-	s in a state-ce	-	-		
			n must be app	-			
			evelopment.	-		U	
			ded to interac				
			ns to this statu				
		entertainmen	nt production				ited.
					l Years (\$ ii	,	
				2023	2024	2025	
	Income Tax Ex	^		427	484	648	
	Corporate Incon	me Tax Expe	nditure	246	279	373	
				(= 2	= < 0	1 0 0 1	

State Tax Expenditure673763(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding 763

<u>2.6.010</u>	Research Tax	<u>Credit</u>			
	Statute		§48-7-40.12		
	Year Enacted		1997		
	Year Effective		Taxable years beginning on or after January 1, 1998		
	Data Source		DOR data as of TY 2021		
	Estimate Reliab	oility	Class A		
	Data Reliability	7	Class A		
	Note		The same estimate is provided in the individual income tax		
			section, see 1.6.021.		
	Description:	This credit i	s for expenses resulting from research conducted in Georgia by		
		businesses e	ngaged in manufacturing, warehousing and distribution,		
	processing, telecommunications, tourism, or research and development				
		industries. A tax credit is allowed provided that the business enterprise for			
		the same taxable year claims and is allowed a research credit under Section			
		41 of the Int	ernal Revenue Code of 1986, as amended.		

1,021

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	27	30	34
Corporate Income Tax Expenditure	206	230	256
State Tax Expenditure	233	260	290
		1.	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.011 Seed-Capital Fund Credit

Statute	
Year Enacted	2008
Year Effective	Applicable to investments made on or after July 1, 2008
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax section, see 1.6.022.

Description: This provides a tax credit for certain qualified investments made on or after July 1, 2008, in a research fund, the purpose of which is to provide earlystage financing for businesses formed as a result of research conducted in Georgia's research universities.

	State Fisca	al Years (\$ in	n Millions)
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	(m)	(m)	1
(m) Denotes a value of less than \$1 million Numbers	may not sum due to	rounding	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>2.6.012</u> **Oualified Health Insurance Expense Credit**

Quanneu Hea	aun msurance	Expense Cred	<u>IL</u>			
Statute		§48-7-29.13				
Year Enacted		2008				
Year Effective		Taxable year	s beginning	g on or after	January 1, 2	2009
Data Source		DOR data as	of TY 202	1		
Estimate Relia	bility	Class A				
Data Reliabilit	У	Class A				
Note		The same est	imate is pro	ovided in the	e individual	income tax
		section, see 1	.6.023.			
Description:	Employer cr	edit for the pro	emiums pai	d for a high	-deductible	health plan.
	Employers r	nust employ 5	0 or fewer	persons for	whom the er	nployer
	provides hig	h-deductible h	ealth plans	as defined	by Section 2	23 of the
	Internal Rev	enue Code and	d in which	such employ	vees are enro	olled. The
	qualified hea	alth insurance	must be ma	de available	e to all empl	oyees and
	compensated	l individuals o	f the emplo	oyer pursuar	it to the appl	icable
	provisions o	f Section 125	of the Inter	nal Revenue	e Code. The	qualified
	health insura	ince premium	expense m	ust equal at	least \$250 a	nnually.
			State Fisca	l Years (\$ in	n Millions)	
			2023	2024	2025	
Income Tax Ex	penditure		(m)	(m)	(m)	
Corporate Inco	me Tax Exper	nditure	(m)	(m)	(m)	
State Tax Expe	enditure		(m)	(m)	(m)	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.015 **Business Enterprise Vehicle Credit** Statute §48-7-40.22 Year Enacted 2001 Year Effective Taxable years beginning on or after January 1, 2002. DOR data as of TY 2021 Data Source **Estimate Reliability** Class A Data Reliability Class A The same estimate is provided in the individual income tax Note section, see 1.6.026. **Description:** This is a credit given to a business enterprise for the purchase of a motor

Description: This is a credit given to a business enterprise for the purchase of a motor vehicle that is used exclusively to provide transportation for its employees. To qualify, a business enterprise must certify that each vehicle carries an average daily ridership of not less than four employees for an entire taxable year.

	State Fiscal	Years (\$ in	n Millions)
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
		1'	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.016 Employer's credit for providing or sponsoring child care for employees, and employer's credit for purchasing child-care property

edit for purchasing child-care property		
	§48-7-40.6	
	1994 & 1999	
	Credit for cost of operation: taxable years beginning on or after January 1, 1994. Credit for cost of qualified child-care property: taxable years beginning on or after January 1, 2000.	
	DOR data as of TY 2021	
oility	Class B	
7	Class A	
	The same estimate is provided in the individual income tax section, see 1.6.027.	
providing or	s provided to employers based on their expenses related to sponsoring child-care for their employees' children and for the qualified child-care property.	
	vility This credit i providing or	

	State Fiscal Years (\$ in Millions)		n Millions)
	2023	2024	2025
Income Tax Expenditure	6	6	7
Corporate Income Tax Expenditure	13	13	14
State Tax Expenditure	19	20	20

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.017 Low-Income Housing Credit

§48-7-29.6
2000
Taxable years beginning on or after January 1, 2001.
DOR data as of TY 2021
Class B

Data Reliabilit	y Class A				
Note	The same e	estimate is pro	ovided in th	e individual	income tax
	and insurar	nce premium	tax sections	, see 1.6.028	and 5.00700.
Description:	This is a credit against C	Beorgia incon	ne and insur	ance premiu	m taxes for
	owners of rental housing	g qualifying f	or the federa	al low-incom	housing tax
	credit and that are placed	d in service o	n or after Ja	nuary 1, 200	1.
		State Fisca	al Years (\$ in	n Millions)	
		2023	2024	2025	
Income Tax Ex	spenditure	107	120	132	
Corporate Inco	me Tax Expenditure	25	28	31	
Insurance Pren	nium Tax Expenditure	211	229	252	

377

415

State Tax Expenditure344377(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

<u>2.6.018</u>	Historic	Rehabilitation	Credit
	Chatrata		810 7

Statute		§48-7-29.8	
Year Enacted		2002	
Year Effective		Taxable years beginning on or after January 1, 2004	
Data Source		DOR data as of TY 2021 and Fiscal Note for HB 469 LC 43	
		2035S (2021)	
Estimate Reliab	oility	Class B	
Data Reliability	7	Class B	
Note		The same estimate is provided in the individual income tax	
		section, see 1.6.029. This provision expires December 31,	
		2022.	
Description:	A credit is p	rovided based on expenses related to the certified rehabilitation	
	of a certified	l structure or historic home. Standards set by the Georgia	
	Department of Natural Resources must be met. A \$25 million per calendar		
	year aggregate cap applies to projects earning more than \$300,000 in		
credits. The credit was modified in 2015 to allow unused credits to be		credit was modified in 2015 to allow unused credits to be	
	assigned or sold to other taxpayers. Further modifications in 2021 applied a		
	\$5 million per calendar year cap on smaller projects and added a sunset da		
	for the credi	t of December 31, 2022.	
		State Fiscal Years (\$ in Millions)	

	State Fisca	ii ieais (p ii	n winnons)
	2023	2024	2025
Income Tax Expenditure	21	18	20
Corporate Income Tax Expenditure	9	7	8
State Tax Expenditure	30	26	29

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.020	Low- and Zero-emission Vehicle and	nd Charger Credit

Statute	§48-7-40.16
Year Enacted	1998
Year Effective	Taxable years beginning on or after January 1, 1998
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax section, see 1.6.031.

This credit applies to the purchase or lease of an electric vehicle charger **Description:**

and to the conversion of a standard vehicle to a low- or zero-emission vehicle.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.021 Land Conservation Credit

Statute	§48-7-29.12
Year Enacted	2006
Year Effective	Taxable years beginning on or after January 1, 2006
Data Source	DOR data as of TY 2021
Estimate Reliability	Class B
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax
	section, see 1.6.032.

Description: This provides for an income tax credit for the qualified donation of real property that qualifies as conservation land pursuant to Chapter 22 of O.C.G.A. Title 36. This credit was modified in 2015 such that the aggregate value of credits awarded under this provision cannot exceed \$30 million per year and no new credit applications will be accepted after December 31, 2021.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
Income Tax Expenditure	2	2	2	
Corporate Income Tax Expenditure	0	0	0	
Insurance Premium Tax	0	1	2	
State Tax Expenditure	2	3	4	
	2	3	4	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.024 Employer's Credit for Approved Employee Retraining

Statute	§48-7-40.5
Year Enacted	1994
Year Effective	Latest modifications are effective for taxable years beginning on or after January 1, 2009
Data Source	DOR data as of TY 2021
Estimate Relia	ility Class A
Data Reliabilit	Class A
Note	The same estimate is provided in the individual income tax
	section, see 1.6.035.
Description:	The tax credit reimburses employers for the cost of providing retraining services to their employees. As of January 1, 2009, retraining programs shall not include any retraining on commercially mass-produced software packages for word processing, data base management, presentations, spreadsheets, e-mail, individual information management, or computer operating systems except a retraining tax credit shall be allowable for those providing support or training on such software.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	22	23	25
Corporate Income Tax Expenditure	34	36	38
State Tax Expenditure	56	59	62

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

Qualified Education Expense Credit 2.6.025

Quantita Baaraan Bir	
Statute	§48-7-29.16
Year Enacted	2008
Year Effective	Taxable years beginning on or after January 1, 2008
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax
	section, see 1.6.036.

Description: This provides a tax credit for donations made by taxpayers to a student scholarship organization which are used for tuition and fees for a qualified school or program. Annual cap increased to \$100 million effective January1, 2019.

	State Fiscal Years (\$ in Millions			
	2023	2024	2025	
Income Tax Expenditure	78	84	87	
Corporate Income Tax Expenditure	22	24	25	
State Tax Expenditure	100	108	112	
(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding				

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.027 Energy-Efficient or Water-Efficient Equipment Credit

Statute		§48-7-40.29	
Year Enacted		2010	
Year Effective		January 1 of the year following the year in which federal	
		funds for this program are made available and received by the	
		state	
Data Source		DOR data as of TY 2020	
Estimate Relia	bility	Class A	
Data Reliability	У	Class A	
Note		The same estimate is provided in the individual income tax	
		section, see 1.6.038.	
Description:	This tax cre	dit applies to taxpayers who purchase energy-efficient and	
	water-conse	rvation equipment. The value of the credit is equal to 25 percent	
	of the cost of	of the qualified equipment or \$2,500, whichever is less. The	
	credit is onl	y available for those tax years in which federal funds are made	
	available to the state for this purpose. Given no federal funding, the state		
	revenue effe	ect is zero.	
		State Fiscal Years (\$ in Millions)	
		2023 2024 2025	
	1.		

	State Fisea	n rears (\$ n	in winnons)
	2023	2024	2025
Income Tax Expenditure	0	0	0
Corporate Income Tax Expenditure	0	0	0
State Tax Expenditure	0	0	0

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.030	Tax credit for existing business enterprises undergoing qualified business expansion				
	Statute	§48-7-40.21			
	Year Enacted	2001			
	Year Effective	Latest modifications are applicable to tax years beginning on			
	or after January 1, 2008				
	Data Source DOR data as of TY 2021				
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	NoteThe same estimate is provided in the individual income ta section, see 1.6.041.Description:This credit applies to businesses that create at least 500 new full-time j within a taxable year.				

	State Fiscal Years (\$ in Millions)				
	2023	2024	2025		
State Tax Expenditure	Estimate c	Estimate combined with 2.6.002			

(m) Denotes a value of less than \$1 million.

2.6.032	Bank Tax Cre	dit					
	Statute		§48-7-29.7				
	Year Enacted		2000				
	Year Effective		2001				
	Data Source		DOR data as	s of TY 2021	l and IBISV	Vorld industry	v forecasts
	Estimate Reliab	oility	Class B				
	Data Reliability	y	Class A				
	Note		The same es	stimate is pro	ovided in the	e individual ir	ncome tax
			section, see	1.6.043.			
	Description:	· ·				edit against th	
			• •			nt of business	
		•	governments	s and any spe	ecial state o	ccupation taxe	es paid to the
	state.						
					l Years (\$ ii		
				2023	2024	2025	
	Income Tax Expenditure Corporate Income Tax Expe			3	3	3	
			nditure	61	63	63	
	State Tax Expenditure			64	66	66	
	(m) Denotes a value	of less than \$1 mil	lion. Numbers may	y not sum due to	rounding		
2.6.033	Employer tax	credit for hiri	ng qualified r	narolees			
<u> 2:0:055</u>	Statute	creatt for him	§48-7-40.31				
	Year Enacted		2016				
	Year Effective		2016				
	Data Source		DOR data a	s of TY 2021	1		
	Estimate Reliab	oility	Class A				
	Data Reliability	•	Class A				
	Note		The same es	stimate is pro	ovided in the	e individual ir	ncome tax
	section, see 1.6.044. This credit expired for new hires January					nires January	
		1, 2020; remaining carryforwards expire if unused by January					
			1, 2024.	- •		_	
	Description: For new hires made on or after January 1, 2017, and before January 1,						

Description: For new hires made on or after January 1, 2017, and before January 1, 2020, an employer that employs a qualified parolee in a full-time job for at

888888	r					
credit in the amount of \$	credit in the amount of \$2,500 per year for each qualified parolee.					
	State Fiscal Years (\$ in Millions)					
	2023	2024	2025			
Income Tax Expenditure	(m)	0	0			
Corporate Income Tax Expenditure	(m)	0	0			
State Tax Expenditure	(m)	0	0			

least 40 weeks during a 12-month period shall be eligible for an income tax

State 1 ax Expenditure(m)0(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.034 Income Tax Credit for Contributions to Rural Health Care Organizations

Statute		§48-7-29.20
Year Enacted		2016
Year Effective		2017
Data Source		DOR data for 2021
Estimate Relia	bility	Class A
Data Reliabilit	у	Class A
Note	-	This statute was modified in 2017 and 2018 to increase
		taxpayer limitations and the credit rate, modify the aggregate
		state cap, and extend the expiration. This statute was modified
		again in 2019 to extend the expiration. The same estimate is
		provided in the individual income tax section, see 2.6.034.
Description:	An individu	al taxpayer shall be allowed an income tax credit equal to a
	maximum o	f \$5,000 for an individual filing a single return or \$10,000 for
	joint returns	. A corporation or other entity shall be allowed an income tax
	credit equal	to a maximum of 75 percent of the corporation's income tax
	liability. Th	e aggregate amount of credits cannot exceed \$60 million in any
	year. The pr	ovision expires December 31, 2024.
	-	State Fiscal Years (\$ in Millions)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	59	66	41
Corporate Income Tax Expenditure	7	7	5
State Tax Expenditure	65	73	46

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

Revitalization Zone Tax Credit 2.6.035

	Kevitalization Z	lone Tax Cit	
	Statute		§48-7-40.32
	Year Enacted		2017
	Year Effective		Taxable years beginning on or after January 1, 2018.
	Data Source		DOR data for 2021
	Estimate Reliabil	ity	Class B
	Data Reliability		Class A
	Note		The same estimate is provided in the individual income tax
			section, see 1.6.046.
	Description:	The statute in	ncludes three credits intended to promote the revitalization of
	V	vacant rural	Georgia downtowns. The first allows certified entities to claim
	an annual tax credit for five consecutive years of \$2,000 per qualified		
	employee but not to exceed \$40,000 per taxable year for any taxpayer.		
second provides for a credit equal to 25 percent of the purchase price of			des for a credit equal to 25 percent of the purchase price of
	(ualified pro	perty up to an amount equal to \$125,000 per project. The third

qualified property up to an amount equal to \$125,000 per project. The third provides for a tax credit of 30 percent of qualified rehabilitation expenses

		but not to exc	eed \$150,00	0 per projec	ct.		
				State Fisca	ll Years (\$ in		
				2023	2024	2025	
	State Tax Expe			(m)	(m)	1	
	(m) Denotes a value	of less than \$1 millio	n.				
2.6.036	Georgia Musi	cal Investment	Tax Credit				
	Statute		§48-7-40.33				
	Year Enacted		2017				
	Year Effective	r	Faxable year	rs beginning	g on or after	January 1, 20	18
	Data Source		DOR data as			•	
	Estimate Relia	bility (Class C				
	Data Reliabilit	y (Class A				
	Note	- -	The same es	timate is pro	ovided in the	e individual in	come tax
			section, see				
	Description:	This income t	ax credit is e	equal to 15	percent of qu	alified produ	ction
		expenditures of	of a musical	or theatrica	l performant	ce, or a record	led musical
		performance i	ncorporated	into or syn	chronized w	ith a movie, te	elevision, or
		interactive en					
		may be allowed				or tier 2 count	ies. This
		credit was rep	ealed effect	•			
					ll Years (\$ in		
				2023	2024	2025	
	State Tax Expe			(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 millio	n.				
2.6.037	Public Educat	tion Innovation	Fund Tax C	redit			
2101001	Statute		§48-7-29.21	<u>roun</u>			
	Year Enacted		2017				
	Year Effective			rs beginning	g on or after	January 1, 20	18.
	Data Source		•		-	Note for HB	
		-	7049S (2017	')			
	Estimate Relia		Class C	,			
	Data Reliabilit		Class A				
	Note	- -	The same es	timate is pro	ovided in the	e individual in	come
			section, see				
	Description:	This income t	ax credit is o	equal to con	tributions to	a qualified P	ublic
		Education Inn	ovation Fur	d. The valu	e of the cred	it varies by po	ersonal
		income filing					
		credit equal to					
		aggregate amo			•	ay not exceed	\$5 million.
		This credit ex	pires Decen				
					ll Years (\$ in		
				2023	2024	2025	
	Income Tax Ex			(m)	(m)	(m)	
		me Tax Expend	liture	(m)	(m)	(m)	
	State Tax Expe	enditure	N 1	1	<u>(m)</u>	(m)	

 State Tax Expenditure
 I
 (m)

 (m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.038	Agribusiness Tax Credit							
	Statute		\$33-1-25					
	Year Enacted Year Effective		2017	2017				
			Taxable ye	ars beginning	g on or after	January 1, 2	2018	
	Data Source		DOR data a	as of TY 202	1 and Office	e of Insuranc	e and Safety	
			Fire Comm	issioner				
	Estimate Reliab	oility	Class B					
	Data Reliability	1	Class B					
	Note		The same e	stimate is pro	ovided in the	e individual	income and	
			insurance p	premium tax s	sections, see	1.6.049 and	5.00900.	
	Description:	This income	e tax credit is to establish qualified low-income community rural					
	-			nds and tax credits. The credit amount is 15 percent of the				
		eligible inves	stment per y	ear beginning	g in the third	d year after t	he investment	
	is made and continuing through the sixth year, for a total credit equal to 60			it equal to 60				
		percent of the	e eligible in	vestment. The	e credit is n	onrefundable	e and may not	
		be sold, but r	nay be carri	ed forward in	ndefinitely.	The amount	of credits	
		available is s	ubject to a c	cumulative ca	p of \$100 n	nillion.		
	State Fiscal Years (\$ in Millions)							
				2023	2024	2025		
	Income Tax Ex	penditure		1	1	1		
	Corporate Incon	me Tax Expen	diture	4	3	2		
	Insurance Prem	ium Tax Expe	enditure	9	9	9		
	State Tax Expe	nditure		14	13	12		

(m) Denotes a value of less than \$1 million.

2.6.039 Railroad Track Maintenance Tax Credit

x mannenane	<u>e Tax cicun</u>			
	§48-7-40.34			
	2018			
	2019			
	Fiscal Note for LC 39 2856 (2021)			
oility	Class C			
7	Class B			
	The same estimate is provided in the individual income tax			
	section, see 1.6.050.			
This income	tax credit is based on maintenance expenditures related to			
railroad trac	k owned or leased by Class III railroads. The credit equals			
50 percent of railroad track maintenance expenditures, subject to a				
maximum credit of \$3,500 per track mile per year. In addition to Class III				
railroads, persons transporting property using a Class III railroad's facilities				
or persons furnishing railroad-related property or services to a Class III				
railroad are eligible for the credit with respect to maintenance of their				
assigned track miles. This credit expires December 31, 2026.				
-	State Fiscal Years (\$ in Millions)			
	2023 2024 2025			
	This income railroad trac 50 percent o maximum c: railroads, pe or persons fi railroad are			

	2023	2024	2025
State Tax Expenditure	6	9	9
(m) Denotes a value of less than \$1 million			

2.6.040 Reforestation credit for losses incurred on commercial timberland due to hurricane damage Statute \$48-7-40.36

Statute	§48-7-4
Year Enacted	2018
Year Effective	2018
i cui Effective	2010

Data Source	Fiscal Note for HB4EX LC 43 1048S (2018 Special Session) and DOR data as of TY 2021
Estimate Reliab Data Reliability Note	pility Class B
Description:	This income tax credit is based on casualty losses incurred on commercial timberland due to damage attributed to Hurricane Michael in the fall of 2018, subject to replanting requirements as described below. The amount of the credit is equal to 100 percent of the casualty loss deduction reported on the taxpayer's federal return, provided that the credit amount does not exceed \$400 per acre. Taxpayers must seek preapproval for the credit on or before December 31, 2019. Taxpayers are eligible to claim the credit in the taxable year in which the taxpayer replants 90 percent of the timber lost in the hurricane. All tax credits must be claimed by December 31, 2024. Credits can be sold once prior to January 1, 2024. Credits claimed are nonrefundable, but can be carried forward for up to 10 years. The total amount of credits preapproved may not exceed \$200 million. State Fiscal Years (\$ in Millions)

	2023	2024	2025
Income Tax Expenditure	4	2	2
Corporate Income Tax Expenditure	3	3	1
State Tax Expenditure	7	5	4

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.041 Qualified Post-Production Expenditures Credits

Qualifica I obt I loadeti	
Statute	48-7-40.26A
Year Enacted	2017
Year Effective	2018
Data Source	DOR data as of TY 2021
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax
	section, see section 1.6.052.

Description: Postproduction companies with at least \$500,000 in qualified postproduction expenditures per year will be eligible for a credit equal to 20 percent of the qualified postproduction expenditures. An additional 10 percent credit is allowed if the qualified production expenditures were incurred in the state. An additional 5 percent credit is allowed if the qualified production expenditures were incurred in a tier 1 or tier 2 county. The value of credits awarded is limited to a maximum of \$10 million for 2018 through 2022. If in any year the aggregate amount of credits allowable is not awarded, the remaining credits will be rolled in the allowable credits for the following year. Postproduction companies with expenditures between \$100,000 and \$500,000 per year are eligible for a separate credit equal to 20 percent of the qualified postproduction expenditures. Aggregate annual claims on this credit are limited to \$1 million. The \$1 million small company credit limit does not count against the credit limit for the large company credit discussed above. No credits shall be earned in years after 2022.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	4	4	4
Corporate Income Tax Expenditure	1	1	1
State Tax Expenditure	5	5	5

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.042 Personal protective equipment manufacturer job tax credit

Statute	§48-7-40.1A
Year Enacted	2020
Year Effective	Taxable years beginning on or after January 1, 2020
Data Source	DOR data as of TY 2021
Estimate Reliab	bility Class A
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax
	section, see section 1.6.053.
Description:	Personal protective equipment manufacturers that qualify for the Georgia
	job tax credit (see 1.6.012/2.6.001/5.00200) may earn \$1,250 per for each
	qualifying new job in addition to the amounts earned under the existing job
	credit. No credits shall be earned for jobs created after 2024.
	State Fiscal Years (\$ in Millions)

	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding				

Medical equipment, medical supplies, pharmaceuticals, and medicine manufacturers job 2.6.043 tax credit

tax credit						
Statute		48-7-40.1B				
Year Enacted		2021				
Year Effective		Taxable ye	ars beginning	g on or after	January 1, 2	2021
Data Source		Fiscal Note	for HB 587	LC 43 2010)S (2021)	
Estimate Reliab	oility	Class A				
Data Reliability	/	NA				
Note		The same e	stimate is pro	ovided in th	e individual	income tax
		section, see	e section 1.6.0)54.		
Description:	Medical equipment and supply manufacturers, and pharmaceutical and medicine manufacturers that qualify for the Georgia job tax credit (see			redit (see		
	1.6.012/2.6.0		•			g new job in
	addition to th	ne amounts o	earned under	the existing	g job credit.	
			State Fisca	l Years (\$ i	n Millions)	
			2023	2024	2025	
Income Tax Expenditure			0	0	0	
Corporate Incon	Corporate Income Tax Expenditure		0	3	3	
State Tax Expe	nditure		0	3	4	

(m) Denotes a value of less than \$1 million. Numbers may not sum due to rounding

2.6.044	Qualified Foster Child Donation Credit		
	Statute	§48-7-29.24	
	Year Enacted	2022	
	Year Effective	Taxable years beginning on or after January 1, 2023	
	Data Source	Fiscal note for SB 370 43 2189 (2022)	

Estimate Reliabil	ity Class A				
Data Reliability	Class A				
Note	The same estimate is provided in the individual income t section, see section 1.6.056.				income tax
Description: 7	This credit is equal to 10	00 percent of	qualified do	nations paid	by the
t	axpayer to approved fo	ster child sup	port organiz	ations. Organ	nizations are
а	approved by The Georg	ia Departmen	t of Humans	s Services qu	alifies
p	programs for purposes of the program. Credits are nonrefundable, and			ble, and any	
Ū	inutilized credits can be	e carried forw	ard for up to	o five years.	The amount of
С	credits is subject to a sta	atewide cap of	f \$20 millioi	n enforced th	rough an
а	annual credit preapprov	al process.			C
		State Fisca	l Years (\$ in	n Millions)	
		2023	2024	2025	
State Tax Expend	liture	0	14	18	

State Tax Expenditure
(m) Denotes a value of less than \$1 million.

<u>2.6.045</u>	Qualified Law Enforcement Donation Credit						
	Statute		§48-7-29.25				
	Year Enacted		2021				
	Year Effective		Taxable year	s beginning	g on or after	January 1, 202	23
	Data Source		Fiscal note for	or SB361 L	C 43 2159 (2022)	
	Estimate Relia	bility	Class A				
	Data Reliabilit	у	Class A				
	Note		The same est	imate is pr	ovided in the	e individual in	come tax
			section, see s	ection 1.6.	057.		
	Description:	This credit i	is equal to 100	percent of	qualified do	nations paid b	y the
		taxpayer to	qualified law e	nforcemen	t foundation	s. The credits	are
		nonrefundable, and any unutilized credits can be carried forward for up to					
	five years. The amount of credits is subject to a statewide cap of \$75			f \$75			
		million enfo	orced through a	in annual c	redit preapp	roval process.	
				State Fisca	al Years (\$ in	n Millions)	
				2023	2024	2025	
	State Tax Expe	enditure		0	51	69	
	(m) Domotor1	-f1 (1 (1)	11:				

(m) Denotes a value of less than \$1 million.

3. Corporate Net Worth Tax

Georgia imposes a tax on the net worth of corporations doing business or owning property in the state. The net worth of foreign corporations subject to the Georgia tax is based upon the ratio of assets in Georgia and gross receipts in Georgia to total assets and gross receipts. The tax is graduated based upon the taxable net worth of the corporation, but with no tax on corporations with less than \$100,000 of net worth.

The tax is administered by the Georgia DOR. Revenues from this tax totaled \$57.2 million in FY 2022. All revenues from this tax are deposited into the State General Fund.

Exemption for corporations with net worth of \$100,000 or less				
after Janua	ary 1, 2018			
1296 for 2	2017			
orth value	with regard	ds to the Net		
equal to \$1	100,000 or 1	less are		
exempted from the net worth tax.				
ears (\$ in	Millions)			
	2025			
6	6			
	after Janua 1296 for 2 orth value equal to \$ ears (\$ in 2024	after January 1, 2018 1296 for 2017 orth value with regard equal to \$100,000 or 1 ears (\$ in Millions) 2024 2025		

(m) Denotes a value of less than \$1 million

Corporate net worth tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
3.001	§48-13-72	Exemption for nonprofit corporations
3.002	§48-13-72	Exemption for insurance companies separately taxed

4. Sales and Use Tax

The sales and use tax was first enacted in Georgia in 1951 at a rate of 3 percent. The rate was increased to its current rate of 4 percent in 1989. The sales tax base consists of retail sales, leases, rentals, use or consumption of tangible personal property. Under legislation enacted in 2023 and effective July 1, 2023, the tax base now includes the purchase of certain digital products. In addition to the state sales tax, local governments are authorized to impose an assortment of local option sales taxes. In most counties, the local sales taxes imposed consist of a combination of a Local Option Sales Tax (LOST), Special Purpose Local Option Sales Tax (SPLOST) and/or an Educational Special Purpose Local Option Sales Tax (E-SPLOST) with tax rates of 1 percent for each. A total of 103 counties plus the city of Atlanta have also implemented a sales tax dedicated to transportation purposes (T-SPLOST) as of October 2023, with tax rates of 1 percent except for Atlanta and Fulton County outside of Atlanta where the T-SPLOST rates are 1.4 and 0.75 percent respectively. In addition, Atlanta levies another 1 percent sales tax to cover expenses related to sewer repairs, two counties levy a 1 percent Homestead Option Sales Tax (HOST), and three counties and the city of Atlanta levy sales taxes dedicated to funding the Metropolitan Atlanta Rapid Transit Authority (MARTA), with rates of 1 percent except in Atlanta where the rate is 1.5 percent. Starting July 1, 2023, qualified consolidated governments will be able to impose a dedicated SPLOST to fund coliseum capital projects.

In general, the local tax base is consistent with the state sales tax base, which is defined to include mainly tangible personal property. The major exception is food for home consumption, which is included in the local sales tax base, but is exempted from the state tax. Services, with a few exceptions, are generally excluded from both the state and the local tax base. This report provides estimates of some services that are implicitly exempt from the sales tax by virtue of not being tangible personal property. Lastly, this report categorizes each sales tax expenditure by type to allow the reader to distinguish between tax expenditures, such as those for business inputs, that are provided for reasons of reducing economic distortions from those provided on the basis of more societal reasons.

The tax is administered by the Georgia DOR. The sales tax is remitted to the Georgia DOR by the retailer and the use tax is remitted by the consumer in cases where the retailer does not collect and remit sales tax. In FY 2022, the state sales and use tax generated \$8.3 billion in state revenues and accounted for approximately 25 percent of total state tax revenues. All proceeds from the state sales and use tax, net of vendor compensation, are deposited into the State General Fund.

4.0-4.3 Sales and Use Tax Exemptions

<u>4.00400</u>			shed by a cou	nty or munic	<u>ripal public</u>	transit system o	r public
	transit authori	<u>ties</u>					
	Statute		§48-8-3(4)				
	Year Enacted		1968				
	Year Effective		1968				
	Data Source			ansit Databa	se		
	Estimate Reliab	•	Class B				
	Data Reliability	1	Class A				
	Note		Estimate co	mbined with	4.00500		
	Description:					f their operation	
		1	•	v 1		uthorities or cha	<u> </u>
						ies for the transp	ortation
		of passenge	rs upon their	conveyances	•		
				State Fisca	l Years (\$ ir	n Millions)	
				2023	2024	2025	
	State Tax Expe	nditure		7	7	7	
	Local Tax Expe			6	6	6	
	(m) Denotes a value	of less than \$1 mil	llion				
<u>4.00500</u>	Sale of transpo Statute	ortation furni	<u>shed by an ap</u> §48-8-3(5)	proved and a	authorized u	rban transit syst	<u>.em</u>
	Year Enacted		1970				
	Year Effective		1970				
	Data Source		National Tra	ansit Databa	se		
	Estimate Reliab	oility	Class B				
	Data Reliability	•	Class A				
	Note						
	Description:	Fares and cl	harges, except	t charges for	charter or s	ightseeing servi	ce.
	•					ortation of pass	
		5		•	l Years (\$ ir	·	U
				2023	2024	2025	
	State Tax Expe	nditure		Estimate co	ombined wit	th 4.00400	
	(m) Denotes a value	of less than \$1 mi	llion				
<u>4.00600</u>	Sales to any H	lospital Auth	ority created l	oy Georgia la	aw		
	Statute		§48-8-3(6)				
	Year Enacted		1976				
	Year Effective		1976				
	Data Source		Georgia Off	rice of Plann	ing and Bud	lget and Centers	for
			Medicaid ar	nd Medicare	Services		
	Estimate Reliab	oility	Class B				
	Data Reliability	7	Class B				
	Note			mbined with			
	Description •	Sales to any	v hospital auth	ority created	hv Article	4 of Chapter 7 c	of

Description: Sales to any hospital authority created by Article 4 of Chapter 7 of O.C.G.A. Title 31.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	Estimate c	ombined wi	th 4.00700

(m) Denotes a value of less than \$1 million

<u>4.00610</u>	Sales to any Housing Authority created by Georgia law		
	Statute	§48-8-3(6.1)	
	Year Enacted	1999	
	Year Effective	1999	
	Data Source	Georgia Department of Community Affairs and the American	
		Community Survey	
	Estimate Reliability	Class C	
	Data Reliability	Class A	
	Note		
	Description: Sales to an	ny housing authority created by Article 1 of Chapter 3 of	
	O.C.G.A.	Title 8.	

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	2	2	2	
Local Tax Expenditure	1	2	2	

(m) Denotes a value of less than \$1 million

4.00620 Sales to local government authorities created on or after January 1, 1980 for the principal purpose of constructing, owning, or operating a coliseum and related facilities

purpose of constructing,	owning, or operating a consedimated related racinties
Statute	§48-8-3(6.2)
Year Enacted	2002
Year Effective	2002
Data Source	Georgia Department of Community Affairs
Estimate Reliability	Class B
Data Reliability	Class B
Note	
Description: Sales to lo	ocal government authorities created on or after January 1.

Description: Sales to local government authorities created on or after January 1, 1980 for the principal purpose of constructing, owning, or operating a coliseum and related facilities.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
Local Tax Expenditure	(m)	(m)	(m)	

(m) Denotes a value of less than \$1 million

4.00630 Sales to any agricultural commission created by the Department of Agriculture

Statute	§48-8-3(6.3)
Year Enacted	2002
Year Effective	2002
Data Source	Georgia Department of Agriculture and the Georgia Office of
	Planning and Budget
Estimate Reliability	Class C
Data Reliability	Class C
Note	
Description: Sales to any	agricultural commission created by the Department of

Agriculture			
-	State Fisca	al Years (\$ in	n Millions)
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

4.00700 Sale of tangible personal property and services to an approved nursing home, inpatient

Sale of tangible personal property and services to an approved nursing nome, inpatient					
hospice, gene	hospice, general hospital or mental hospital when used specifically in the treatment				
function					
Statute	§48-8-3(7)				
Year Enacted	1971				
Year Effective	1971				
Data Source	Georgia Office of Planning and Budget and Centers for				
	Medicaid and Medicare Services				
Estimate Reliability Class B					
Data Reliability	y Class B				
Note	Estimate combined with 4.00600				
Description:	Sale of tangible personal property and services to an approved non-profit				
	nursing home, inpatient hospice, general hospital or mental hospital when				
	used specifically in the treatment function and used exclusively by the				
	facility.				
	State Fiscal Years (\$ in Millions)				

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	129	135	142	
Local Tax Expenditure	118	123	130	
(m) Denotes a value of loss than \$1 million				

(m) Denotes a value of less than \$1 million

4.00705 Sale of tangible personal property to a non-profit health center established and receiving funds pursuant to the U.S. Public Health Service Act

<u>runds pursuan</u>	t to the U.S.	Public Health	Service Act			
Statute		§48-8-3(7.0	5)			
Year Enacted		2015				
Year Effective		2015				
Data Source		Fiscal Note	for HB 426	LC 34 4527	' for 2015	
Estimate Reliab	oility	Class C				
Data Reliability	7	Class B				
Note		This exempt	tion was elir	ninated in 2	010 and rein	stated in
		2015.				
Description:	Sale of tang	ible personal	property to a	a non-profit	health center	r established
	and receiving funds pursuant to the U.S. Public Health Service Act.					
	State Fiscal Years (\$ in Millions)					
			2023	2024	2025	
State Tax Expe	nditure		4	4	4	
Local Tax Expe	3	4	4			
(m) Demotre a maler	- £1 41 £1 1	1				

(m) Denotes a value of less than \$1 million

4.00710 Sale of tangible personal property and services to a nonprofit organization whose primary function is to provide services to persons with intellectual disabilities

Statute	§48-8-3(7.1)
Year Enacted	2001

	Year Effective		2002				
	Data Source			mic Census a	and America	n Communi	ty Survey
	Estimate Relia	bility	Class C	line census i			ty Burvey
	Data Reliability	•	Class A				
	Note	y					
	Description:	Sale of tang	gible personal	property and	l corvices to	a nonprofit	organization
	Description.		function of w				
			disabilities, w				
			n under the In				
			on letter from				exemption
		ucterminatio	on letter from		l Years (\$ ir		
				2023	2024	2025	
	State Tax Expe	nditure		1	1	1	
	Local Tax Exp			(m)	(m)	(m)	
	(m) Denotes a value		llion	(III)	(III)	(III)	
<u>4.00720</u>	Sales to Geor	gia Society of	f the Daughter	rs of the Am	erican Revo	lution	
	Statute		§48-8-3(7.2)			
	Year Enacted		2002				
	Year Effective		2002				
	Data Source		IRS 990 For	rm Data			
	Estimate Relial	bility	Class C				
	Data Reliability	•	Class C				
	Note						
	Description:	Sale of tang	tible personal	property or s	services to a	ny chapter o	f the Georgia
	•		y of the Daug				
			er IRS Code				
			on letter from				•
				State Fisca	l Years (\$ in	n Millions)	
				2023	2024	2025	
	State Tax Expe			(m)	(m)	(m)	
	Local Tax Exp			(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 mil	llion				
4 00720		1 /	1	C (1 / 1	1.1 1 .	1
<u>4.00730</u>	Sale of tangib treating patier						<u>imarity</u>
	Statute	its with meon	§48-8-3(7.3		the poverty i	level	
	Year Enacted		948-8-5(7.5 2015)			
	Year Effective		2015				
				for LID 426	IC 24 4507	for 2015	
	Data Source	L:1:4		for HB 426	LC 34 4327	101/2015	
	Estimate Relia	-	Class C				
	Data Reliability	У	Class C	1	· · · · · · · · ·	010 - 1	- 4 - 4 - - 1 -
	Note		This exemp	tion was elin	ninated in 20	010 and rein	stated in

2015. **Description:** Sale of tangible personal property and services to a nonprofit volunteer health clinic primarily treating patients with incomes below 200 percent of the poverty level and when the item sold is used exclusively for general treatment function.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	2	2	2	
Local Tax Expenditure	2	2	2	
(m) Denotes a value of less than \$1 million				

<u>4.00800</u> Sale of tangible personal property and services to the University System of Georgia and its educational units

	10	
Statute		§48-8-3(8)
Year Enacted		1963
Year Effective		1963
Data Source		University System of Georgia Annual Financial Report
Estimate Reliabil	lity	Class B
Data Reliability		Class A
Note		Estimate combined with 4.00900
Description:	Sale of tangi	ble personal property and services to the University System of
- (Georgia and	its educational units.
	-	State Fiscal Years (\$ in Millions)

	2023	2024	2025	
State Tax Expenditure	52	53	54	
Local Tax Expenditure	46	47	48	
(m) Domester a surface of loss them \$1 million				

(m) Denotes a value of less than \$1 million

-

4.01000 Sale of tangible personal property and services used exclusively in the educational function of an approved private elementary or secondary school

Statute	§48-8-3(10)
Year Enacted	1968
Year Effective	1968
Data Source	The National Center for Education Statistics and the Georgia
	Department of Education
Estimate Relia	ility Class C
Data Reliabilit	Class C
Note	
Description:	Sale of tangible personal property and services used exclusively in the
	educational function of an approved private elementary or secondary school

State Tax Expenditure77State Tax Expenditure777Local Tax Expenditure666

(m) Denotes a value of less than \$1 million

4.01100 Sale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural institute

Statute	§48-8-3(11)
Year Enacted	1968
Year Effective	1968
Data Source	Fiscal Note for HB 445/LC 34 4571S for 2015
Estimate Reliability	Class A
Data Reliability	Class A
Note	

Description:					
	tangible personal property or services by, any educational or cultural				
	institute which: (A) is tax exempt under Section 501(c)(3) of the Internal				
	Revenue Code; (B) furnishes at least 50 percent of its programs through				
	universities and other institutions of higher education in support of their				
	educational programs; (C) is paid for by government funds of a foreign				
	country; and (D) is an instrumentality, agency, department, or branch of a				
	foreign government operating through a permanent location in this state.				
	State Fiscal Years (\$ in Millions)				

	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Demotes a surface of least them $(1, m)$			

(m) Denotes a value of less than \$1 million

4.01200	School lunches sold and served to pupils and employees of public schools			
	Statute		§48-8-3(12)	
	Year Enacted		1953	
	Year Effective		1953	
	Data Source		Georgia School Nutrition Association and the Georgia	
			Department of Education	
	Estimate Relia	bility	Class B	
	Data Reliabilit	У	Class B	
	Note			
	Description: Food, food ingredients, and prepared food sold and served to pupil employees of public schools.			

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	3	3	3	
Local Tax Expenditure	3	3	3	

(m) Denotes a value of less than \$1 million

4.01300 School lunches sold and served to pupils and employees of approved private schools

Statute	§48-8-3(13)
Year Enacted	1967
Year Effective	1967
Data Source	Georgia School Nutrition Association and the National Center of Education Statistics
Estimate Reliability	Class B
Data Reliability	Class B
Note	
Description: Food. fo	ood ingredients, and prepared food sold and served to pupils and

Food, food ingredients, and prepared food sold and served to pupils and Description: employees of approved private elementary and secondary schools

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	1	1	1	
Local Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of less than \$1 million				

(m) Denotes a value of less than \$1 million

Sale of art and other artifacts for display or exhibition to museums 4.01400 Statute §48-8-3(14)

Year Enacted Year Effective Data Source Estimate Relial Data Reliability Note	2	1973 1973 U.S. Economic Censu Class C Class B	s and IRS Fo	orm 990 data	
	Colo of out on		haalaaiaal a	a ala ai a al ha	
Description:	zoological of to or for the Section 501(nd anthropological, arc bjects or artifacts and o use by any museum or (c)(3) of the Internal Re display or exhibition in State Fis 2023	other similar organization evenue Code	tangible perso which is tax of such tangi within this sta	onal property exempt under ble personal
State Tax Expe	nditure	1	1	1	

State Tax Expenditure	1	1	1
Local Tax Expenditure	1	1	1
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

4.01500 Specific fundraising sales by any religious institution lasting no more than 30 days in a calendar year and sales of religious paper when the paper is owned and operated by the religious institution

rengious monution	
Statute	§48-8-3(15B)
Year Enacted	1953
Year Effective	1953
Data Source	National Center for Charitable Statistics
Estimate Reliability	Class C
Data Reliability	Class B
Note	

Description: Sale of any religious paper in this state when the paper is owned and operated by religious institutions or denominations and no part of the net profit from the operation of the institution or denomination inures to the benefit of any private person. Exempt sales must occur during a fundraising activity with a duration that does not exceed 30 days in any calendar year.

-	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	1	1	1
Local Tax Expenditure	(m)	(m)	1
(m) Demotes a surface of large them \$1 million			

(m) Denotes a value of less than \$1 million

4.01510 Sale of pipe organs or steeple bells to any church qualifying as a nonprofit

§48-8-3(15.1)
2001
2001
The Atlanta Chapter for The American Guild of Organists
Class C
Class C
be organs or steeple bells to any church qualifying as a nonprofit.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
Local Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of less than \$1 million				

Sale of fuel or consumable supplies used by ships engaged in inter-coastal or foreign 4.01700

<u>commerce</u>	
Statute	§48-8-3(17)
Year Enacted	1951
Year Effective	1951
Data Source	U.S. Energy Information Administration and the U.S.
	Department of Energy
Estimate Reliabil	ity Class B
Data Reliability	Class A
Note	
Description: S	Sale of fuel or consumable supplies used by ships engaged in inter-coastal
(or foreign commerce.

C	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	9	9	10
Local Tax Expenditure	8	8	8
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

Water delivered through water mains, lines, or pipes 4.02000 Statute §48-8-3(20) Year Enacted 1966 Year Effective 1966 Data Source U.S. Census and the Consumer Expenditure Survey Estimate Reliability Class C Data Reliability Class C Note **Description:** The sale of water delivered to consumers through water mains, lines, or pipes. State Fiscal Years (\$ in Millions)

	State i isear i ears (\$ in Minis)		
	2023	2024	2025
State Tax Expenditure	34	37	35
Local Tax Expenditure	28	29	29

(m) Denotes a value of less than \$1 million

4.02200 Professional, insurance or personal service transactions which involve sales as inconsequential elements for which no separate charge is made

Statute	§48-8-3(22)
Year Enacted	1951
Year Effective	1951
Data Source	NA
Estimate Reliability	Class A
Data Reliability	Class A
Note	
Description: Professi	onal, insurance or personal service transactions which involve sale

	as incons	equential elemer		·	e charge is made.
				ll Years (\$ in	-
	State Tex Expanditure		2023	2024	<u>2025</u>
	State Tax Expenditure		See expe	enditure estin	mate for
	Local Tax Expenditure (m) Denotes a value of less than \$1	million		4.5050	
	(III) Denotes a value of less than \$1	mmon			
.02300	Repair services when a s	eparate charge is	s made to th	e customer	
	Statute	§48-8-3(23)			
	Year Enacted	1951			
	Year Effective	1951			
	Data Source	NA			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	Description: Repair se	rvices when a se	parate charg	ge is made to	the customer.
			State Fisca	ll Years (\$ in	Millions)
			2023	2024	2025
	State Tax Expenditure		See expe	enditure estin	mate for
	Local Tax Expenditure		-	4.5110	
	(m) Denotes a value of less than \$1	million			
02400	Rental of videotape or fi	lm to persons ch	arging admi	ission to viev	w the tape or film
02100	Statute	§48-8-3(24)			
	Year Enacted	1989			
	Year Effective	1989			
	Data Source		ic Census a	nd Nash Info	ormation Services Box
	Butu Source	Office Data		ila i tashi ililo	Simulation Bervices Dox
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note	Clubb C			
		videotane or fili	m to person	s charoino ao	Imission to view the ta
	or film.	videotupe or ini	in to person.	, enarging a	
	or min.		State Fisca	ll Years (\$ in	Millions)
					-
			2023	/0/4	
	State Tax Expenditure		2023	2024	
	State Tax Expenditure		7	10	11
	State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1	million			
03000	Local Tax Expenditure (m) Denotes a value of less than \$1		7 6	10 8	<u>11</u> 9
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 Vehicles purchased by set	ervice-connected	7 6 I disabled ve	10 8 eterans wher	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 Vehicles purchased by se Veterans Affairs supplie	ervice-connected s a grant to purcl	7 6 I disabled ve hase a speci	10 8 eterans wher	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 <u>Vehicles purchased by se</u> <u>Veterans Affairs supplie</u> Statute	ervice-connected s a grant to purcl §48-8-3(30)	7 6 I disabled ve hase a speci	10 8 eterans wher	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 Vehicles purchased by se Veterans Affairs supplier Statute Year Enacted	ervice-connected s a grant to purcl \$48-8-3(30) 1972	7 6 I disabled ve hase a speci	10 8 eterans wher	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 <u>Vehicles purchased by set</u> <u>Veterans Affairs supplies</u> Statute Year Enacted Year Effective	ervice-connected s a grant to purcl §48-8-3(30) 1972 1972	7 6 I disabled ve hase a speci	10 8 eterans wher ally adapted	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 <u>Vehicles purchased by second</u> <u>Veterans Affairs supplie</u> Statute Year Enacted Year Effective Data Source	ervice-connected s a grant to purcl §48-8-3(30) 1972 1972 The Departm	7 6 I disabled ve hase a speci	10 8 eterans wher ally adapted	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 <u>Vehicles purchased by se</u> <u>Veterans Affairs supplies</u> Statute Year Enacted Year Effective Data Source Estimate Reliability	ervice-connected s a grant to purcl §48-8-3(30) 1972 1972 The Departn Class A	7 6 I disabled ve hase a speci	10 8 eterans wher ally adapted	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 <u>Vehicles purchased by sec</u> <u>Veterans Affairs supplies</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability	ervice-connected s a grant to purcl §48-8-3(30) 1972 1972 The Departm	7 6 I disabled ve hase a speci	10 8 eterans wher ally adapted	11 9 h the U.S. Dept. of
<u>03000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 <u>Vehicles purchased by sec</u> <u>Veterans Affairs supplies</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	ervice-connected s a grant to purcl §48-8-3(30) 1972 1972 The Departn Class A Class A	7 6 disabled ve hase a speci	10 8 eterans wher ally adapted eran Affairs	11 9 h the U.S. Dept. of

Affairs to purchase and specially adapt the vehicle to the veteran's disability.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
Local Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of less than \$1 million				

(m) Denotes a value of less than \$1 million

4.03420 Machinery and equipment used directly to remanufacture certain aircraft engines or aircraft engine parts

§48-8-3(34.2)
1996
1996
Fiscal Note for HB 933 LC 40 0540 for 2014
Class B
Class A

Description: Machinery and equipment used directly to remanufacture certain aircraft engines or aircraft engine parts or components in a remanufacturing facility. State Fiscal Years (\$ in Millions)

lie Fiscal	1 cais (\$ 1	in winnons
		2025

	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

4.03600 Machinery and equipment used in a facility for the primary purpose of reducing or eliminating air and water pollution Statute 848.8 3(36)

Statute		§48-8-3(36)
Year Enacted		1972
Year Effective		1972
Data Source		Fiscal Note for HB 445 LC 40 4571S for 2015
Estimate Reliab	ility	Class A
Data Reliability		Class A
Note		
Description:	Machinery a	nd equipment or any repair or replacement component used in
	a facility for	the primary purpose of reducing or eliminating air and water
	pollution	
		State Fiscal Vears (\$ in Millions)

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
Local Tax Expenditure	(m)	(m)	(m)	

(m) Denotes a value of less than \$1 million

4.03800 Sale of tangible personal property and fees and charges for services by the Rock Eagle 4-H

Center	
Statute	§48-8-3(38)
Year Enacted	1976
Year Effective	1976
Data Source	Fiscal Note for HB 445/LC 34 4571S for 2015
Estimate Reliability	Class A

 Data Reliability
 Class A

 Note
 Sale of tangible personal property and fees and charges for services by the Rock Eagle 4-H center.

 State Fiend Vecus (f in Millions)

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
Local Tax Expenditure	(m)	(m)	(m)	

(m) Denotes a value of less than \$1 million

	(iii) Denotes a value of less than \$1 minion						
<u>4.03900</u>	Certain sales by a public or private school of tangible personal property, concessions, and tickets for admission to school functions						
	Statute \$48-8-3(39)						
	Year Enacted 1994						
	Year Effective 1994						
	Data Source Georgia Department of Education, IRS Form 990 data					0 data, and the	
	National High School Athletic Association						
	Estimate Relia	bility	Class C				
	Data Reliabilit	У	Class C				
	Note						
	Description:	Sales by an	y public or priv	vate school	containing a	any combination	tion of grades
		kindergarter	n through 12 o	f tangible p	roperty, con	cessions, or	tickets for
		admission to	o a school even	nt or function	on, provided	that the net	proceeds from
		such sales a	re used solely				students
					l Years (\$ in	,	
				2023	2024	2025	
	State Tax Expe	enditure		3	3	3	
	Local Tax Exp			2	2	3	
	(m) Denotes a value	of less than \$1 mil	llion				
<u>4.04000</u>	<u>Sale of major components or repair parts installed in military aircraft, vehicles, or missiles</u>						s, or missiles
	Statute		§48-8-3(40)				
	Year Enacted		1965				
	Year Effective		1965				
	Data Source		USASpendir	ng.gov and t	the U.S. Eco	nomic Cens	us

I cui Encetive		1900
Data Source		USASpending.gov and the U.S. Economic Census
Estimate Relia	bility	Class C
Data Reliabilit	У	Class C
Note		
Description:	Sale of majo	or components or repair parts installed in military aircraft,
	vehicles, or	missiles.
		State Fiscal Years (\$ in Millions)

	State Fiscal Tears (\$ III WIIIIOIIS)			
	2023	2024	2025	
State Tax Expenditure	29	27	22	
Local Tax Expenditure	25	22	19	
(m) Denotes a value of less then \$1 million				

(m) Denotes a value of less than \$1 million

4.04100Sale of tangible personal property and services to a nonprofit child-caring institution,
child-placing agency, or maternity home
Statute\$48-8-3(41)

	0
Year Enacted	2004

Year Effective		2004				
Data Source		U.S. Econd	mic Census			
Estimate Reliab	oility	Class B				
Data Reliability	•	Class B				
Note		01055 2				
Description:	as defined in defined in p in paragraph home is eng tax-exempt	n paragraph (aragraph (2) n (14) of O.C aged primari organization	C.G.A. §49-5- ily in providin under Sectio certain funde	A §49-5-3; a §49-5-3, or 3, when suc ng child serv n 501(c)(3)	a child-placin maternity ho h institution, vices and is a of the IRS re ities (limited	ng agency as me as defined agency, or non-profit, venue code.
			2023	2024	2025	
State Tax Expe	nditure		1	1	1	
Local Tax Expe			1	1	1	
(m) Denotes a value	of less than \$1 mil	lion				
Revenues from	n coin-operat	ed amuseme	nt machines f	for which in	dividual pern	<u>nits are</u>
<u>required</u>						
Statute		§48-8-3(43)			
Year Enacted		1992				
Year Effective		1993				
Data Source		•	ottery Commi	ssion Annua	al Report	
Estimate Reliab	•	Class C				
Data Reliability	7	Class B				
Note						
Description:			from all bon			
			dispense mu	-	berated for ski	ill,
	amusement,	entertainme	nt, or pleasur			
				l Years (\$ ir		
0 T	1.		2023	2024	2025	
State Tax Expe			59	65	73	
(m) Denotes a value		1:	50	55	62	
(III) Denotes a value (fi less than \$1 mm	non				
Sala of tangih	a norconal nr	oportu or tax	able comrises	to nonnrofi	t blood bonk	
Sale of tangib Statute	ie personai pi	§48-8-3(46			It DIOOU DAIIK	5
Year Enacted		1980)			
Year Effective		1980				
Data Source			omic Census a	and IPS 000	Form Data	
	, ility	Class C	mic Census a	uiu iko 990	ronn Data	
Estimate Reliab	•					
Data Reliability	/	Class B				
Note	~ -					~ .

<u>4.04300</u>

<u>4.04600</u>

Description: Sale to certain blood banks having a nonprofit status according to Section 501(c)(3) of the IRS revenue code.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	3	3	3	
Local Tax Expenditure	2	2	2	
(m) Denotes a value of less than \$1 million				

4.04700 Sale of drugs dispensed by prescription, prescription glasses, contact lenses, contact lens samples and sales or use of certain controlled substances or dangerous drugs

		<u> </u>
Statute		§48-8-3(47)
Year Enacted		1984
Year Effective		1985
Data Source		State Health Expenditures from the Centers for Medicare and
		Medicaid Services
Estimate Reliab	oility	Class B
Data Reliability	,	Class B
Note		
Description:		of drugs that are lawfully dispensable only by prescription for t of natural persons; prescription eyeglasses and contact lenses;

prescription contact lens samples; drugs dispensable by prescription for the treatment of natural persons without charge to physicians, hospitals, etc. by pharmaceutical manufacturers or distributors; drugs and durable medical equipment dispensed or distributed without charge solely for the purposes of a clinical trial approved by the FDA or an institutional review board. Note: This exemption does not include over-the-counter drugs, drugs sold for animal use, or non-prescription eyeglasses.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	528	548	572
Local Tax Expenditure	445	462	482

(m) Denotes a value of less than \$1 million

4.04800 Sale of crab bait to licensed commercial fishermen

Statute	§48-8-3(48)
Year Enacted	1985
Year Effective	1985
Data Source	Georgia Department of Natural Resources and the U.S.
	Economic Census
Estimate Reliability	Class C
Data Reliability	Class C
Note	

Sale of crab bait to licensed commercial fishermen. **Description:**

State Fiscal Years (\$ in Millions)

	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

4.05000 Sale of insulin syringes and blood glucose level measuring strips dispensed without a prescription Statute

Year Enacted		1986
Year Effective		1986
Data Source		The Centers for Disease Control and Prevention and the
		Medical Expenditures Panel Survey
Estimate Reliability		Class C
Data Reliability	y	Class C
Note		
Description:	Sale of bloc	d measuring devices, monitoring equipment, or insulin delivery
	systems use	d exclusively by diabetics; insulin, insulin syringes and blood
	alucasa ma	nitaring strings when dispensed without a presention

glucose monitoring strips; when dispensed without a prescription. State Fiscal Years (\$ in Millions)

	State Fiscal Fears (\$ In Millions)		
	2023	2024	2025
State Tax Expenditure	13	14	15
Local Tax Expenditure	11	12	13

(m) Denotes a value of less than \$1 million

4.05100 Sale of oxygen when prescribed by a licensed physician

§48-8-3(51)
1986
1986
The Medical Expenditure Panel Survey and The Department
of Health and Human Services
Class C
Class A
gen when prescribed by a licensed physician.
State Fiscal Years (\$ in Millions)

	2023	2024	2025
State Tax Expenditure	1	1	1
Local Tax Expenditure	1	1	1
(m) Demotes a sector of less them $(1, m)$			

(m) Denotes a value of less than \$1 million

4.05200 Sale or use of hearing aids

bute of use of neuring u	
Statute	§48-8-3(52)
Year Enacted	1986
Year Effective	1986
Data Source	Medical Expenditure Panel Survey and Healthy Hearing
	Review
Estimate Reliability	Class A
Data Reliability	Class B
Note	

Description: Exempts the sale or use of approved hearing aids from sales and use tax. State Fiscal Years (\$ in Millions)

	State Fisca	State Fiscal Years (\$ in Millions)		
	2023	2024	2025	
State Tax Expenditure	11	12	13	
Local Tax Expenditure	9	10	11	

(m) Denotes a value of less than \$1 million

4.05300Transactions in which food stamps or WIC coupons are used as the method of payment
Statute\$48-8-3(53)

Year Enacted		1986
Year Effective		1987
Data Source		U.S. Food and Nutrition Service and the U.S. Department of
		Agriculture
Estimate Reliab	ility	Class B
Data Reliability		Class A
Note		
Description:	Sales tax is r	not applied on items purchased using food stamps or WIC
	coupons.	

-	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	144	136	138
Local Tax Expenditure	120	114	116
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

4.05400	Sale or use of any durable medical equipment or prosthetic device prescribed by a	
	physician	

<u>physician</u>		
Statute	§48-8-3(54)	
Year Enacted	1992	
Year Effective	1993	
Data Source	U.S. Census of National Health Expenditures and the Medic	al
	Expenditure Panel Survey	
Estimate Reliab	ility Class B	
Data Reliability	Class A	
Note		
Description: Sale or use of any durable medical equipment or prosthetic device		
	prescribed by a physician.	
	State Fiscal Years (\$ in Millions)	

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	58	60	63
Local Tax Expenditure	49	50	53

(m) Denotes a value of less than \$1 million

4.05500	Sale of Georgia lottery tickets
	(* *

Statute	§48-8-3(55)
Year Enacted	1992
Year Effective	1992
Data Source	Georgia Lottery Commission Annual Report
Estimate Reliability	Class A
Data Reliability	Class A
Note	

Description: Sale of lottery tickets authorized by O.C.G.A. Chapter 27 of Title 50. State Fiscal Years (\$ in Millions)

	State Fiscal Tears (\$ III Willions)		
	2023	2024	2025
State Tax Expenditure	243	255	268
Local Tax Expenditure	205	215	226

(m) Denotes a value of less than \$1 million

4.05600Sale by any qualified nonprofit parent teacher organization
Statute\$48-8-3(56)

Year Enacted	1995
Year Effective	1995
Data Source	Georgia Parent Teacher Association and IRS Form 990 data
Estimate Reliability	Class C
Data Reliability	Class B
Note	

Description: Sale by any qualified nonprofit parent teacher organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code. State Fiscal Years (\$ in Millions)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of loss than \$1 million			

(m) Denotes a value of less than \$1 million

	Statute		48-8-3(57)			
	Year Enacted		1996			
	Year Effective		1998			
	Data Source		U.S. Consumer Expend Market Report	diture Survey	y and the US	Census Retail
	Estimate Relia	bility	Class B			
	Data Reliabilit	У	Class B			
	Note					
	Description:	whether in that are so their taste tobacco, in apply to th	a applies to food and food liquid, concentrated, soli ld for ingestion or chewin or nutritional value. It doe nmediate consumption ite e local option sales taxes irposes (cough drops, brea	d, frozen, dri g by humans es not apply t ems, vitamins or items used ath strips, ov	ied, or dehyd s and are con to alcoholic l s, and minera d primarily f er the counte	lrated form, isumed for beverages, als. It does not for medical or
				cal Years (\$ i		
	Ctata Tara Errar		2023	2024	2025	-
	State Tax Expe		873	922	956	-
	Local Tax Exp	endifiire	0	0	0	

<u>4.05710</u>	Sale of food and beverages Statute	§48-8-3(57.1)
	Year Enacted	2006
	Year Effective	2006
	Data Source	Fiscal Note for LC 43 1447 for 2021
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	
	D	1

Description: Sale of food and beverages to a qualified food bank

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

4.05720 Exemption for prepared food and food ingredients that are donated to a qualified nonprofit agency and used for hunger relief purposes

<u>agency and us</u>	seu for nunger	<u>Tener purposes</u>	
Statute		§48-8-3(57.2)	
Year Enacted		2015	
Year Effective		2015	
Data Source		Fiscal Note for LC 43 1447 for 2020	
Estimate Relial	oility	Class A	
Data Reliability	y	Class A	
Note		This exemption was eliminated in 2011 and reinstated in	
		2015.	
Description:	The use of fo	ood and food ingredients that are donated to a qualified	
	nonprofit ag	ency and that are used for hunger relief purposes. "Qualified	
nonprofit agency" means any entity that is tax exempt under section			
501(c)(3) of the Internal Revenue Code and that provides hunger reli			
	Does not include drugs or over-the-counter drugs.		
		State Fiscal Years (\$ in Millions)	
		2023 2024 2025	

	2023	2024	2025
State Tax Expenditure	2	2	2
Local Tax Expenditure	2	2	2
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

4.05730 Exemption for food and food ingredients that are donated following a natural disaster and used for disaster relief

Statute	§48-8-3(57.3)
Year Enacted	2015
Year Effective	2015
Data Source	Fiscal Note for LC 43 1447 for 2020
Estimate Reliability	Class A
Data Reliability	Class A
Note	

Description: Exemption for food and food ingredients that are donated following a natural disaster and used for disaster relief and does not apply to any donated over the counter drugs.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	(m)	(m)	(m)	
Local Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of less than \$1 million				

<u>4.05900</u>	Sale of eligible food and beverages by any Girl or Boy Scout council				
	Statute	§48-8-3(59)			
	Year Enacted	1996			
	Year Effective	1996			
	Data Source	The American Community Survey, IRS Form 990 data, and			

	Girl Scouts of America annual report
Estimate Reliability	Class B
Data Reliability	Class B
Note	

Description: Sale of food or food ingredients to and by member councils of the Girl Scouts or Boy Scouts of America in connection with fundraising activities. State Fiscal Years (\$ in Millions)

	State Misear Tears (\$ III Millions)		
	2023	2024	2025
State Tax Expenditure	2	2	2
Local Tax Expenditure	2	2	2

(m) Denotes a value of less than \$1 million

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<u>4.06000</u> Sale of certain machinery and equipment used to improve air quality in a clean room of Class 100 000 or less

Class 100,000	<u>or less</u>			
Statute		§48-8-3(60)		
Year Enacted		2000		
Year Effective		2001		
Data Source		Fiscal Note for HB 445/LC 34 4571S for 2015		
Estimate Reliab	oility	Class C		
Data Reliability	7	Class C		
Note		Estimate combined with 4.06700		
Description: Sale of certa		in machinery and equipment used to improve air quality in a		
clean room		of Class 100,000 or less when incorporated into		
	telecommun	ications manufacturing facility.		
		State Fiscal Years (\$ in Millions)		

	State Fiscal Tears (\$ in Minnons)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

4.06200 Sod grass sold in the original state of production by the sod producer, employee of the producer, or family member of the producer

producer, or r	anniny membe	<u>tof the producer</u>	
Statute		§48-8-3(62)	
Year Enacted		1998	
Year Effective		1998	
Data Source		U.S. Census of Agriculture, the U.S. Economic Census,	and
		the Annual Survey of Sod Producers	
Estimate Relia	bility	Class B	
Data Reliabilit	У	Class A	
Note			
Description:	employee of	ld in the original state of production by the sod producer, the producer, or family member of the producer. This	
	exemption of plants are so	oes not apply to sales from a nursery or other places wher ld.	e
	1		e
	1	ld.	e
State Tax Expe	plants are so	ld. State Fiscal Years (\$ in Millions)	e

<u>4.06300</u>	Funeral merch	andise when	paid with fund	ls from the	Georgia Cri	me Victims	Emergency
	Statute		§48-8-3(63)		-		
	Year Enacted		1998				
	Year Effective		1998				
	Data Source		The Uniform	Crime Rep	ort and the l	National Off	ice for
			Victims of C				
	Estimate Reliab	oility	Class C				
	Data Reliability	•	Class C				
	Note						
	Description:	cemetery ma with funds r	use of funeral arkers as defin eceived from er 15 of Title	ed in O.C.C he Georgia 17.	A §43-18- Crime Victi	1, which are ms Emerger	purchased
				State Fiscal 2023	l Years (\$ in 2024	Millions) 2025	
	State Tax Expe	nditure		(m)	(m)	(m)	
	Local Tax Expe			(m)	(m)	(m)	
	(m) Denotes a value		lion				
<u>4.06500</u>	Sale of dyed d		d exclusively	for operatio	ns of vessels	<u>s or boats by</u>	licensed
	<u>commercial fi</u>	<u>shermen</u>					
	Statute		§48-8-3(65)				
	Year Enacted		NA				
	Year Effective		NA				
	Data Source		The Georgia	.	t of Natural	Resources a	nd the U.S.
			Economic Co	ensus			
	Estimate Reliab	•	Class C				
	Data Reliability	/	Class C				
	Note						
	Description:		diesel fuel us		ely for opera	ations of ves	sels or boats
		by licensed of	commercial fi		۲. (h.		
					Vears (\$ in		
	<u> </u>	1.		2023	2024	2025	
	State Tax Expe			(m)	(m)	(m)	
	Local Tax Expe			(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 mill	lion				
<u>4.06600</u>	Sale of gold, s	ilver, or plati					
	Statute		§48-8-3(66)				
	Year Enacted		2000				
	Year Effective		2000				
	Data Source		U.S. Mint 20	20 Annual	Report		
	Estimate Reliab	•	Class C				
	Data Reliability	/	Class C				
	Note						
	Description:	Sale of gold	, silver, or pla	tınum bullic	on.		

				State Fisca	ll Years (\$ in	Millions)
				2023	2024	2025
	State Tax Expe	nditure		4	4	4
	Local Tax Exp			4	4	4
	(m) Denotes a value		llion	•	•	•
4.06700	Sale of coins	or currency				
	Statute		§48-8-3(67)			
	Year Enacted		2000			
	Year Effective		2000			
	Data Source		Professional	Numismati	sts Guild	
	Estimate Relial	oility	Class C			
	Data Reliability	y	Class C			
	Note					
	Description:	Sale of coin	s or currency.			
				State Fisca	ll Years (\$ in	Millions)
				2023	2024	2025
	State Tax Expe	nditure		(m)	(m)	(m)
	Local Tax Exp	enditure		(m)	(m)	(m)
	(m) Denotes a value	of less than \$1 mil	llion			
<u>4.06800</u>	Sale of Certai	n Computer E				
	Statute		§ 48-8-3(68))		
	Year Enacted		2000			
	Year Effective		2001			
	Data Source	•••	Fiscal Note	tor HB 129	1/LC 43 242	6S for 2022
	Estimate Relia	•	Class A			
	Data Reliability	У	Class A			
	Note	G 1 C	•	•	1 .1	1 1.6 .
	Description:					l qualifying pu
						xceed \$15 mill
						der the 2017 N
						4413, 334614,
						0, 522320, 541
		541511, 541	1512, 541513,			
					al Years (\$ in	
	Ctata Tar France	a ditana		2023	2024	2025
	State Tax Expe			80	83	85

Local Tax Expenditure (m) Denotes a value of less than \$1 million

4.06810 High-Tech Data Center Equipment Exemption

Statute	§ 48-8-3(68.1)
Year Enacted	2018
Year Effective	2018
Data Source	Fiscal Note for HB 696/LC 43 0923S for 2018
Estimate Reliability	Class A
Data Reliability	Class A
Note	
Description: Exemption	for high-technology data center equipment, subject to a

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minimum investment threshold of \$250 million over ten years, and certain other structural infrastructural system requirements.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	13	15	17
Local Tax Expenditure	10	11	13

<u>4.06900</u>	Sale of machi	nery and equi	ipment and ma	terial incor	porated and	used in a clea	an room of
	Class 100 or l	• •	*				
	Statute		§48-8-3(69)				
	Year Enacted		2000				
	Year Effective		2001				
	Data Source		Fiscal Note f	or HB 445/	LC 34 4571	S for 2015	
	Estimate Relia	bility	Class C				
	Data Reliability	•	Class C				
	Note	/	Estimate Cor	nbined with	n 4.06000		
	Description:	Sale of mac	hinery, equipn			porated and u	used in
	F		n or operation of				
			is used directly				
		property.	15 abou anoon.			ungione pers	0
		FF2.		State Fisca	l Years (\$ in	Millions)	
				2023	2024	2025	
	State Tax Expe	enditure			te Combine		
	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~				4.06000		
	(m) Denotes a value	of less than \$1 mi	llion				
4.07000	Sale of natura	l gas used dir	rectly in the ma	nufacture o	of electricity		
	Statute	<u> </u>	§48-8-3(70)		· · ·		
	Year Enacted		1999				
	Year Effective		2000				
	Data Source		U.S. Energy	Information	n Administra	ation	
	Estimate Relia	bility	Class B				
	Data Reliability	•	Class A				
	Note	, ,					
	<b>Description:</b>	Sale of natu	ral or artificial	gas used d	irectly in the	manufacture	e of
	-		which is subseq				
		-	-	State Fisca	l Years (\$ in	Millions)	
				2023	2024	2025	
	State Tax Expe	enditure		142	107	88	
	Local Tax Exp			0	0	0	
	(m) Denotes a value	of less than \$1 mil	llion				
<u>4.07100</u>			on whose prima	ary purpose	is to raise fu	unds for book	<u>ks, materials,</u>
	and programs	for public lib					
	Statute		§48-8-3(71)				
	Year Enacted		1999				
	Year Effective		2000				
	Data Source		National Cer	ter for Cha	ritable Statis	stics	
	Estimate Relia	oility	Class B				

#### Data Reliability Class B Note **Description:** Sale to or by an organization whose primary purpose is to raise funds for books, materials, and programs for public libraries.

	State Fisca	l Years (\$ ii	n Millions)
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

Sale of prescribed mobility	y enhancing equipment
Statute	§48-8-3(72)
Year Enacted	1999
Year Effective	2000
Data Source	State Health Expenditures from the Centers for Medicare and
	Medicaid Services and the Medical Expenditure Panel Survey
Estimate Reliability	Class B
Data Reliability	Class B
Note	
-	or use by a patient of all mobility enhancing equipment by a physician.
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: The sale to

	State Fisca	l Years (\$ in	n Millions)
	2023	2024	2025
State Tax Expenditure	1	1	1
Local Tax Expenditure	1	1	1
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

<u>4.07600</u>	Exemption for	personal pr	operty	used in the	renovation or o	expansion of a	in aquarium or
		· ·					

<u>ZOO</u>							
Statute		48-8-3(76)					
Year Enacted		2015					
Year Effective		2015					
Data Source		Fiscal Note	for HB 238	LC 28 7425	for 2015		
Estimate Reliab	oility	Class A					
Data Reliability	y	Class A					
Note		This exemp	tion was reco	ently expand	ded to includ	le certain zoos	
		and is set to	expire Janua	ary 1, 2026.			
<b>Description:</b>	Sale or use of	of tangible pe	ersonal prope	erty used for	or in the rea	novation or	
	expansion of	f an aquariur	n or zoo loca	ted in this s	tate that cha	rges admissior	1
	and is owned	d or operated	l by an organ	ization that	is tax exemp	ot under	
	501(c)(3). Q	ualifying aq	uarium must	pay tax and	apply for re	fund.	
			State Fisca	l Years (\$ in	n Millions)		
			2023	2024	2025		
State Tax Expe	nditure		(m)	(m)	(m)		
Local Tax Expe	enditure		(m)	(m)	(m)		
$() \mathbf{D} \rightarrow 1$	61 .1 .61 .11	•					

(m) Denotes a value of less than \$1 million

The purchase of food and nonalcoholic beverages provided at no charge aboard a qualified 4.08100 airline Statute

§48-8-3(81)

Year Enacted	2005
Year Effective	2005
Data Source	Bureau of Transportation Statistics
Estimate Reliability	Class B
Data Reliability	Class B
Note	

**Description:** The purchase of food and nonalcoholic beverages provided at no charge aboard a qualified airline not including alcohol or tobacco.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	6	6	7
Local Tax Expenditure	5	5	6
$() \mathbf{D} (1) = 1 = 0 + 0 + 0 + 0 + 0 + 0 + 0 + 0 + 0 + 0$			

(m) Denotes a value of less than \$1 million

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# **4.08300** Sale of biomass materials used to produce electricity or steam intended for sale

Statute		§48-8-3(83)
Year Enacted		2006
Year Effective		2006
Data Source		Fiscal Note for HB 1018 LC 18 4936 for 2009 and the U.S.
		Energy Information Administration
Estimate Reliab	oility	Class B
Data Reliability	7	Class A
Note		
<b>Description:</b>		use of biomass material, including pellets or other fuels derived
	•	essed, chipped, or shredded biomass material, utilized in the
	*	of energy, including without limitation the production of
	electricity ar	nd/or steam.

ciccularly and/or steam			
	State Fisca	l Years (\$ i	n Millions)
	2023	2024	2025
State Tax Expenditure	3	4	5
Local Tax Expenditure	3	3	4

(m) Denotes a value of less than \$1 million

# **4.08600** Sale of engines, parts, equipment and other tangible personal property used in the maintenance or repair of certain aircraft

1	maintenance o	r repair of cei	tain aircraft
St	tatute		§48-8-3(86)
Y	ear Enacted		2009
Y	ear Effective		2009
D	ata Source		Fiscal Note for HB 933 LC 40 0540 for 2014
E	stimate Reliab	oility	Class C
D	ata Reliability	- 1	Class C
Ν	ote		
D	escription:	<b>ption:</b> The sale or use of engines, parts, equipment, and other tangible personal property used in the maintenance or repair of aircraft when such engine parts, equipment, and other tangible personal property are installed on aircraft that is being repaired or maintained in this state, so long as such aircraft is not registered in this state.	

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	23	23	23
Local Tax Expenditure	17	18	18
(m) Denotes a value of less than \$1 million			

Sale of tangible personal property used for and in the construction of a competitive project 4.09300 f regional significanc

of regional significance.	
Statute	§48-8-3(93)
Year Enacted	2012
Year Effective	2012
Data Source	Fiscal Note for HB 587 LC 43 2010S for 2021
Estimate Reliability	Class B
Data Reliability	Class B
Note	

**Description:** For the period commencing January 1, 2012, until June 30, 2021, sales of tangible personal property used for and in the construction of a competitive project of regional significance. The exemption applies to purchases made during the entire time of construction of the competitive project of regional significance so long as such project meets the definition of a "competitive project of regional significance".

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	9	9	9
Local Tax Expenditure	8	8	8
(m) Denotes a value of loss than \$1 million			

(m) Denotes a value of less than \$1 million

4.09400 The sale, use, consumption, or storage of materials, containers, labels, sacks, or bags used for packaging tangible personal property for shipment or sale

bersonal property for singment of sale			
§48-8-3(94)			
2014			
2014			
Fiscal Note for HB 586 LC 43 2029S for 2021			
Class B			
Class A			
Estimate Combined with 4.3.2			
, use, consumption, or storage of materials, containers, labels,			
bags used for packaging tangible personal property for shipment			
Fo qualify for the packaging exemption, the items shall be used			
r packaging and shall not be purchased for reuse. The packaging			
exemption shall not include materials purchased at a retail establishment			
consumer use.			
State Fiscal Years (\$ in Millions)			
2023 2024 2025			

	2023	2024	2025
State Tax Expenditure	Estimate	Combined v	with 4.3.2
Local Tax Expenditure			
(m) Denotes a value of less than \$1 million			

notes a value of less than \$1

4.09700

Sale of admission to a nonrecurring major sporting event §48-8-3(97) Statute

Year Enacted	2016
Year Effective	2017
Data Source	Fiscal Note for HB 951 LC 34 4805 for 2016
Estimate Reliability	Class B
Data Reliability	Class B
Note	

**Description:** Sale of admissions to nonrecurring major sporting events in this state that are expected to generate over \$50 million in the host locality.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	2
Local Tax Expenditure	(m)	(m)	2
(m) Demotes a surface of loss them $(1, m)$			

(m) Denotes a value of less than \$1 million

<u>4.10000</u>	Exemption for sales of tickets to a qualified fine arts performance or exhibition		
	Statute	§48-8-3(100)	
	Year Enacted	2017	
	Year Effective	Transactions occurring on or after April 25, 2017	
	Data Source	Fiscal Note for HB 586 LC 43 2029S for 2021	
	Estimate Reliability	Class B	
	Data Reliability	Class B	
	Note <b>Description:</b> A sales tax exemption on the sale of tickets, fees, or charges for admissio		
	to a qualified fine arts performance or exhibition.		

State Fiscal Years (\$ in Millions)

	50000 1 1500		
	2023	2024	2025
State Tax Expenditure	6	7	7
Local Tax Expenditure	6	6	6

(m) Denotes a value of less than \$1 million

## 4.10100 The sale of certain written material by a nonprofit

The sale of certain written material by a holpford						
Statute		§48-8-3(101	)			
Year Enacted		2018				
Year Effective		2018				
Data Source		Fiscal Note	HB 217 for 1	2018		
Estimate Reliabili	ty	Class B				
Data Reliability		Class B				
Note						
<b>Description:</b> The sale or use of noncom organization which is exer Internal Revenue Code, if provides such materials to religious, or fundraising p			mpt from ta the organiz charity sup ourposes State Fisca 2023	xation unde ation is loca	r Section 50 nted in this st educational, n Millions) 2025	1(c)(3) of the tate and
State Tax Expende	iture		9	9	9	
Local Tax Expend	liture		7	8	8	

<u>4.10200</u>	Partial exemption for qualified manufactured homes						
	Statute		§48-8-3(102	2)			
	Year Enacted		2018				
	Year Effective		2018				
	Data Source		Fiscal Note	HB 871/LC	43 0891 <mark>8</mark> fo	or 2018	
			Class B				
			Class B				
	Note						
	<b>Description:</b> A partial exempt			state sales a	nd use tax f	or qualified	manufactured
	homes equal to 50 percent of the sale price of such homes. Qualified			ualified			
	manufactured homes are those that are to be converted, and actually			ctually			
		converted w	ithin 30 days	of sale, to re	al property	in the state	pursuant to
	O.C.G.A. §8-2-183.1. The proposed exemption does not apply to any local sales or use tax in the state. State Fiscal Years (\$ in Millions) 2023 2024 2025 State Tax Expenditure 3 3 3			y to any local			
				2023	2024	2025	
				3	3	3	

Local Tax Expenditure (m) Denotes a value of less than \$1 million

#### Exemption for poultry diagnostic and disease monitoring service nonprofit organization <u>4.10400</u>

Statute	§ 48-8-3(104)
Year Enacted	2019
Year Effective	2019
Data Source	IRS Form 990 Data
Estimate Reliability	Class A
Data Reliability	Class A
Note	

Sales to or by any nonprofit organization which has as its primary purpose **Description:** providing poultry diagnostic and disease monitoring services.

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	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

#### <u>4.3.2</u> Exemption for energy, machinery or equipment, industrial material, and consumable supplies used in manufacturing

<u>supplies used</u>	III IIIaiiuiaetu	ting
Statute		§ 48-8-3.2
Year Enacted		2012
Year Effective		2013
Data Source		Fiscal Note for HB 586 LC 43 2029S for 2021
Estimate Reliab	oility	Class B
Data Reliability	/	Class A
Note		Modified in 2017 to include maintenance and replacement parts for certain machinery or equipment, stationary or in transit, used to mix, agitate, and transport freshly mixed concrete in a plastic and unhardened state.
Description:	1	for energy, machinery or equipment, industrial material, and supplies used in manufacturing.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	3,849	4,042	4,231
Local Tax Expenditure	3,243	3,405	3,564
(m) Denotes a value of less than \$1 million			

#### Sales and use by a qualified agriculture producer of agricultural production inputs, energy <u>4.3.3</u> used in agriculture, and agricultural machinery and equipment

Statute	§ 48-8-3.3
Year Enacted	2012
Year Effective	2013
Data Source	UGA Extension Economists Farm Budget Data and UGA
	Farm Gate Value Report Data
Estimate Reliab	ility Class B
Data Reliability	Class B
Note	This estimate differs from previous reports due to new data
<b>Description:</b>	Sale to, or use by, a qualified agriculture producer of agricultural
	production inputs, energy used in agriculture, and agricultural machinery
	and equipment.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	154	156	159	
Local Tax Expenditure	140	142	145	

(m) Denotes a value of less than \$1 million

#### <u>4.3.4</u> Exemption for qualified boat repairs

Statute	§48-8-3.4
Year Enacted	2017
Year Effective	Transactions occurring on or after July 1, 2017
Data Source	Fiscal Note for HB 586 LC 43 2029S for 2021
Estimate Reliab	ility Class B
Data Reliability	Class B
Note	The provision expires on June 30, 2025
<b>Description:</b>	A sales tax exemption for certain tangible property used in the repair,
	retrofit, or maintenance of boats. The exemption cannot exceed \$35,000 for
	any single repair, retrofit, or maintenance event.
	State Figure (\$ in Millions)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

#### <u>4.3.5</u> Exemption for the sale and use of jet fuel

Statute	§48-8-3.5
Year Enacted	2018
Year Effective	2018
Data Source	Fiscal Note for LC 43 1712 for 2020
Estimate Reliability	Class B
Data Reliability	Class B
Note	

Description. The sales of jet fue	The sales of jet fuel are exempt from the state sales and use tax			
	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	101	102	101	
Local Tax Expenditure	0	0	0	

# **Description:** The sales of jet fuel are exempt from the state sales and use tax.

## 4.5 Sales and Use Tax for Services

#### 4.5.010 Construction Services

**Description:** Sales by establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems), and preparation of sites for new construction, but excluding cost of materials taxed under current law and land. (NAICS 23)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	2,405	2,311	2,278
Local Tax Expenditure	2,026	1,947	1,919
(m) Denotes a value of less then \$1 million			

(m) Denotes a value of less than \$1 million

#### 4.5020 Automotive Services by Motor Vehicle and Parts Dealers

**Description:** Labor charges for service and repair of vehicles (by motor vehicle and parts dealers only). (NAICS 441).

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	127	132	135
Local Tax Expenditure	108	111	114

(m) Denotes a value of less than \$1 million

### 4.5030 Investment and Financial Advisers

**Description:** Fees charged by trusts, financial planning and investment management services. (NAICS 52392-99)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	679	705	722
Local Tax Expenditure	572	594	608

(m) Denotes a value of less than \$1 million

#### 4.5040 Real Estate Services

**Description:** Charges for real estate brokerage, property management and appraisal services (NAICS 5312-3)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	427	417	422
Local Tax Expenditure	360	351	356

(m) Denotes a value of less than \$1 million

#### 4.5050 Professional, Scientific and Technical Services

**Description:** Charges for professional, scientific and technical services, excluding internet and streaming services, tangible good sales, temp staffing and other non-qualifying sales. (NAICS 54)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	3,042	3,076	3,053
Local Tax Expenditure	2,563	2,591	2,572

## 4.5060 Administrative and Support Services

**Description:** Sales by firms engaged primarily in administrative and support services, excluding correctional facilities. Estimate also excludes the sale of tangible goods, health care and temp staffing by such establishments. (NAICS 561)

	State Fiscal Tears (\$ III WIIIIOIIS)		
	2023	2024	2025
State Tax Expenditure	1,280	1,293	1,307
Local Tax Expenditure	1,078	1,089	1,101

(m) Denotes a value of less than \$1 million

**4.5070** Waste Management and Remediation Services

**Description:** Sales by firms that provide waste management and remediation services, excluding tangible good sales. (NAICS 562)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	199	200	202
Local Tax Expenditure	168	169	171
(m) Demotes a surface of loss them $(1, m)$			

(m) Denotes a value of less than \$1 million

#### 4.5080 Educational Services (excluding schools)

**Description:** Sales by establishments that provide educational services, such as training, tutoring, coaching and support services, excluding pre-K-12 schools, colleges and universities. Estimate excludes the sale of tangible goods, and other non-qualifying revenue such as grants and donations. (NAICS 61)

	State Fiscal Tears (5 III Millions)		
	2023	2024	2025
State Tax Expenditure	66	67	67
Local Tax Expenditure	56	56	57

(m) Denotes a value of less than \$1 million

#### 4.5090 Health Care and Social Assistance Services

**Description:** Sales by establishments primarily engaged in health care and social assistance, excluding tangible good sales, grants, government revenue, donations and other non-service revenue. (NAICS 62)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	3,401	3,448	3,539
Local Tax Expenditure	2,865	2,905	2,982
· · · · · · · · · · · · · · · · · · ·			

(m) Denotes a value of less than \$1 million

#### 4.50100 Promoters of Events; Agents for Entertainers

**Description:** Fees charged by event promoters and agents for athletes and entertainers. Excludes admissions fees and tangible good sales. (NAICS 7113-4)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	15	16	16
Local Tax Expenditure	13	14	14

## 4.50110 Repair and Maintenance Services

**Description:** Sales by establishments primarily engaged in the repair and maintenance of vehicles, electronics, appliances and other goods. Excludes merchandise and parts sales by such establishments. (NAICS 811)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	111	112	114
Local Tax Expenditure	94	94	96

(m) Denotes a value of less than \$1 million

#### 4.50120 Personal and Laundry Services

**Description:** Sales by establishments engaged in miscellaneous personal services, such as hair and nail salons, laundromats, funeral homes and parking garages. Excludes tangible good sales. (NAICS 812)

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	184	185	185
Local Tax Expenditure	155	155	156

# 4.7 Vendor Compensation

<u>4.70000</u>	Compensation of dealers for reporting and paying tax					
	Statute	§48-8-50				
	Year Enacted	1964				
	Year Effective	1964				
	Data Source	Office of Pl	anning and H	Budget and I	DOR	
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note	Georgia allows a vendor collection fee of 3 percent for the				
		first \$3,000 and then 0.5 percent for amounts above \$3,000				
		but does no	t impose a m	aximum lin	nitation per v	vendor.
	Description:					
			State Fisca	l Years (\$ in	n Millions)	
			2023	2024	2025	
	State Tax Expenditure		106	107	111	
	Local Tax Expenditure		0	0	0	
	(m) Denotes a value of less than \$1 n	nillion				

# 4.9 Casual Sales

<u>4.90000</u>	Sales tax exemption for casual sales						
	Statute	_	DOR admin	nistrative rule	e		
	Year Enacted		NA				
	Year Effective		NA				
	Data Source		Georgia De	epartment of	Natural Res	ources and the	he General
			Aviation M	anufacturers	Association	1	
	Estimate Relia	bility	Class C				
	Data Reliabilit	у	Class C				
	Note						
	<b>Description:</b>	Purchases o	of boats, plane	es and other t	tangible goo	ds sold by p	ersons not in
		the business	s of selling su	ch items are	not subject	to sales tax.	(Prior to the
		implementa	tion of the A	lternative Ad	l Valorem T	ax on Motor	· Vehicles this
		estimate inc	luded casual	sale of moto	r vehicles.)		
				State Fisca	ll Years (\$ in	n Millions)	
				2023	2024	2025	
	State Tax Expe	enditure		3	3	4	
	Local Tax Exp	enditure		3	3	3	
	(m) Denotes a value	of less than \$1 mil	llion				

# Sales and Use Tax expenditures for which an estimate is not currently available

Expenditure	Expenditure	Expenditure
4.00100	§48-8-3(1)	Sales to Federal Government, State of Georgia or a county or municipality in Georgia or any agency of such governments
4.00200	§48-8-3(2)	Tangible personal property furnished by the federal government, or any county or municipality, and used by a contractor in the installation, repair, or extension of any public water, gas, or sewer system
4.00300	§48-8-3(3)	Federal retailer's excise tax if separately itemized to the consumer and Georgia motor fuel tax imposed on the sale of motor fuel
4.00900	\$48-8-3(3)	Sale of tangible personal property and services used exclusively in the educational function of an approved private college or university located in Georgia in which the credits are accepted by the University System of Georgia
4.01800	\$48-8-3(18)	Charges for transportation of tangible personal property made in connection with interstate or intrastate transportation
4.01900	§48-8-3(19)	All tangible personal property purchased outside this State by a nonresident when the property is brought into Georgia upon the nonresident becoming a resident
4.02100	\$48-8-3(21)	Sales, transfers, or exchanges of tangible personal property resulting from business reorganization when the owners, partners, or stockholders maintain the same proportionate interest or share in the newly formed business
4.03100	\$48-8-3(31)	Sale of tangible personal property manufactured or assembled in Georgia for export when delivery is taken outside of Georgia
4.03200	\$48-8-3(32)	Aircraft, watercraft, motor vehicles, and other transportation equipment manufactured or assembled in this State for exclusive use outside Georgia
4.03300	§48-8-3(33)	Common or common and contract carriers
4.03410	\$48-8-3(34.1)	Machinery and equipment used to handle, move, or store tangible personal property in certain distribution facilities
4.03610	\$48-8-3(36.1)	Machinery and equipment used for water conservation and incorporated into a qualified water conservation facility
4.03910	\$48-8-3(39.1)	Cargo containers and related chassis used for storage or shipping by persons engaged in international shipment of tangible personal property
4.04200	\$48-8-3(42)	Use or lease of tangible personal property when the lessor and lessee are under 100 percent common ownership and where the person who furnishes, leases, or rents the property has paid sales or use tax on the property

Expenditure	Expenditure	Expenditure
4.04400	§48-8-3(44)	Sale of motor vehicles to nonresident purchasers when vehicles are immediately removed from Georgia and titled in another state
4.04500	§48-8-3(45)	The sale or use of paper stock when used to print catalogs for distribution outside Georgia
4.06100	§48-8-3(61)	Advertising inserts that are used in newspapers for resale
4.09100	§48-8-3(91)	The sale of prewritten software which has been delivered to the purchaser electronically or by means of load and leave
4.3.6	§36-88-3(8.1)	Exemption for sales within an enterprise zone

# Sales and Use Tax expenditures for which an estimate is not currently available

# 5. Insurance Premium Tax

The premium tax is imposed upon gross direct premiums received by insurers doing business in the state to insure persons, property, or risks in Georgia. The state tax rate is imposed at a rate of 2.25 percent of gross direct premiums, though the rate is reduced to 1.25 percent for insurers holding at least 25 percent of their total assets, exclusive of direct obligations of the United States, in specified classes of Georgia assets. For insurers holding 75 percent of such total assets in Georgia, the rate is reduced further to 0.5 percent.

Counties levy a tax at 1 percent on gross direct premiums of life insurance companies for policies covering persons residing in unincorporated areas of the county, except that the county tax shall not apply to life insurers that qualify for the abatement of the state tax for firms with 75 percent Georgia assets. Municipalities may levy a tax of up to 1 percent on life policies covering persons residing in the given municipality. Counties and municipalities may levy rates of up to 2.5 percent on gross direct premiums for policies other than life insurance policies.

This tax is administered by the State Insurance Commissioner. In FY 2022, state revenues from this tax equaled \$643 million and local revenues equaled \$715 million. The state proceeds from the tax are deposited into the State General Fund.

<u>5.00100</u>	Deduction of retaliatory taxes paid to other states				
	Statute		§33-8-7		
	Year Enacted		1960		
	Year Effective		Prior to 2000		
	Data Source		Office of Insurance and Safety Fire Commissioner		
	Estimate Reliability		Class A		
	Data Reliabilit	У	Class A		
	Note		Not applicable at the local level.		
	<b>Description:</b> Property ar		d casualty insurance companies domiciled in Georgia are able to		
		deduct from their Georgia tax liability taxes paid to other states on policies			
		written in those states.			
			State Fiscal Vears (\$ in Millions)		

	State Fiscal Years (\$ in Millions)		n Millions)
	2023	2024	2025
State Tax Expenditure	3	3	3
(m) Denotes a value of less than \$1 million			

5.00200	Georgia Job Tax Credit	
	Statute	\$33-8-4.1
	Year Enacted	1960
	Year Effective	2000
	Data Source	DOR data as of 2021 and Office of Insurance and Safety Fire
		Commissioner
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The same estimate is provided in the corporate and personal
		Income tax sections, see 1.6.012 and 2.6.001. In 2018, the qualifying areas were expanded to include counties with

military bases and industrial parks that are owned and operated by a government entity.

**Description:** The credit provides a statewide job tax credit to any business or headquarters engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, or research and development. Retail establishments are only allowed the credit if located in one of the 40 least-developed counties of the state. Average wages must be greater than the average wage of the county in the state with the lowest average wage. To be eligible, employers must offer health insurance to all new employees. It also provides a tax credit for business enterprises designated as operating in less-developed areas. These include areas with ten or more contiguous census tracts with higher than 15 percent poverty and counties with both a military base and a government owned and operated industrial park.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
Income Tax Expenditure	83	88	91
Corporate Income Tax Expenditure	130	138	143
Insurance Premium Tax Expenditure	4	4	5
State Tax Expenditure	217	230	239

(m) Denotes a value of less than \$1 million

<u><b>0</b></u> Exemption for	premiums of	<u>f high-deductible healt</u>	<u>h plans</u>		
Statute		§33-8-4			
Year Enacted		2008			
Year Effective		2009			
Data Source		Office of Insurance a	and Safety Fire	e Commission	ner
Estimate Reliab	ility	Class A			
Data Reliability		Class A			
Note		The local exemption	expired on De	ecember 31, 2	2014.
<b>Description:</b>	Insurance co	ompanies are allowed	to exempt from	n their insura	nce premium
	tax liability a	any premiums paid by	Georgia resid	lents for high	-deductible
	health plans	as defined by Section	233 of the Int	ernal Revenu	e Code.
		State Fi	scal Years (\$	in Millions)	
		2023	2024	2025	
State Tax Exper	nditure	1	2	2	

## 5.00300 Exemption for premiums of high-deductible health plans

(m) Denotes a value of less than \$1 million

**5.00400** Exemption for insurance companies that only insure places of worship

Statute	\$33-8-13
Year Enacted	1996
Year Effective	1996
Data Source	Office of Insurance and Safety Fire Commissioner
Estimate Reliability	Class C
Data Reliability	Class C
Note	Not applicable at the local level.
<b>Description:</b> Insurance co	ompanies that only insure the risks of places of worship are
exempt from	the state premium tax.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

5.00500	Insurance abat	ements					
	Statute		§33-8-5				
	Year Enacted		1996				
	Year Effective		Prior to 2000				
	Data Source		Office of Insura	ance and S	afety Fire (	Commissioner	ſ
	Estimate Reliab	oility	Class A				
	Data Reliability	7	Class A				
	Note		Not applicable	at the loca	l level.		
	<b>Description:</b>	Georgia im	poses a reduced s	state rate o	f 1.25 perce	ent on insuran	ce
		companies	that invest at leas	t 25 perce	nt of their a	ssets in qualif	fied Georgia
		assets. If th	e amount investe	d in qualif	ied Georgia	assets is grea	ter than 75
		percent, the	e rate is reduced to	o 0.50 pero	cent.		
			St	tate Fiscal	Years (\$ in	Millions)	
				2023	2024	2025	

222

240

261

State Tax Expenditure (m) Denotes a value of less than \$1 million

#### <u>5.00600</u> Special deductions for life insurance companies

Special acadet		special deddetions for me insurance companies				
Statute		§§33-8-4, 33-8-8, 33-8-8.1				
Year Enacted		1981				
Year Effective		Prior to 2000				
Data Source		Office of Insurance and Safety Fire Commissioner				
Estimate Reliab	ility	Class A				
Data Reliability		Class A				
Note		Not applicable at the local level.				
<b>Description:</b>	Life insurance	ice companies are permitted to deduct contributions to stat	e			
	guarantee fu	unds, license fees paid to local governments, local premiur	n			
	taxes from p	premium taxes otherwise payable to the State.				
	-	State Fiscal Years (\$ in Millions)				
		2022 2024 2025				

	2023	2024	2025
State Tax Expenditure	247	269	294
(m) Denotes a value of less than \$1 million			

enotes a value of less than \$1 million

#### Low-Income Housing Credit <u>5.00700</u>

Statute	§33-1-18
Year Enacted	1960
Year Effective	2001
Data Source	DOR data as of TY 2021 and Office of Insurance and Safety
	Fire Commissioner
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the personal income tax
	section and the corporate income tax section, see 1.6.028 and
	2.6.017.
Description This is a	a credit against Georgia income and insurance premium taxes for

**Description:** This is a credit against Georgia income and insurance premium taxes for

State Fiscal Years (\$ in Millions)			
2023	2024	2025	
107	120	132	
25	28	31	
211	229	252	
344	377	415	
	2023 107 25 211	2023         2024           107         120           25         28           211         229	

owners of rental housing qualifying for the federal low-income housing tax credit and that are placed in service on or after January 1, 2001.

(m) Denotes a value of less than \$1 million

#### 5.00800 Insurance Premium Tax Exemption for multiple employer self-insured health plans

Statute	\$33-50-3
Year Enacted	2016
Year Effective	2016
Data Source	Office of Insurance and Safety Fire Commissioner
Estimate Reliability	Class A
Data Reliability	Class A
Note	
<b>Description:</b> Multiple e	mployer self-insured health plans are exempt from the s

Multiple employer self-insured health plans are exempt from the state Description: insurance premium tax on the plan's net premiums.

State Fiscal	Years (\$	in Millions)
--------------	-----------	--------------

	2023	2024	2025
State Tax Expenditure	2	2	2
(m) Denotes a value of less than \$1 million			

#### 5.00900 Agribusiness Tax Credit

Agriousiness	Tax Cicuit				
Statute	§3	3-1-25			
Year Enacted	20	2017			
Year Effective	Та	xable years begin	ning on or at	fter January 1, 2	2018
Data Source	D	OR data as of TY	2021 and Of	fice of Insurance	e and Safety
	Fin	e Commissioner			
Estimate Reliab	oility Cl	Class B			
Data Reliability	Cl	ass B			
Note	Th	The same estimate is provided in the personal and corporate			
	ind	come tax sections	, see 1.6.049	and 5.00900.	
Description:	This income tax	credit is to establ	lish qualified	l low-income co	ommunity rural
	investment func	s and tax credits.	The credit an	mount is 15 per	cent of the
	eligible investm	igible investment per year beginning in the third year after the investment			
	is made and cor	and continuing through the sixth year, for a total credit equal to 60			
	percent of the eligible investment. The credit is nonrefundable and may				e and may not
be sold but may be carried forward indefinitely. The amount of credits				of credits	
available is subject to a cumulative cap of \$100 million.					
		State F	Fiscal Years (	(\$ in Millions)	
		2023	3 2024	2025	
Income Tax Ex		1	1	1	
Corporate Income Tax Expende		ure 4	3	2	
Insurance Premium Tax Expe		ture 9	9	9	
State Tax Expe	nditure	14	13	12	

# 6. Motor Fuel Tax

The tax on motor fuels was substantially modified in 2015. Under the new law, the state tax on motor fuels other than diesel fuel and aviation gasoline is, as of January 1, 2023, 31.2 cents per gallon. The state tax on diesel fuel is 35 cents per gallon and the tax on aviation gasoline is 1 cent per gallon. Tax rates are adjusted annually for inflation and for the change in average fuel economy of new vehicles registered in the state in the prior year from the year before. The base of the motor fuel tax is imposed on any source of energy that can be used for propulsion of a motor vehicle on the public highways, including, but not limited to gasoline, fuel oils, compressed petroleum gas, and special fuels. Legislation passed in 2023 added electricity and hydrogen to taxable motor fuels. The gallon equivalent for electricity was set at not more than 11 kilowatt-hours and for hydrogen not less than 2.2 pounds.

The tax is administered by the Georgia DOR and revenues generated from this tax are allocated by the state constitution to the Georgia Department of Transportation for highway purposes. State motor fuel tax revenues for FY 2022 totaled \$1.6 billion.

<u>6.00400</u>	Motor fuel tax ex	emption for av	iation fuel				
	Statute	- §48	8-9-3				
	Year Enacted	197	8				
	Year Effective	197	8				
	Data Source	Fise	cal Note for	r LC 34 13	67S for 201	8	
	Estimate Reliabilit	y Cla	ss A				
	Data Reliability	•	ss A				
	Note						
	<b>Description:</b> E	xemption for a	viation fuel				
	-	-	S	State Fiscal	Years (\$ in	Millions)	
				2023	2024	2025	
	State Tax Expendi	ture		1	2	2	
	(m) Denotes a value of less than \$1 million						
<u>6.00500</u>	Motor fuel tax ve	ndor compensation	ation				
	Statute	§48	8-9-8(b)				
	Year Enacted	199	02				
	Year Effective	199	02				
	Data Source	Off	ice of Plan	ning and B	udget Data f	for FY 2023	
	Estimate Reliabilit	y Cla	ss A	C	C		
	Data Reliability	Cla	ss A				
	Note						
	<b>Description:</b> Motor fuel dealers are allowed to retain 1 percent of total amounts coll						ts collected
	as reimbursement for the cost of collection.						
			State Fiscal Years (\$ in Millions)				
				2023	2024	2025	
	State Tax Expendi	ture		8	17	21	
	(m) Denotes a value of le	ss than \$1 million					

## 7. Alcoholic Beverage Tax

This state and local tax is imposed on alcoholic beverages including malt beverages, wine, and distilled spirits. Malt beverages sold in bulk containers (tap or draft beer) are taxed at a state rate of \$10 per container up to 31 gallons with a proportionate tax on fractional parts of 31 gallons for larger containers. For bottled and canned malt beverages, the state tax rate is 4 ½ cents per 12 ounces and proportionate rates on fractional parts of 12 ounces for other sizes. Table wines are taxed at a state rate of 11 cents per liter and an additional state import tax of 29 cents per liter is imposed on table wines produced outside of Georgia and imported into the state, in both cases with proportionate rates for fractional parts of a liter. A state excise tax of 27 cents per liter and an additional state import tax of 40 cents per liter is imposed on dessert wines, with proportionate rates for fractional parts of a liter. A state excise tax of 50 cents per liter is imposed on distilled spirits while alcohol (defined to mean ethyl alcohol greater than 190 proof intended for use as a beverage, including grain alcohol and spirits of wine) is subject to a state tax of 70 cents per liter, in both cases with the tax applied proportionately on fractions of a liter. Distilled spirits and alcohol imported to Georgia from outside the state are also subject to an additional state import tax of 50 cents and 70 cents per liter, respectively.

A uniform local government beer tax is levied at 5 cents per 12 ounces for bottled and canned malt beverages with proportionate rates for sizes other than 12 ounces. The rate for bulk (tap or draft) malt beverages is \$6 per container for containers up to 15 ½ gallons with proportionate rates for larger containers. Counties and municipalities may levy excise tax on wine at rates that do not exceed 22 cents per liter. Counties and municipalities may levy excise taxes on distilled spirits sold by the package at rates that do not exceed 22 cents per liter or proportionate rates for other size containers. Counties and municipalities may also levy excise taxes at rates up to 3 percent of the price charged for mixed drinks.

The state portion of the tax is administered by the Georgia DOR. Proceeds from the state tax are deposited into the State General Fund. In FY 2022, state collections equaled \$229 million. Local collections for FY 2021³ equaled \$153 million.

7.00300	200 gallons annually of homebrew per household				
	Statute		<b>§§</b> 3-5-61, 3-6-70		
	Year Enacted		1977		
	Year Effective Data Source		1977		
			American Homebrewers' Association		
	Estimate Relial	oility	Class B		
	Data Reliability	У	Class C		
	Note				
	Description:	Allows an e household.	Allows an exemption for up to 200 gallons annually of homebrew per household.		

³ US Census of Governments. Latest data available.

	State Fiscal Years (\$ in Millions)			
	2023	2024	2025	
State Tax Expenditure	1	1	1	

(m) Denotes a value of less than \$1 million

<u>7.00400</u>	Sales to and use by religious organizations for sacramental purposes					
	Statute		§§3-5-61, 3			
	Year Enacted		1977			
	Year Effective		1977			
	Data Source		National Ce	enter for Char	itable Statis	stics & Catholic.org
	Estimate Reliab	oility	Class B			C
	Data Reliability	7	Class C			
	Note					
	<b>Description:</b>	Sales to and use by religious organizations for sacramental purposes				
				State Fiscal	Years (\$ in	n Millions)
				2023	2024	2025
	State Tax Expe			(m)	(m)	(m)
	(m) Denotes a value	of less than \$1 mil	llion			
7.00600	Malt beverage	es containing	less than one	-half of 0.5 p	ercent alcol	ol by volume
	Statute		§3-5-90	<u> </u>		
	Year Enacted		1987			
	Year Effective		1987			
	Data Source		U.S. Economic Census & American Beer Institute			
	Estimate Reliab	oility	Class B			
	Data Reliability	-	Class B			
	Note					
	<b>Description:</b>	Malt bevera	iges which co	ntain less tha	n one-half o	of 1 percent alcohol by
		volume shall	ll not be subje	ect to any tax	levied under	er this title or any tax
		levied pursu	ant to author	ity granted by	y this title.	
				State Fiscal	Years (\$ in	n Millions)
				2023	2024	2025
	State Tax Expe	nditure		1	1	1

(m) Denotes a value of less than \$1 million

# Alcoholic beverages tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
7.00100	§3-5-61	Sales to persons outside the state for resale or consumption outside
		the state
7.00200	§§3-5-61, 3-6-70	Sales to stores or canteens in U.S. military reservations
7.00500	§§3-5-61, 3-6-70	Exemption for ethyl alcohol used for certain purposes

## 8. Tobacco Products Excise Tax

This tax is levied upon the sale, receipt, purchase, possession, consumption, handling, distribution, or use of tobacco, cigars, and cigarettes in Georgia. The tax is imposed at a rate of 37 cents per pack of 20 cigarettes and a like rate, pro rata, for other sized packages. Little cigars, weighing not more than three pounds per thousand are taxed at a rate of 2.5 mills each (\$2.50 per 1000). All other cigars are taxed at 23 percent of the wholesale cost price, exclusive of any trade, cash, of other discounts or any promotion, advertising, display or other similar allowances. Loose or smokeless tobacco is taxed at a rate of 10 percent of the wholesale cost price.

Under legislation enacted in 2020, excise taxes are also levied on consumable vapor products beginning January 1, 2021. The tax is imposed at a rate of 5 cents per fluid milliliter for consumable vapor products in a closed system and 7 percent of the wholesale cost price for other consumable vapor products and devices.

The tax is administered by the Georgia DOR. In FY 2022, the tax totaled \$239 million. The proceeds of the tax are deposited into the State General Fund.

<u>8.00100</u>	Exemption for purchases for use exclusively by patients at the Georgia War Veterans						
	Home and the Georgia War Veterans Nursing Home						
	Statute		§48-11-2				
	Year Enacted		1955				
	Year Effective		Latest Modi	fication 200	3		
	Data Source		Georgia Dep	partment of V	Veterans Ser	rvices	
	Estimate Relia	oility	Class B	Class B			
	Data Reliability	y	Class B				
	Note						
	<b>Description:</b>	Exemption f	for purchases	for use exclu	usively by p	atients at the	e Georgia War
	-	Veterans Ho	ome and the G	eorgia War	Veterans N	ursing Home	;
	State Fiscal Years (\$ in Millions)						
				2023	2024	2025	
	State Tax Expe	nditure		(m)	(m)	(m)	
	(m) Denotes a value	of less than \$1 mil	lion				

(m) Denotes a value of less than \$1 million

## Tobacco Products excise tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
8.00200	§48-11-3	De minimis amount brought into the state by one person
8.00300	§48-11-3	Cigars and cigarettes stored in a public warehouse
8.00400	§48-11-3	Certain cigars and cigarettes held by licensed dealers

## 9. Financial Institutions Special State Occupation Tax

This is a special state occupation tax imposed on the adjusted gross receipts of each depository financial institution that does business or owns property in the state. The state tax rate is levied at a rate of 0.25 percent. In addition to the state tax, counties and municipalities may levy a rate not to exceed 0.25 percent of gross receipts. Any amount paid under the special state occupation tax by a financial institution reduces the institution's state income tax liability by an equal amount.

The tax is administered by the Georgia DOR. The revenues from this tax in FY 2022 equaled \$28 million. The proceeds of the tax are deposited into the State General Fund.

<u>9.00100</u>	Deduction for	interest paid						
	Statute		§48-6-95	§48-6-95				
	Year Enacted		1975					
	Year Effective		1975					
	Data Source		FDIC – St	tatistics on De	pository Ins	titutions		
	Estimate Reliab	oility	Class B					
	Data Reliability	/	Class A					
	Note							
	Description:	Financial ins	stitutions ar	e allowed to c	leduct from	gross receip	ts interest paid	
		on all liabili	ties.					
				State Fisca	ll Years (\$ ii	n Millions)		
				2023	2024	2025		
	State Tax Expe	nditure		7	8	8		

(m) Denotes a value of less than \$1 million

# Financial institutions tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
9.00200	§48-6-95	Deductions for income from authorized activities of a domestic
		international banking facility
9.00300	§48-6-95	Deduction for income from banking business with persons or entities outside the U.S.

## 10. Special Assessment of Forest Land Conservation Use Property

Real property devoted to qualified conservation use is assessed at 40 percent of its current use value. This tax treatment is designed to reduce the property tax burden on landowners in an effort to discourage the conversion of land to residential or commercial use. The property must be maintained in a qualifying conservation use for a period of 10 years. Because the state offsets the loss of local government property tax revenue stemming from this exemption, this exemption represents a reduction in state tax revenues.

<u>10.00000</u>	Special assessment of forest land conservation use property						
	Statute		§48-5A-2	§48-5A-2			
	Year Enacted		2008				
	Year Effective		2008				
	Data Source		DOR Data f	for 2022			
	Estimate Relia	bility	Class A				
	Data Reliabilit	у	Class A				
	Note						
	appropriatio independent		e available by ons and award t school distric l Conservation	ed to countie cts for purpo n Use Proper	es, municipa ses of the S ty program	lities and co pecial Asses	unty or
				2023	l Years (\$ in 2024	2025	
	Ctata Tara France						
	State Tax Expe			34	43	38	
	(m) Denotes a value	of less than \$1 mil	llion				

## 11. Alternative Ad Valorem Tax on Motor Vehicles

As of March 1, 2013, motor vehicles titled in Georgia are subject to a title ad valorem tax, referred to as the TAVT or Motor Vehicle Title Fee. This legislation was passed in the 2012 session of the General Assembly and was substantially amended in the 2013 session. As part of the legislation, sales and use tax on the sale of motor vehicles was eliminated for purchases or leases occurring on or after March 1, 2013.

The tax base is the fair market value, at the time of titling, of new and used motor vehicles registered and titled in the state, including casual sales, dealer sales, leased vehicles, rental and salvage vehicles, and vehicles being brought into the state by people relocating to Georgia. For dealer sales, the tax base is reduced by the value of the purchaser's trade-in vehicle, if any. For dealer sales of new vehicles, the tax base is also reduced by the amounts of dealer rebates and cash discounts, if any. For most transactions occurring on or after January 1, 2020, the fair market value is equal to the retail selling price.

The statutory TAVT rate from January 1, 2020, through June 30, 2023, is 6.6 percent, after which the rate will be 7.0 percent. The revenue from the tax is shared between the state and local governments as specified by law; beginning July 1, 2019, the state and local shares are 35 percent and 65 percent, respectively.

The tax is administered by the Georgia DOR but collected at the local level. All proceeds from the state portion of the TAVT are deposited into the State General Fund. The TAVT generated \$783 million in state receipts for FY 2022 and \$1.47 billion for local governments.

<u>11.001</u>	Reduced rate for related family transfers						
	Statute		§48-5C-1(d	)(1)-(2)			
	Year Enacted		2012				
	Year Effective		2013				
	Data Source		DOR Data				
	Estimate Relia	bility	Class A				
	Data Reliabilit	у	Class A				
	Note	-					
	<b>Description:</b>	A reduced r	ate of 0.25 pe	ercent applie	s to transfers	s for a vehicl	e transferred
	between immediate		mediate famil	ly members	or a transfer	occurring as	a result of
	the death of an immediate family member.						
				State Fisca	l Years (\$ ir	n Millions)	
				2023	2024	2025	
	State Tax Expenditure			18	18	18	
	Local Tax Exp	enditure		34	36	36	

(m) Denotes a value of less than \$1 million

<u>11.002</u>	Disabled veteran exemption				
	Statute	§48-5C-1(d)(1)-(2)			
	Year Enacted	2012			
	Year Effective	2013			

Data Source	DOR Data
Estimate Reliability	Class A
Data Reliability	Class A
Note	

**Description:** Exemption from the title fee of the sale of a vehicle to a service-connected disabled veteran when the veteran received a grant from the U.S. Department of Veterans Affairs to purchase and specifically adapt the vehicle to his or her disability. _. . . . 

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

<u>11.003</u>

_

Reduced rate for rental ve	hicles
Statute	§48-5C-1(d)(11)(A)
Year Enacted	2012
Year Effective	2013
Data Source	DOR Data
Estimate Reliability	Class A
Data Reliability	Class A
Note	
<b>Description:</b> Rental veh	icles are subject to a reduce

ed state title fee rate of 0.625 percent of the fair market value and a local title fee rate of 0.625 percent of the fair market value.

State Fiscal Years (\$ in Millions)		
2023	2024	2025
23	23	24
51	51	52
	State Fisca 2023 23 51	State Fiscal Years (\$ in           2023         2024           23         23           51         51

(m) Denotes a value of less than \$1 million

#### <u>11.004</u> Reduced rate for vehicles manufactured in years 1963-89

Statute	§48-5C-1(d)(17)	
Year Enacted	2012	
Year Effective	2013	
Data Source	DOR Data	
Estimate Reliabil	Class B	
Data Reliability	Class B	
Note		
s F c a t t c s	icles manufactured in years 1963 through 1989 are subject to a re e title fee rate of 0.5 percent and reduced local title fee rate of 0.5 rent of the fair market value of the vehicle. This provision allows 1 to be valued at the greater of the retail selling price of the kit; the rage of the current fair market value; or the current wholesale value motor vehicle. Vehicles with a model year prior to 1963, for whic ditional title has been obtained, are allowed to opt into the TAVT em upon payment of a state TAVT payment equal to 0.5 percent of market value of the vehicle and a local TAVT payment equal to 0.5	kit ie of h a of the

percent of the fair market value of the vehicle.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

#### <u>11.005</u> Reduced rate for salvage vehicles

Statute	§48-5C-1(b)(2)
Year Enacted	2012
Year Effective	2013
Data Source	DOR Data
Estimate Reliability	Class A
Data Reliability	Class A
Note	
<b>Description:</b> Salvage v	ehicles are subject to a state title fee rate of 1 percent and are not
<b>1</b> •	

subject to the local title fee. State Fiscal Vears (\$ in Millions)

	State Fiscal Tears (\$ III WIIIIOIIS)		
	2023	2024	2025
State Tax Expenditure	13	13	13
Local Tax Expenditure	42	42	44

(m) Denotes a value of less than \$1 million

#### <u>11.006</u> Dealer loaner vehicle exemption

Statute	§48-5C-1(d)(12)
Year Enacted	2012
Year Effective	2013
Data Source	DOR Data
Estimate Reliability	Class B
Data Reliability	Class A
Note	

**Description:** Dealer loaner vehicles are exempt from the state and local title fee for a period of 366 days.

F			
	State Fisca	l Years (\$ i	n Millions)
	2023	2024	2025
State Tax Expenditure	4	3	3
Local Tax Expenditure	17	16	16
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million

#### <u>11.007</u> Reduced rate for donated vehicles

,,	Reduced fate for donated venteres		
	Statute		§48-5C-1(d)(13)
	Year Enacted		2012
	Year Effective		2013
	Data Source		DOR Data
	Estimate Reliab	oility	Class A
	Data Reliability	/	Class A
	Note		
	<b>Description:</b> Vehicles donated to nonprofit organizations for the purpose of being transferred to another person are subject to a reduced state title fee rate percent of the fair market value of the vehicle. No local title fee applie		o another person are subject to a reduced state title fee rate of 1

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

**<u>11.008</u>** Extended payment period for out-of-state vehicles

Statute	§48-5C-1(d)(3)
Year Enacted	2012
Year Effective	2013
Data Source	DOR Data
Estimate Reliability	Class B
Data Reliability	Class B
Note	In 2017, the treatment of out-of-state vehicles changed from
	12 percent of fair market value paid in two equal installments
	over two years to 3 percent of fair market value due upon
	registration.
<b>D</b> • 4• <b>X7</b> 1 • 1	

**Description:** Vehicles registered by individuals moving from out-of-state are allowed to pay reduced title fee rate of 3 percent.

			/
	2023	2024	2025
State Tax Expenditure	24	24	25
Local Tax Expenditure	45	45	47

(m) Denotes a value of less than \$1 million

### <u>11.009</u>

Trade-in exemption (including rebates and cash discounts)Statute§48-5C-1(a)(1)

Statute	948-5C-1(a)(1
Year Enacted	2012
Year Effective	2013
Data Source	DOR Data
Estimate Reliability	Class A
Data Reliability	Class A
Note	

**Description:** Both the state and local title fee is imposed on the fair market value of a vehicle net of the trade-in value of another motor vehicle, rebates or cash discounts.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	171	182	188
Local Tax Expenditure	318	337	348

(m) Denotes a value of less than \$1 million

## <u>**11.010**</u> Special assessment for used vehicles

Statute	§48-5C-1(a)(1)(C)
Year Enacted	2012
Year Effective	2013
Data Source	DOR Data
Estimate Reliability	Class B
Data Reliability	Class C
Note	

## **Description:** Under certain conditions, used vehicles may be valued based on bill of sale, odometer reading, and values from alternative pricing guides.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	9	9	9
Local Tax Expenditure	16	16	17

(m) Denotes a value of less than \$1 million

# 11.012Buy here pay here transactions<br/>StatuteStatute§48-5C-1(b)(1)(B)(xv)<br/>Year EnactedYear Effective2013<br/>Year EffectiveData SourceDOR Data

Data Reliability Note

rintion. Sollar:

**Estimate Reliability** 

**Description:** Seller financed used car transactions are subject to a title fee rate that is two and a half percentage points below the standard title fee rate.

	2023	2024	2025
State Tax Expenditure	7	7	7
Local Tax Expenditure	11	11	11

Class A

Class A

(m) Denotes a value of less than \$1 million

## **<u>11.014</u>** Treatment of Leased Vehicles

Statute	§48-5C-1(a)(1)(E)
Year Enacted	2017
Year Effective	2018
Data Source	DOR Data
Estimate Reliability	Class A
Data Reliability	Class A
Note	
<b>Description:</b> The $TAVTi$	s levied only on the base

**Description:** The TAVT is levied only on the base payments under the lease agreement.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	9	9	9
Local Tax Expenditure	17	17	17

(m) Denotes a value of less than \$1 million

## 11.015 Treatment of vehicles involved in divorce settlement or business reorganization

Statute	§48-5C-1(d)(18), §48-5C-1(d)(15)
Year Enacted	2018
Year Effective	2018
Data Source	Fiscal Note for HB 329 LC 28 8929S for 2018
Estimate Reliability	Class A
Data Reliability	Class A
Note	
-	nsferred because of a divorce decree are subject to a reduced rate of 0.5 percent of vehicle fair market value and a reduced
	1

local TAVT rate of 0.5 percent of vehicle fair market value. The transfer of a title made as a result of a business reorganization is exempt from the title fee.

	State Fiscal Years (\$ in Millions)		
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

#### 11.016 Treatment of non-IRP Buses Statute §48-5C-1(d)(7.1) Year Enacted 2018 Year Effective 2018 Data Source Fiscal Note for HB 329 LC28 8929S for 2018 **Estimate Reliability** Class A Data Reliability Class A Note **Description:** In the case of for-hire charter buses and motor coaches which seat at least

15 passengers or more, the legislation allows the TAVT to be paid over a 12-month period in two equal installments.

State Fiscal Years (\$ in Millions)

	2023	2024	2025
State Tax Expenditure	22	40	41
Local Tax Expenditure	50	85	87

(m) Denotes a value of less than \$1 million

## **<u>11.017</u>** Exemption for vehicles purchased by disabled first responders

Statute	*	§48-5C-1(a)(.1)
Year Enacted		2019
Year Effective		2019
Data Source		Fiscal Note SB 138 LC 43 1258 for 2019
Estimate Relia	bility	Class A
Data Reliabilit	у	Class A
Note		
<b>Description:</b>	Vehicles pu	rchased by disabled first responders, as defined on O.C.G.A.
45-9-85, or a surviving spouse are exempt from TAVT up to a maximum of		
\$50,000 in aggregate fair market value combined for all motor vehicles the		
he or she registers during any three-year period.		gisters during any three-year period.
		State Fiscal Years (\$ in Millions)

	State I Isea	ι ι cars (ψ n	i winnons)
	2023	2024	2025
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	0	0	0

(m) Denotes a value of less than \$1 million

# Title ad valorem tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
11.013	§48-5C-1	Exemption for leased vehicles qualifying for Manufacturing Headquarters

## 12. Special Excise Tax on Consumer Fireworks

An excise tax of 5 percent is levied on gross receipts from the retail sale of fireworks, in addition to any state and local taxes otherwise imposed by law. This tax was enacted in 2015, effective for sales on or after July 1, 2015. The tax is administered by the Georgia DOR and the proceeds from this excise tax are deposited into the State General Fund. The consumer fireworks tax generated \$3.15 million in state receipts for FY 2022.

## **13. State Hotel-Motel Tax**

An excise tax of \$5.00 per day is levied on each room rented or leased. This tax was enacted in 2015 and became effective on July 1, 2015. The tax is administered by the Georgia DOR. Although collections from this tax are deposited into the State General Fund, they must be appropriated exclusively for transportation purposes. The state hotel-motel tax generated \$189 million in state receipts for FY 2022.

## 14. For-Hire Ground Transport Excise Tax

An excise tax is imposed on for hire ground transport trips (50 cents per trip) and shared for hire ground transport trips (25 cents per trip). The per-trip amount of the tax is to be adjusted annually for inflation using the Consumer Price Index for All Urban Consumers rate published by the U.S. Bureau of Labor Statistics. The tax was enacted in 2020 and produced \$23.6 million in state receipts for FY 2022.

## **Appendix of Tables**

Expenditure	Summary	Tax	<b>Expiration Date</b>
1.6.003	Driver Education Credit	State Individual Income Tax	12/31/2018
1.6.025	Qualified Transportation Credit	Total State Credit	12/31/2018
1.6.030	Diesel Particulate Emission Reduction Technology Equipment Credit	Total State Credit	12/31/2018
1.6.034	Georgia Employer GED Tax Credit (previously known as the Employer's Credit for Basic Skills Education)	Total State Credit	12/31/2019
1.6.037	Qualified Investor Tax Credit	State Individual Income Tax	12/31/2020
1.6.039	Tax credit for water conservation facilities and qualified water conservation investment property	Total State Credit	12/31/2016
1.6.040	Tax credit for shift from groundwater usage	Total State Credit	12/31/2016
1.6.042	Tax credit for purchase of alternative fuel heavy- duty or medium-duty vehicle	Total State Credit	6/30/2017
1.6.044	Employer tax credit for hiring qualified parolees	Total State Credit	12/31/2019
2.6.014	Qualified Transportation Credit	Total State Credit	12/31/2018
2.6.019	Diesel Particulate Emission Reduction Technology Equipment Credit	Total State Credit	12/31/2018
2.6.023	Georgia Employer GED Tax Credit (previously known as the Employer's Credit for Basic Skills Education)	Total State Credit	12/31/2019
2.6.028	Tax credit for water-conservation facilities and qualified water-conservation investment property		
		Total State Credit	12/31/2016
2.6.029	Tax credit for shift from groundwater usage	Total State Credit	12/31/2016
2.6.031	Tax credit for purchases of alternative fuel heavy-duty or medium-duty vehicle	Total State Credit	6/30/2017
4.05730	Exemption for food and food ingredients that are donated following a natural disaster and used for disaster relief	Sales and Use Tax	6/30/2020

Table 1: Summary of Recently Expired Provisions⁴

⁴ Summary of provisions that have expired since January 1, 2016

Expenditure	Summary	Tax	<b>Expiration Date</b>
4.07500	Sales tax holiday for back to school items		_
		Sales and Use Tax	7/30/2016
4.08200	Sales tax holiday for water-efficient and energy- efficient purchases	Sales and Use Tax	10/2/2016
4.09600	Exemption for sales or use of construction materials used for or in the construction of buildings at a private college	Sales and Use Tax	6/30/2016
4.09800	Sale of tangible personal property and services to a qualified job training organization	Sales and Use Tax	6/30/2020
4.09900	Exemption for expenses related to the renovation or expansion of qualified theatres	Sales and Use Tax	7/1/2019
4.10300	Exemption for construction materials used in construction of an automobile museum	Sales and Use Tax	1/1/2021

 Table 1: Summary of Recently Expired Provisions⁴

		State	State	State
Expenditure	Summary	FY 2023	FY 2024	FY 2025
Sales Tax Exen	nption for a Business Input ⁵			
	Sale of fuel or consumable supplies used by			
4.04.00	ships engaged in inter-coastal or foreign			10
4.01700	commerce	9	9	10
	Machinery and equipment used to handle,			
	move, or store tangible personal property in			
4.03410	certain distribution facilities	Estimate n	ot available	at this time
	Machinery and equipment used directly to			
	remanufacture certain aircraft engines or			
4.03420	aircraft engine parts	(m)	(m)	(m)
	Cargo containers and related chassis used for			
	storage or shipping by persons engaged in			
4.02010	international shipment of tangible personal	Detimate a	a4 arra:1a1a1a	at this times
4.03910	property	Estimate n	ot available	at this time
	The sale or use of paper stock when used to			
4.04500	print catalogs for distribution outside Georgia	Estimate not available at this tin		
	Sale of crab bait to licensed commercial			
4.04800	fishermen	(m)	(m)	(m)
	Sale of certain machinery and equipment used			
	to improve air quality in a clean room of Class			
4.06000	100,000 or less	(m)	(m)	(m)
	Sale of dyed diesel fuel used exclusively for			
106500	operations of vessels or boats by licensed			
4.06500	commercial fishermen	(m)	(m)	(m)
	Sale of certain computer equipment when the total qualifying purchases by a high			
4.06800	technology company exceed \$15 million	80	83	85
4.00000		00	05	05
	Sale of machinery and equipment and material			
	incorporated and used in a clean room of			
4.06900	Class 100 or less	Estimate C	Combined wi	th 4.06000
4.07000	Sale of natural gas used directly in the	1.40	107	0.0
4.07000	manufacture of electricity	142	107	88
	The purchase of food and nonalcoholic			
4.08100	beverages provided at no charge aboard a qualified airline	6	6	7
00100	Sale of biomass materials used to produce	0	0	/
4.08300	electricity or steam intended for sale	3	4	5
	The sale, use, consumption, or storage of		ı <u> </u>	
	materials, containers, labels, sacks, or bags			
	used for packaging tangible personal property			
4.09400	for shipment or sale	Estimate	Combined v	with 4.3.2

## Table 2: Sales and Use Tax Expenditures by Type

⁵ Sales tax exemptions which are defined primarily as an exemption for a profit making business.

	Table 2: Sales and Use Tax Expenditur	State	State	State
Expenditure	Summary	FY 2023	FY 2024	FY 2025
	Exemption for energy, machinery or			
	equipment, industrial material, and			
4.3.2	consumable supplies used in manufacturing	3,849	4,042	4,231
	Sales and use by a qualified agriculture			
	producer of agricultural production inputs,			
	energy used in agriculture, and agricultural			
4.3.3	machinery and equipment	154	156	159
4.3.4	Exemption for qualified boat repairs	(m)	(m)	(m)
Sales Tax Exen	nption for a Specific Item ⁶			
	Federal retailer's excise tax if separately			
	itemized to the consumer and Georgia motor			
4.00300	fuel tax imposed on the sale of motor fuel	Estimate n	ot available	at this time
	Sale of transportation furnished by a county or			
	municipal public transit system or public			
4.00400	transit authorities	7	7	7
	Sale of transportation furnished by an			
4.00500	approved and authorized urban transit system	Estimate combined with 4.0040		th 4.00400
	School lunches sold and served to pupils and			
4.01200	employees of public schools	3	3	3
4.01200		5		5
	School lunches sold and served to pupils and			
4.01300	employees of approved private schools	1	1	1
	Charges for transportation of tangible personal			
4.01000	property made in connection with interstate or			
4.01800	intrastate transportation	Estimate n	ot available	at this time
4.02000	Water delivered through water mains, lines, or	24	27	25
4.02000	pipes Professional incurance or percent corrido	34	37	35
	Professional, insurance or personal service transactions which involve sales as			
	inconsequential elements for which no	Socorp	enditure esti	mata for
4.02200	separate charge is made	·	ervices 4.505	
4.02200				
	Repair services when a separate charge is	·	enditure esti	
4.02300	made to the customer	S	ervices 4.511	10
	Rental of videotape or film to persons			
4.02400	charging admission to view the tape or film	7	10	11
4.03300	Common or common and contract carriers	Estimate not available at this time		at this time
1.03300	Use or lease of tangible personal property	Louinate II		at this time
	when the lessor and lessee are under 100			
4.04200	percent common ownership and where the	Estimate n	ot available	at this time
1.01200	Percent common ownership and where the			at this time

## Table 2: Sales and Use Tax Expenditures by Type

⁶ Sales tax exemptions which are defined primarily by the item being purchased and not defined, or only generally defined, by the seller or purchaser.

	Table 2: Sales and Use Tax Experiatur	State	State	State
Expenditure	Summary	FY 2023	FY 2024	FY 2025
	person who furnishes, leases, or rents the property has paid sales or use tax on the property			
	Revenues from coin-operated amusement machines for which individual permits are			
4.04300	required	59	65	73
4.04700	Sale of drugs dispensed by prescription, prescription glasses, contact lenses, contact lens samples and sales or use of certain controlled substances or dangerous drugs	528	548	572
4.05000	Sale of insulin syringes and blood glucose level measuring strips dispensed without a prescription	13	14	15
4.05100	Sale of oxygen when prescribed by a licensed physician	1	1	1
4.05200	Sale or use of hearing aids	11	12	13
4.05400	Sale or use of any durable medical equipment or prosthetic device prescribed by a physician	58	60	63
4.05500	Sale of Georgia lottery tickets	243	255	268
4.05700	Food purchased for off-premises consumption	873	922	956
4.06100	Advertising inserts that are used in newspapers for resale	Estimate not available at this time		at this time
4.06200	Sod grass sold in the original state of production by the sod producer, employee of the producer, or family member of the producer	3	4	4
4.06600		4	4	4
4.00000	Sale of gold, silver, or platinum bullion	4	4	4
4.06700	Sale of coins or currency	(m)	(m)	(m)
4.09100	The sale of prewritten software which has been delivered to the purchaser electronically or by means of load and leave	Estimate n	ot available	at this time
4.10000	Exemption for sales of tickets to a qualified fine arts performance or exhibition	6	7	7

Table 2: Sales and Use Tax Expenditures by Type	

	Table 2: Sales and Use Tax Expenditure		<b>a</b>	~
Expenditure	Summary	State FY 2023	State FY 2024	State FY 2025
	Partial exemption for qualified manufactured			
4.10200	homes	3	3	3
4.3.5	Exemption for the sale and use of jet fuel	101	102	101
Sales Tax Exen	ption for a Specific Purchaser ⁷			
	Sales to Federal Government, State of Georgia			
	or a county or municipality in Georgia or any			
4.00100	agency of such governments	Estimate n	ot available	at this time
	Sales to any Hospital Authority created by			
4.00600	Georgia law	Estimate c	combined with	th 4.00700
	Sales to any Housing Authority created by			
4.00610	Georgia law	2	2	2
	Sales to local government authorities created			
	on or after January 1, 1980 for the principal			
	purpose of constructing, owning, or operating			
4.00620	a coliseum and related facilities	(m)	(m)	(m)
4 00/20	Sales to any agricultural commission created	(	()	()
4.00630	by the Department of Agriculture	(m)	(m)	(m)
	Sale of tangible personal property and services			
	to an approved nursing home, inpatient			
	hospice, general hospital or mental hospital			
4.00700	when used specifically in the treatment	120	125	1.42
4.00700	function	129	135	142
	Sale of tangible personal property to a non-			
	profit health center established and receiving			
4 00 7 0 5	funds pursuant to the U.S. Public Health			
4.00705	Service Act	4	4	4
	Sale of tangible personal property and services			
	to a nonprofit organization whose primary			
4 00710	function is to provide services to persons with			
4.00710	intellectual disabilities	1	1	1
4.00720	Sales to Georgia Society of the Daughters of			
4.00720	the American Revolution	(m)	(m)	(m)
	Sale of tangible property and services to a			
	nonprofit volunteer health clinic primarily			
4 00720	treating patients with incomes below 200	2	2	2
4.00730	percent of the poverty level	2	2	2
	Sale of tangible personal property and services			
4 00000	to the University System of Georgia and its	50	50	<b>E</b> A
4.00800	educational units	52	53	54
	Sale of tangible personal property and services			
4.00000	used exclusively in the educational function of	<b></b>		
4.00900	an approved private college or university	Estimate n	ot available	at this time

Table 2: Sales and	Use Tax Expenditures by Type
I ubic 21 Duieb unu	ese rux Expenditures by rype

⁷ Sales tax exemptions which are defined primarily by the purchaser and not defined, or only generally defined, by the seller or the item being purchased.

	State State State								
Expenditure	Summary	State FY 2023	State FY 2024	State FY 2025					
Expenditure	located in Georgia in which the credits are	I I 2023	I I 2027	112025					
	accepted by the University System of Georgia								
	Sale of tangible personal property and services								
	used exclusively in the educational function of								
	an approved private elementary or secondary								
4.01000	school	7	7	7					
	Sale of tangible personal property or services								
	to, and the purchase of tangible personal								
	property or services by, any educational or								
4.01100	cultural institute	(m)	(m)	(m)					
	All tangible personal property purchased								
	outside this state by a nonresident when the								
	property is brought into Georgia upon the								
4.01900	nonresident becoming a resident	Estimate n	ot available	at this time					
	Sales, transfers or exchanges of tangible								
	personal property resulting from business								
	reorganization when the owners, partners, or								
4.004.00	stockholders maintain the same proportionate								
4.02100	interest or share in the newly formed business	Estimate n	Estimate not available at this time						
	Sale of tangible personal property								
	manufactured or assembled in Georgia for								
4.02100	export when delivery is taken outside of								
4.03100	Georgia	Estimate n	ot available	at this time					
	Machinery and equipment used in a facility								
1 02600	for the primary purpose of reducing or	(772)	(172)	(m)					
4.03600	eliminating air and water pollution	(m)	(m)	(m)					
	Machinery and equipment used for water conservation and incorporated into a qualified								
4.03610	water conservation facility.	Estimate n	ot available	at this time					
4.03010	Sale of major components or repair parts								
	installed in military aircraft, vehicles, or								
4.04000	missiles	29	27	22					
4.04000	Sale of tangible personal property and services	2)	27						
	to a nonprofit child-caring institution, child-								
4.04100	placing agency, or maternity home	1	1	1					
		-	-						
1.0.1.600	Sale of tangible personal property or taxable	_	_						
4.04600	services to nonprofit blood banks	3	3	3					
4.06810	High-Tech Data Center Equipment Exemption	13	15	17					
	Sale to or by an organization whose primary								
	purpose is to raise funds for books, materials,								
4.07100	and programs for public libraries	(m)	(m)	(m)					

Т	able 2:	Sales	and U	J <b>se Tax</b>	Expend	itures	by '	Туре

	Table 2: Sales and Use Tax Expenditures by Type							
Expenditure	Summary	State FY 2023	State FY 2024	State FY 2025				
Lapenditure		112025		112020				
	Exemption for personal property used in the							
4.07600	renovation or expansion of an aquarium	(m)	(m)	(m)				
	Sale of tangible personal property used for and							
	in the construction of a competitive project of							
4.09300	regional significance	9	9	9				
	Sale of admission to a nonrecurring major							
4.09700	sporting event	(m)	(m)	2				
		()	()					
	Exemption for poultry diagnostic and disease							
4.10400	monitoring service nonprofit organization	(m)	(m)	(m)				
Sales Tax Exen	ption for a Specific Purchaser of a Specific Item	18	•					
	Sale of pipe organs or steeple bells to any							
4.01510	church qualifying as a nonprofit	(m)	(m)	(m)				
	Vehicles purchased by service-connected							
	disabled veterans when the U.S. Dept. of							
	Veterans Affairs supplies a grant to purchase a							
4.03000	specially adapted the vehicle	(m)	(m)	(m)				
	Aircraft, watercraft, motor vehicles, and other							
	transportation equipment manufactured or							
	assembled in this State for exclusive use							
4.03200	outside Georgia	Estimate n	ot available	at this time				
	Sale of motor vehicles to nonresident							
	purchasers when vehicles are immediately							
	removed from Georgia and titled in another							
4.04400	state	Estimate n	ot available	at this time				
	Transactions in which food stamps or WIC							
4.05300	coupons are used as the method of payment	144	136	138				
4.05510	Sale of food and beverages to a qualified food							
4.05710	bank	(m)	(m)	(m)				
	Funeral merchandise when paid with funds							
4.0(200	from the Georgia Crime Victims Emergency		()					
4.06300	Fund	(m)	(m)	(m)				
	Sale of prescribed mobility enhancing							
4.07200	equipment	1	1	1				
	Sale of engines, parts, equipment and other							
	tangible personal property used in the							
4.08600	maintenance or repair of certain aircraft	23	23	23				

⁸ Sales tax exemptions which are specifically defined by the purchaser as well as the item being purchased.

	Table 2: Sales and Use Tax Expenditur			
Expenditure	Summary	State FY 2023	State FY 2024	State FY 2025
•	The sale of certain written material by a			
4.10100	nonprofit	9	9	9
Sales Tax Exem	uption for a Specific Seller ⁹			
	Tangible personal property furnished by the			
	Federal Government or any county or			
	municipality used by a contractor in the			
	installation, repair, or extension of any public			
4.00200	water, gas, or sewer system	Estimate n	ot available	at this time
	Specific fundraising sales by any religious			
	institution lasting no more than 30 days in a			
	calendar year and sales of religious paper			
	when the paper is owned and operated by the			
4.01500	religious institution	1	1	1
	Sale of tangible personal property and fees			
	and charges for services by the Rock Eagle 4-			
4.03800	H Center	(m)	(m)	(m)
	Certain sales by a public or private school of			
	tangible personal property, concessions, and			
4.03900	tickets for admission to school functions	3	3	3
	Sale by any qualified nonprofit parent teacher			
4.05600	organization	(m)	(m)	(m)
	Exemption for prepared food and food			
	ingredients that are donated to a qualified			
	nonprofit agency and used for hunger relief			
4.05720	purposes	2	2	2
	Sale of eligible food and beverages by any			
4.05900	Girl or Boy Scout council	2	2	2
4.3.6	Exemption for sales within an enterprise zone	Estimate n	ot available	at this time
	Compensation of dealers for reporting and			
4.70000	paying tax	106	107	111

Table 2: Sales and	Use Tax Expenditures by Type
Table 2. Dates and	Ose Tax Expenditures by Type

⁹ Sales tax exemptions which are specifically defined by the seller.

## **Tables 3-9: Distributional Tables of Selected Provisions**

Tables 3 through 9 provide information on the distribution across Georgia AGI for selected exemptions and deductions from the state personal income tax. The data used to produce the tables are from the state personal income tax files for 2021. It has not been adjusted for inflation, nor does it reflect any legislative changes that may have occurred since 2021. Column 1 of each table provides the categories of Georgia AGI. Column 2 (Number of Returns) provides the number of returns for each AGI category. Column 3 (Average Value) gives the average value of the tax exemption or deduction taken by filers in each AGI category. Column 4 (Total) provides the total value of the deduction or exemption associated with each AGI category and column 5 (Percent of Total) provides the percent of the total value of the deduction or exemption that falls into that AGI category.

	Number of Returns	Average Value	Total	Percent of Total Dollars
$GA AGI \le 0$	468,447	4,732	2,216,492,800	8%
0 <ga agi="" td="" ≤\$25,000<=""><td>1,449,398</td><td>4,959</td><td>7,188,206,200</td><td>25%</td></ga>	1,449,398	4,959	7,188,206,200	25%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>1,094,150</td><td>5,982</td><td>6,544,785,200</td><td>23%</td></ga>	1,094,150	5,982	6,544,785,200	23%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>845,901</td><td>7,168</td><td>6,063,138,300</td><td>21%</td></ga>	845,901	7,168	6,063,138,300	21%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>650,444</td><td>9,398</td><td>6,112,935,900</td><td>21%</td></ga>	650,444	9,398	6,112,935,900	21%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>29,365</td><td>10,345</td><td>303,785,500</td><td>1%</td></ga>	29,365	10,345	303,785,500	1%
GA AGI >\$1,000,000	14,863	10,085	149,898,500	1%
Total	4,552,568	6,278	28,579,242,400	

**Table 3: Total Personal Exemptions** 

The percent of total column may not sum to 100 percent due to rounding.

Table 4: Retirement Income Exclusion							
	Number of Returns	Average Value	Total	Percent of Total Dollars			
$GA AGI \le 0$	419,572	29,958	12,569,469,697	44%			
0 <ga agi="" td="" ≤\$25,000<=""><td>208,973</td><td>28,929</td><td>6,045,449,621</td><td>21%</td></ga>	208,973	28,929	6,045,449,621	21%			
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>111,932</td><td>27,387</td><td>3,065,444,816</td><td>11%</td></ga>	111,932	27,387	3,065,444,816	11%			
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>107,582</td><td>28,636</td><td>3,080,744,455</td><td>11%</td></ga>	107,582	28,636	3,080,744,455	11%			
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>88,764</td><td>37,422</td><td>3,321,702,790</td><td>12%</td></ga>	88,764	37,422	3,321,702,790	12%			
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>6,041</td><td>60,336</td><td>364,488,264</td><td>1%</td></ga>	6,041	60,336	364,488,264	1%			
GA AGI >\$1,000,000	3,965	71,798	284,678,234	1%			
Total	946,829	30,345	28,731,977,877				

## Table 1. Petiroment Income Evelusion

The percent of total column may not sum to 100 percent due to rounding.

	Number of Returns	Average Value	Total	Percent of Total Dollars
$GA AGI \le 0$	2,763	9,911	27,384,843	8%
0 <ga agi="" td="" ≤\$25,000<=""><td>2,296</td><td>3,916</td><td>8,990,585</td><td>3%</td></ga>	2,296	3,916	8,990,585	3%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>2,904</td><td>3,480</td><td>10,106,349</td><td>3%</td></ga>	2,904	3,480	10,106,349	3%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>7,389</td><td>3,376</td><td>24,948,331</td><td>7%</td></ga>	7,389	3,376	24,948,331	7%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>37,187</td><td>5,827</td><td>216,698,007</td><td>63%</td></ga>	37,187	5,827	216,698,007	63%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>3,508</td><td>11,416</td><td>40,046,528</td><td>12%</td></ga>	3,508	11,416	40,046,528	12%
GA AGI >\$1,000,000	1,243	14,250	17,712,884	5%
Total	57,290	6,037	345,887,527	

## **Table 5: Georgia Higher Education Savings Plan Deduction**

The percent of total column may not sum to 100 percent due to rounding.

## Table 6: Interest on U.S. Obligations

	Number of Returns	Average Value	Total	Percent of Total Dollars
$GA AGI \le 0$	30,226	35,936	1,086,213,441	91%
0 <ga agi="" td="" ≤\$25,000<=""><td>7,646</td><td>1,961</td><td>14,993,645</td><td>1%</td></ga>	7,646	1,961	14,993,645	1%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>5,152</td><td>1,861</td><td>9,587,214</td><td>1%</td></ga>	5,152	1,861	9,587,214	1%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>7,556</td><td>1,715</td><td>12,961,844</td><td>1%</td></ga>	7,556	1,715	12,961,844	1%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>16,590</td><td>1,994</td><td>33,075,286</td><td>3%</td></ga>	16,590	1,994	33,075,286	3%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>2,956</td><td>2,582</td><td>7,631,704</td><td>1%</td></ga>	2,956	2,582	7,631,704	1%
GA AGI >\$1,000,000	2,812	11,466	32,243,568	3%
Total	72,938	16,407	1,196,706,702	

The percent of total column may not sum to 100 percent due to rounding.

## Table 7: Blind and Age 65 Deductions

		-8					
	Number of	Average	Average Total Perce				
	Returns	Value		Total Dollars			
$GA AGI \le 0$	320,420	1,821	583,460,800	51%			
0 <ga agi="" td="" ≤\$25,000<=""><td>150,447</td><td>1,788</td><td>268,947,900</td><td>24%</td></ga>	150,447	1,788	268,947,900	24%			
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>67,891</td><td>1,752</td><td>118,965,600</td><td>10%</td></ga>	67,891	1,752	118,965,600	10%			
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>54,758</td><td>1,758</td><td>96,239,000</td><td>8%</td></ga>	54,758	1,758	96,239,000	8%			
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>33,853</td><td>1,840</td><td>62,286,900</td><td>5%</td></ga>	33,853	1,840	62,286,900	5%			
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>1,558</td><td>2,003</td><td>3,121,300</td><td>0%</td></ga>	1,558	2,003	3,121,300	0%			
GA AGI >\$1,000,000	695	2,031	1,411,800	0%			
Total	629,622	1,802	1,134,433,300				

The percent of total column may not sum to 100 percent due to rounding.

	Number of Returns	Average Value	Total	Percent of Total Dollars
$GA AGI \le 0$	436,569	5,062	2,209,765,400	11%
0 <ga agi="" td="" ≤\$25,000<=""><td>1,417,583</td><td>4,728</td><td>6,702,893,800</td><td>33%</td></ga>	1,417,583	4,728	6,702,893,800	33%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>1,033,547</td><td>4,827</td><td>4,989,439,200</td><td>25%</td></ga>	1,033,547	4,827	4,989,439,200	25%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>711,475</td><td>5,229</td><td>3,720,230,600</td><td>19%</td></ga>	711,475	5,229	3,720,230,600	19%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>415,239</td><td>5,771</td><td>2,396,151,400</td><td>12%</td></ga>	415,239	5,771	2,396,151,400	12%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>8,702</td><td>5,832</td><td>50,751,600</td><td>0%</td></ga>	8,702	5,832	50,751,600	0%
GA AGI >\$1,000,000	3,030	5,799	17,571,200	0%
Total	4,026,145	4,989	20,086,803,200	

## **Table 8: Standard Deduction**

The percent of total column may not sum to 100 percent due to rounding.

## **Table 9: Federally Taxable Social Security Benefits**

	Number of Returns	Average Value	Total	Percent of Total Dollars
$GA AGI \le 0$	275,604	16,848	4,643,439,602	43%
0 <ga agi="" td="" ≤\$25,000<=""><td>127,771</td><td>15,094</td><td>1,928,595,423</td><td>18%</td></ga>	127,771	15,094	1,928,595,423	18%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>86,806</td><td>17,156</td><td>1,489,240,969</td><td>14%</td></ga>	86,806	17,156	1,489,240,969	14%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>73,047</td><td>20,952</td><td>1,530,467,401</td><td>14%</td></ga>	73,047	20,952	1,530,467,401	14%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>47,474</td><td>24,650</td><td>1,170,226,825</td><td>11%</td></ga>	47,474	24,650	1,170,226,825	11%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>3,057</td><td>30,299</td><td>92,624,723</td><td>1%</td></ga>	3,057	30,299	92,624,723	1%
GA AGI >\$1,000,000	2,020	32,329	65,304,639	1%
Total	615,779	17,733	10,919,899,582	

The percent of total column may not sum to 100 percent due to rounding.