

DEPARTMENT OF AUDITS AND ACCOUNTS

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December 12, 2017

The Honorable Nathan Deal, Governor The Honorable Casey Cagle, Lieutenant Governor The Honorable David Ralston, 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 2019 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 permanent record 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,

freg Strip

Greg S. Griffin State Auditor

Georgia Tax Expenditure Report for FY 2019

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

December 2017

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 are allowed to 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 items in the tax base, such as the partial sales tax exemption for jet fuel.

Tax Expenditure Report

Preparation of a tax expenditure report is required by Title 45, Chapter 12, Article 4 of the Official Code of Georgia Annotated. 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, it is usually the case that tax expenditures are 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 6 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, that are listed in this report as tax expenditures but are not activities that should 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 the tax is imbedded in the price of the item. 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 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 provision. 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 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 an 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) 2015. Therefore, even in cases in which the Georgia DOR data is used as the primary data source, the tax expenditures 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	Description of Estimate	Examples of Data Sources
Data	Reliability	by Reliability Status
		Data from Department of
	Based on data specifically	Revenue, Bureau of Labor
Class A	related to the tax expenditure	Statistics Consumer
Class A	provision and to Georgia	Expenditure Survey, Bureau
	taxpayers	of Economic Analysis, U.S.
		Census Bureau datasets
	Based on national data which	
	has been modified to	Industry surveys and trade
Class B	represent Georgia and the	magazines, most proprietary
	specific tax activity covered	information
	by the expenditure	
Class C	Represents best available	Newspaper articles,
Class C	estimate at this time	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, FY 2019, presents estimates for FY 2017-FY 2019. The report for FY 2018 provided estimates for FY 2016-FY 2018. 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 the estimate presented in the FY 2019 report differs significantly from that 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 value for FY 2017, FY 2018, and FY 2019 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 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 provision. 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.

	1	•			a.	a.
Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
Federal Incor	ne Tax Provisions ¹					
1.1.001	Exclusion of employee meals and lodging	Federal Individual Income Tax	Exclusion	21	21	22
1.1.002	Exclusion of housing allowances for ministers	Federal Individual Income Tax	Exclusion	6	6	6
1.1.003	Exclusion of employer-provided child care	Federal Individual Income Tax	Exclusion	14	15	15
1.1.004	Exclusion of employee awards	Federal Individual Income Tax	Exclusion	2	3	3
1.1.005	Exclusion of employer contributions and earnings to pension plans includes Keoghs, defined benefit and defined contribution plans	Federal Individual Income Tax	Exclusion	1,174	1,368	1,580
1.1.006	Exclusion of employer contributions for health care, health insurance premiums and long-term care insurance premiums	Federal Individual Income Tax	Exclusion	1,084	1,142	1,196
1.1.007	Exclusion of employer-paid accident and disability premiums	Federal Individual Income Tax	Exclusion	29	30	32

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

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
1.1.008	Exclusion of	Federal	Exclusion	28	29	29
	employer	Individual				
	contributions for	Income				
	premiums on	Tax				
	group long-term					
	life insurance					
1.1.009	Exclusion of	Federal	Exclusion	30	31	32
	employer-paid	Individual				
	transportation	Income				
	benefits and	Tax				
	employer-provided					
	transit and vanpool					
	benefits					
1.1.010	Exclusion of	Federal	Exclusion	187	194	199
	benefits provided	Individual				
	through cafeteria	Income				
	plans	Tax				
1.1.011	Exclusion of	Federal	Exclusion	1	1	1
	employer-provided	Individual				
	adoption assistance	Income				
		Tax				
1.1.012	Exclusion of	Federal	Exclusion	9	9	9
	employer-provided	Individual				
	education benefits	Income				
	(including	Tax				
	education					
	assistance and					
	tuition reduction					
	benefits)					
1.1.013	Exclusion of	Federal	Exclusion	45	46	47
	miscellaneous	Individual				
	fringe benefits	Income				
		Tax			4-	
1.1.014	Exclusion of	Federal	Exclusion	42	45	47
	foreign earned	Individual				
	income (including	Income				
	housing and	Tax				
1 1 0 1 5	salary)					
1.1.015	Exclusion of	Federal	Exclusion	7	7	7
	certain allowances	Individual				
	for federal	Income				
	employees abroad	Tax			l	I

Summary of State Tax Expenditures

Summary of State Tax Expenditures						
Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
1.1.016	Exclusion of benefits and allowances to armed forces personnel (includes expenditure for military disability benefits)	Federal Individual Income Tax	Exclusion	53	56	59
1.1.017	Exclusion of medical care and Tricare medical insurance for military dependents, retirees, and retiree dependents	Federal Individual Income Tax	Exclusion	26	27	28
1.1.018	Exclusion of veterans' benefits (includes veterans disability compensation, pensions, and readjustment benefits)	Federal Individual Income Tax	Exclusion	66	67	71
1.1.019	Exclusion of income attributable to the discharge of certain student loan debt and National Health Service Corp and certain state educational loan repayments	Federal Individual Income Tax	Exclusion	1	1	1

Expenditure	Summary	Tax	Type of	State	State	State
-			Expenditure	FY 2017	FY 2018	FY 2019
1.1.020	Exclusion of	Federal	Exclusion	53	55	56
	workers'	Individual				
	compensation	Income				
	benefits (includes	Tax				
	disability and					
	survivor benefits					
	and medical					
	benefits, and					
	exclusion of					
	damages on					
	account of					
	personal physical					
	injuries or physical					
	sickness)					
1.1.021	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	special benefits for	Individual				
	disabled coal	Income				
	miners	Tax				
1.1.022	Exclusion of	Federal	Exclusion	197	208	220
	untaxed Social	Individual				
	Security and	Income				
	railroad retirement	Tax				
	benefits					
1.1.024	Exclusion of	Federal	Exclusion	1	1	2
	certain foster care	Individual				
	payments	Income				
		Tax				
1.1.026	Exclusion of	Federal	Exclusion	19	20	21
	scholarship and	Individual				
	fellowship income	Income				
		Tax				
1.1.027	Exclusion of	Federal	Exclusion	1	1	1
	earnings of	Individual				
	Coverdell	Income				
	education savings	Tax				
	accounts and					
	interest on					
	educational					
1 1 0 2 0	savings bonds	F 1 1				0
1.1.028	Exclusion of	Federal	Exclusion	5	7	8
	earnings of	Individual				
	qualified tuition	Income				
	programs	Tax				
	(including prepaid					
	tuition programs					
	and savings					
	account programs)					

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
1.1.029	Exclusion for	Federal	Exclusion	(m)	(m)	(m)
	certain agricultural	Individual				
	cost-sharing	Income				
	payments	Tax				
1.1.030	Exclusion of	Federal	Exclusion	1	1	1
	cancellation of	Individual				
	indebtedness	Income				
	income for farmers	Tax				
1.1.031	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	interest on state	Individual				
	and local	Income				
	government private	Tax				
	activity bonds					
1.1.032	Exclusion of	Federal	Exclusion	227	241	252
	capital gains on	Individual				
	sales of principal	Income				
	residences	Tax				
1.1.033	Exclusion of	Federal	Exclusion	140	146	154
	capital gains at	Individual				
	death	Income				
		Tax				
1.1.034	Carryover basis of	Federal	Exclusion	10	12	17
	capital gains on	Individual				
	gifts	Income				
		Tax				
1.1.035	Permanent	Federal	Exclusion	3	3	3
	Exemption from	Individual				
	imputed interest	Income				
	rules	Tax				
1.1.036	Exclusion of	Federal	Exclusion	19	21	21
	combat pay	Individual				
		Income				
		Tax				
1.1.037	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	energy	Individual				
	conservation	Income				
	subsidies provided	Tax				
	by public utilities					
1.1.040	Exclusion of	Federal	Exclusion	1	2	2
	interest on public	Individual				
	purpose state and	Income				
	local government	Tax				
	bonds					

Expenditure	Summary	Tax	Tax Type of State		State	State
•	L L		Expenditure	FY 2017	FY 2018	FY 2019
1.1.041	Exclusion of	Federal	Exclusion	17	17	18
	income earned by	Individual				
	voluntary	Income				
	employees'	Tax				
	beneficiary					
	associations					
1.1.042	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	survivor annuities	Individual				
	paid to families of	Income				
	public safety	Tax				
	officers killed in					
	the line of duty					
1.1.043	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	disaster mitigation	Individual				
	payments	Income				
		Tax				
1.2.001	Accelerated	Federal	Deduction	32	31	30
	depreciation	Individual				
	(MACRS)	Income				
		Tax				
1.2.003	Expensing of	Federal	Deduction	(m)	(m)	(m)
	exploration and	Individual				
	development costs:	Income				
	nonfuel minerals	Tax				
1.2.004	Amortization of	Federal	Deduction	(m)	(m)	1
	business startup	Individual				
	costs	Income				
		Tax				
1.2.005	Expensing of	Federal	Deduction	(m)	(m)	(m)
	research and	Individual				
	experimental	Income				
	expenses	Tax				
1.2.006	Expensing of	Federal	Deduction	(m)	(m)	(m)
	magazine	Individual				
	circulation	Income				
	expenditures	Tax				
1.2.007	Deductions of oil	Federal	Deduction	0	0	0
	and gas	Individual				
	exploration and	Income				
	development costs	Tax				
1.2.008	Special treatment	Federal	Deduction	2	2	3
	for expenses	Individual				
	related to timber	Income				
	production	Tax				

Summary of State Tax Expenditures

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
1.2.009	Expensing under	Federal	Deduction	324	234	170
	IRC section 179 of	Individual				
	depreciable	Income				
	business property	Tax				
1.2.010	Exceptions for	Federal	Deduction	6	6	6
	publicly traded	Individual				
	partnerships with	Income				
	qualified income	Tax				
	derived from					
	certain energy-					
	related activities					
1.2.011	Treatment of	Federal	Deduction	1	1	1
	income from	Individual				
	exploration and	Income				
	mining of natural	Tax				
	resources as					
	qualifying income					
	under the publicly					
	traded partnerships					
1 2 0 1 2	rules					
1.2.012	Various	Federal	Deduction	1	1	1
	agricultural	Individual				
	expensing	Income				
1 2 0 1 2	provisions	Tax				1
1.2.013	Community and	Federal	Deduction	(m)	(m)	1
	regional	Individual				
	development incentives	Income				
1.2.014		Tax Federal	Deduction	(m)	(m)	(m)
1.2.014	Expensing to remove	Individual	Deduction	(m)	(m)	(m)
	architectural and	Income				
		Tax				
	transportation barriers to the	Tax				
	handicapped and					
	elderly					
1.2.015	Inventory methods	Federal	Deduction	2	2	2
1.2.015	and valuation,	Individual	Deduction	2	2	2
	(including last-in	Income				
	first-out, lower of	Tax				
	cost or market,					
	specific					
	identification for					
	homogenous					
	products)					

Summary of State Tax Expenditures

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
1.2.017	Health Savings Accounts	Federal Individual Income Tax	Deduction	10	12	14
1.2.018	Deduction of property taxes on real property	Federal Individual Income Tax	Deduction	140	151	161
1.2.019	Deduction of nonbusiness state and local government income taxes and personal property taxes	Federal Individual Income Tax	Deduction	388	412	436
1.2.020	Deduction of mortgage interest on owner-occupied residences	Federal Individual Income Tax	Deduction	410	455	501
1.2.021	Deduction of charitable contributions (includes deductions for health, education, and for purposes other than health and education)	Federal Individual Income Tax	Deduction	493	507	522
1.2.022	Deduction of casualty and theft losses	Federal Individual Income Tax	Deduction	3	3	3
1.2.023	Deduction of overnight expenses for National Guard and Reserve members	Federal Individual Income Tax	Deduction	1	1	1
1.2.025	Deduction of interest on student loans	Federal Individual Income Tax	Deduction	12	12	13

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
1.2.028	Deduction of	Federal	Deduction	30	31	33
	health insurance	Individual				
	premiums and	Income				
	long-term care	Tax				
	insurance					
	premiums by the					
	self-employed					
1.2.029	Deduction of	Federal	Deduction	58	62	68
	medical and dental	Individual				
	expenses and long-	Income				
	term care expenses	Tax				
1.2.030	Net exclusion of	Federal	Deduction	127	137	147
	pension	Individual				
	contributions and	Income				
	earnings:	Tax				
	traditional and					
1 2 0 0 1	Roth IRAs			10	10	10
1.3.001	Deferral of gain on	Federal	Deferral	18	18	19
	like-kind	Individual				
	exchanges	Income				
1 2 002		Tax	Cara da 1 Dada	(((
1.3.002	Special rules for	Federal	Special Rule	(m)	(m)	(m)
	magazine,	Individual				
	paperback book, and record returns	Income Tax				
1.3.003		Federal	Special Rule	1	1	1
1.3.003	Five-year carryback for net	Individual	Special Rule	1	1	1
	operating losses	Income				
	attributable to	Tax				
	farming	Тах				
1.3.004	Special rules for	Federal	Special Rule	(m)	(m)	(m)
1.5.004	mining reclamation	Individual	Special Rule	(III)	(III)	(111)
	reserves	Income				
	10501 005	Tax				
1.3.005	Cash accounting,	Federal	Special Rule	12	12	13
1.51005	other than	Individual	Special Itale	12		15
	agriculture	Income				
	"Britericale	Tax				
1.3.006	Deferral of gain on	Federal	Special Rule	6	5	5
	non-dealer	Individual	~ [-	-	-
	installment sales	Income				
		Tax				
1.3.007	Completed	Federal	Special Rule	1	1	1
	contract rules	Individual	1			
		Income				
		Tax				

Expenditure	Summary	Tax	Type of	State	State	State
-	-		Expenditure	FY 2017	FY 2018	FY 2019
1.3.008	Special treatment of employee stock ownership plans (ESOPs) (includes deferral of tax on certain employee stock plans)	Federal Individual Income Tax	Deferral	7	6	6
1.3.009	Income averaging for farmers and fishermen	Federal Individual Income Tax	Special Rule	1	1	1
Georgia Indiv	vidual Income Tax Pr	ovisions				
1.4.001	Personal Exemption	State Individual Income Tax	Exemption	1,045	1,058	1,071
1.4.002	Retirement Income	State Individual Income Tax	Exemption	1,086	1,134	1,191
1.4.003	Exclusion of federally taxable Social Security benefits	State Individual Income Tax	Exemption	187	195	203
1.4.004	Georgia Higher Education Savings Plan Contributions	State Individual Income Tax	Exemption	7	8	9
1.4.005	Interest on U.S. obligations	State Individual Income Tax	Exemption	12	15	17
1.4.006	Certain military income	State Individual Income Tax	Exemption	Estimate n	ot available	at this time
1.4.007	Organ donation expenses	State Individual Income Tax	Exemption	(m)	(m)	(m)
1.4.008	Aged 65/Blind deduction	State Individual Income Tax	Exemption	7	7	7

Expenditure	Summary	Tax	Type of	State	State	State
1 4 000	Cantain	<u>Stata</u>	Expenditure	FY 2017	FY 2018	FY 2019
1.4.009	Certain demondent's	State Individual	Exemption	Estimate n	ot available	at this time
	dependent's unearned income	Individual				
	unearned income	Tax				
1.4.010	Premiums for	State	Examption	7	7	7
1.4.010		Individual	Exemption	/	/	/
	high-deductible					
	health plans	Income Tax				
1.4.011	Exclusion of	State	Examption	Estimata n	ot available	ot this time
1.4.011		Individual	Exemption	Estimate n	ot available	at this time
	qualified insurance benefits for	Income				
	firefighters	Tax				
1.4.012	Individual	State	Exemption	Estimata n	ot available	ot this time
1.4.012	retirement account,	Individual	Exemption		ot available	
	Keogh, SEP and	Income				
	Sub-S plan	Tax				
	withdrawals where	1 07				
	tax has been paid					
	to Georgia because					
	of the difference					
	between Georgia					
	and Federal law for					
	tax years 1981					
	through 1986.					
1.4.013	Depreciation	State	Exemption	Estimate n	ot available	at this time
	because of	Individual	1			
	differences in	Income				
	Georgia and	Tax				
	Federal law during					
	tax years 1981					
	through 1986.					
1.4.014	Income from any	State	Exemption	Estimate n	ot available	at this time
	fund, program or	Individual	-			
	system which is	Income				
	exempted by	Tax				
	federal law or					
	treaty.					
1.4.015	Certain income in	State	Exemption	Estimate n	ot available	at this time
	which the Sub-S	Individual				
	election is not	Income				
	recognized by	Tax				
	Georgia or another					
	state in order to					
	avoid double					
	taxation.					

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
1.4.016	Adjustment for	State	Exemption	Estimate n	ot available	at this tim
	certain teachers	Individual				
	retired from the	Income				
	Teachers	Tax				
	Retirement System					
	of Georgia					
1.4.017	Amount claimed	State	Exemption	Estimate n	ot available	at this tim
	by certain	Individual				
	employers in food	Income				
	and beverage	Tax				
	establishments					
1.4.018	Adjustment of	State	Exemption	Estimate n	ot available	at this tim
	certain payments	Individual				
	to minority	Income				
	subcontractors	Tax				
1.4.019	Adjustments to	State	Exemption	Estimate n	ot available	at this tim
	federal AGI for	Individual				
	certain Georgia	Income				
	resident partners	Tax		Estimate not available at this		
1.4.020	Exemption for	State	Exemption	Estimate n	ot available	at this tim
	certain disaster	Individual				
	relief firms	Income				
		Tax				
1.5.001	Standard	State	Deduction	224	234	245
	Deduction	Individual				
		Income				
		Tax				
1.5.002	Deduction of	State	Deduction	Estimate n	ot available	at this tim
	qualified insurance	Individual				
	premiums for	Income				
	former firefighters	Tax	~ "			
1.6.001	Rural Physician	State	Credit	1	1	1
	Credit	Individual				
		Income				
		Tax	~ "			
1.6.002	Disabled person's	State	Credit	(m)	(m)	(m)
	home purchase or	Individual				
	retrofit credit	Income				
		Tax				
1.6.003	Driver Education	State	Credit	1	1	1
	Credit	Individual				
		Income				
		Tax				
1.6.004	Disaster Assistance	State	Credit	(m)	(m)	(m)
	Credit	Individual				
		Income				
		Tax				

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
1.6.005	Qualified Caregiving Expense Credit	State Individual Income Tax	Credit	1	1	1
1.6.006	Tax credit for life insurance for Georgia National Guard and Air National Guard	State Individual Income Tax	Credit	1	1	1
1.6.007	Child and Dependent Care Credit	State Individual Income Tax	Credit	39	40	41
1.6.008	Adoption of Foster Child Credit	State Individual Income Tax	Credit	3	4	4
1.6.009	Low-Income Credit	State Individual Income Tax	Credit	8	9	9
1.6.010	Credit for taxes paid to another state	State Individual Income Tax	Credit	270	283	295
1.6.012	Georgia Job Tax Credit	Total State Credit	Credit	122	125	129
1.6.013	Quality Jobs Tax Credit	Total State Credit	Credit	94	105	109
1.6.014	New Facilities Jobs Credit	Total State Credit	Credit	Estimate	combined wi	th 1.6.012
1.6.015	New Manufacturing Facilities Property Credit	Total State Credit	Credit	Estimate not available at this tim		
1.6.016	Manufacturer's Investment Tax Credit	Total State Credit	Credit	25	25	26
1.6.017	Optional Investment Tax Credit	Total State Credit	Credit	1	1	1
1.6.018	Port Activity Tax Credit	Total State Credit	Credit	7	7	8
1.6.019	Alternate Port Activity Tax Credit	Total State Credit	Credit	Estimate	combined wi	th 1.6.018

Summary of State Tax Expenditures

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
1.6.020	Film Tax Credit	Total State Credit	Credit	435	485	533
1.6.021	Research Tax Credit	Total State Credit	Credit	32	34	36
1.6.022	Seed-Capital Fund Credit	Total State Credit	Credit	(m)	(m)	(m)
1.6.023	Qualified Health Insurance Expense Credit	Total State Credit	Credit	(m)	(m)	(m)
1.6.025	Qualified Transportation Credit	Total State Credit	Credit	(m)	(m)	(m)
1.6.026	Business Enterprise Vehicle Credit	Total State Credit	Credit	(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	Total State Credit	Credit	22	22	23
1.6.028	Low-Income Housing Credit	Total State Credit	Credit	230	241	253
1.6.029	Historic Rehabilitation Credit	Total State Credit	Credit	31	28	29
1.6.030	Diesel Particulate Emission Reduction Technology Equipment Credit	Total State Credit	Credit	0	0	0
1.6.031	Low/Zero- Emission Vehicle Charger Credit	Total State Credit	Credit	(m)	(m)	(m)
1.6.032	Land Conservation Credit	Total State Credit	Credit	14	0	0
1.6.033	Wood Residuals Credit	Total State Credit	Credit	2	(m)	0
1.6.034	Georgia Employer GED Tax Credit (previously known as the Employer's Credit for Basic Skills Education)	Total State Credit	Credit	1	1	1

Expenditure	Summary	Tax	Type of	State	State	State
1 (025		T - (-1 C (- (Expenditure	FY 2017	FY 2018	FY 2019
1.6.035	Employer's Credit	Total State	Credit	48	52	56
	for Approved	Credit				
	Employee					
1.6.036	Retraining	Total State	Credit	48	48	48
1.0.030	Qualified	Credit	Credit	48	48	48
	Education Expense Credit	Clean				
1.6.037	Qualified Investor	Total State	Credit	2	3	3
1.0.037	Tax Credit	Credit	Clean	2	5	5
1.6.038	Energy-efficient or	Total State	Credit	0	0	0
1.0.038	water-efficient	Credit	Clean	0	0	0
	equipment credit	Crean				
1.6.039	Tax credit for	Total State	Credit	Estimate n	ot available	at this tim
1.0.037	water conservation	Credit	Cicuit	Estimate not available at this thi		
	facilities and	Crean				
	qualified water					
	conservation					
	investment					
	property					
1.6.040	Tax credit for shift	Total State	Credit	Estimate n	ot available	at this tim
	from groundwater	Credit				
	usage					
1.6.041	Tax credit for	Total State	Credit	Estimate of	combined wi	th 1.6.013
	existing business	Credit				
	enterprises					
	undergoing					
	qualified business					
	expansion					
1.6.042	Tax credit for	Total State	Credit	2	1	0
	purchase of	Credit				
	alternative fuel					
	heavy-duty or					
	medium-duty					
1 6 0 4 0	vehicle	T + 1.0+ +	0.11	26	4.4	5 1
1.6.043	Bank Tax Credit	Total State Credit	Credit	36	44	51
1.6.044	Employer tax	Total State	Credit	0	1	3
1.0.01 f	credit for hiring	Credit	Citan	0	1	5
	qualified parolees	crouit				
1.6.045	Income Tax Credit	Total State	Credit	10	15	17
	for Contributions	Credit	010011			1,
	to Rural Health	C. Cuit				
	Care Organizations					
1.6.046	Rehabilitation	Total State	Credit	0	0	1
-	Zone tax credit	Credit		-	-	_

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
1.6.047	Georgia Musical	Total State	Credit	0	1	4
	Investment tax	Credit				
	credit					
1.6.048	Tax credit for	Total State	Credit	0	0	5
	contributions to the	Credit				
	Public Education					
1 6 0 4 0	Innovation Fund	T 1 0 1	a II.	0	0	0
1.6.049	Agribusiness Tax	Total State	Credit	0	0	0
	Credit	Credit				
	orate Income Tax Pr			-		
2.1.001	Permanent	Federal	Exclusion	(m)	(m)	(m)
	exemption from	Corporate				
	imputed interest	Income				
	rules	Tax				
2.1.003	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	contributions in aid	Corporate				
	of construction for	Income				
	water and sewer	Tax				
0 1 00 1	utilities	F 1 1				
2.1.004	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	earnings of certain	Corporate				
	environmental	Income				
2 1 005	settlement funds	Tax	F	((100)	()
2.1.005	Exclusion of	Federal Componete	Exclusion	(m)	(m)	(m)
	certain agricultural cost-sharing	Corporate Income				
	payments	Tax				
2.1.006	Exclusion of gain	Federal	Exclusion	(m)	(m)	(m)
2.1.000	or loss on sale or	Corporate	Exclusion	(111)	(111)	(111)
	exchange for	Income				
	brownfield	Tax				
	property	I WA				
2.1.008	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	disaster mitigation	Corporate		(/	()	()
	payments	Income				
		Tax				
2.1.009	Exclusion of	Federal	Exclusion	(m)	(m)	(m)
	interest on public	Corporate			, í	, í
	purpose state and	Income				
	local government	Tax				
	bonds					

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
2.1.010	Various foreign	Federal	Exclusion	357	375	378
	provisions	Corporate				
	including	Income				
	inventory property	Tax				
	sales source rule					
	exception, interest					
	expense allocation,					
	deferral of active					
	income of					
	controlled foreign					
	corporations,					
	deferral of active					
	financing income					
2.2.001	Accelerated	Federal	Deduction	5	5	5
	depreciation	Corporate				
	(MACRS)	Income				
		Tax				
2.2.002	Deduction of	Federal	Deduction	(m)	(m)	0
	expenditures on	Corporate				
	energy-efficient	Income				
	commercial	Tax				
	building property					
2.2.003	Expensing of	Federal	Deduction	(m)	(m)	(m)
	exploration and	Corporate				
	development costs:	Income				
	nonfuel minerals	Tax				
2.2.004	Amortization of	Federal	Deduction	(m)	(m)	(m)
	business start-up	Corporate				
	costs	Income				
2 2 0 0 7		Tax				2
2.2.005	Expensing of	Federal	Deduction	3	3	3
	research and	Corporate				
	experimental	Income				
22006	expenses	Tax	Defection	((()
2.2.006	Expensing of	Federal	Deduction	(m)	(m)	(m)
	magazine	Corporate				
	circulation	Income				
2 2 007	expenditures	Tax	Deduction	0	0	0
2.2.007	Deductions of oil	Federal	Deduction	0	0	0
	and gas	Corporate				
	exploration and	Income				
2.2.000	development costs	Tax	De la c	2	2	2
2.2.008	Special treatment	Federal	Deduction	3	3	3
	of expenses related	Corporate				
	to timber	Income				
	production	Tax		1	I	

FY 2018 18 75 3	FY 2019 19 54
75	
	54
	54
	54
	54
	54
	54
	54
	54
	54
3	
3	
3	
3	
	3
(m)	(m)
(m)	(m)
(m)	(m)
2	4
5	4
1	-4
-4	-4
	-4

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

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
2.3.001	Deferral of gain on like-kind exchanges	Federal Corporate Income Tax	Deferral	24	25	26
2.3.002	Special rules for magazine, paperback book, and record returns	Federal Corporate Income Tax	Special Rule	(m)	(m)	(m)
2.3.003	Five-year carryback for net operating losses attributable to farming	Federal Corporate Income Tax	Special Rule	(m)	(m)	(m)
2.3.004	Special rules for mining reclamation reserves	Federal Corporate Income Tax	Special Rule	(m)	(m)	(m)
2.3.005	Cash accounting, other than agriculture	Federal Corporate Income Tax	Special Rule	1	1	1
2.3.006	Deferral of gain on non-dealer installment sales	Federal Corporate Income Tax	Special Rule	14	14	14
2.3.007	Completed contract rules	Federal Corporate Income Tax	Special Rule	3	3	3
2.3.008	Special treatment of employee stock ownership plans (ESOPs) (includes deferral of tax on certain employee stock plans)	Federal Corporate Income Tax	Deferral	(m)	(m)	(m)
2.3.009	Deferral of capital construction costs of shipping companies	Federal Corporate Income Tax	Deferral	(m)	(m)	(m)
2.4.001	Single-Factor Apportionment	Corporate Income Tax	Apportionment	Estimate not available at this time		
2.4.002	Throwback Rule	Corporate Income Tax	Apportionment	Estimate not available at this tim		

Expenditure	Summary	Tax	Type of	State	State	State
-	-		Expenditure	FY 2017	FY 2018	FY 2019
2.4.003	Corporate Receipts	Corporate	Apportionment	Estimate n	ot available	at this time
	Sourcing	Income				
		Tax				
2.5.001	Interest on	Corporate	Deduction	Estimate n	ot available	at this time
	obligations of	Income				
	United States	Tax				
2.5.002	Exception to	Corporate	Deduction	Estimate n	ot available	at this time
	intangible	Income				
	expenses and	Tax				
~ . ~	related interest cost					
<u> </u>	oorate Income Tax Pi				•	
2.6.001	Georgia Job Tax	Total State	Credit	122	125	129
	Credit	Credit				
2.6.002	Quality Jobs Tax	Total State	Credit	94	105	109
	Credit	Credit				
2.6.003	New Facilities	Total State	Credit	Estimate combined with 2.6.001		
	Jobs Credit	Credit	~ "			
2.6.004	New	Total State	Credit	Estimate n	ot available	at this time
	Manufacturing	Credit				
	Facilities Property					
2 < 0.05	Credit Manufacturer's	Total State	Credit	25	25	26
2.6.005			Credit	25	25	26
	Investment Tax Credit	Credit				
2.6.006	Optional	Total State	Credit	1	1	1
2.0.000	Investment Tax	Credit	Ciedit	1	1	1
	Credit	Credit				
2.6.007	Port Activity Tax	Total State	Credit	7	7	8
2.0.007	Credit	Credit	creat	7	,	0
2.6.008	Alternative Port	Total State	Credit	Estimate	combined wi	th 2.6.007
	Activity Tax	Credit				
	Credit					
2.6.009	Film Tax Credit	Total State	Credit	435	485	533
		Credit				
2.6.010	Research Tax	Total State	Credit	32	34	36
	Credit	Credit				
2.6.011	Seed-Capital Fund	Total State	Credit	(m)	(m)	(m)
	Credit	Credit				
2.6.012	Qualified Health	Total State	Credit	(m)	(m)	(m)
	Insurance Expense	Credit				
	Credit					
2.6.014	Qualified	Total State	Credit	(m)	(m)	(m)
	Transportation	Credit				
	Credit					

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
2.6.015	Business Enterprise Vehicle Credit	Total State Credit	Credit	(m)	(m)	(m)
2.6.016	Employer's Credit for providing or sponsoring child care for employees and employer's credit for purchasing child care property	Total State Credit	Credit	22	22	23
2.6.017	Low-Income Housing Credit	Total State Credit	Credit	230	241	253
2.6.018	Historic Rehabilitation Credit	Total State Credit	Credit	31	28	29
2.6.019	Diesel Particulate Emission Reduction Technology Equipment Credit	Total State Credit	Credit	0	0	0
2.6.020	Low - and Zero- emission Electric Vehicle Charger Credit	Total State Credit	Credit	(m)	(m)	(m)
2.6.021	Land Conservation Credit	Total State Credit	Credit	14	0	0
2.6.022	Wood Residuals Credit	Total State Credit	Credit	2	(m)	0
2.6.023	Georgia Employer GED Tax Credit (previously known as the Employer's Credit for Basic Skills Education)	Total State Credit	Credit	1	1	1
2.6.024	Employer's Credit for Approved Employee Retraining	Total State Credit	Credit	48	52	56
2.6.025	Qualified Education Expense Credit	Total State Credit	Credit	48	48	48
2.6.026	Qualified Investor Tax Credit	Total State Credit	Credit	2	3	3
2.6.027	Energy-Efficient or Water-Efficient Equipment Credit	Total State Credit	Credit	0	0	0

Summary of State Tax Expenditures

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
2.6.028	Tax credit for water-conservation facilities and qualified water- conservation investment property	Total State Credit	Credit	Estimate not available at this time		
2.6.029	Tax credit for shift from groundwater usage	Total State Credit	Credit	Estimate not available at this time		
2.6.030	Tax credit for existing business enterprises undergoing qualified business expansion	Total State Credit	Credit	Estimate combined with 2.6.002		
2.6.031	Tax credit for purchases of alternative fuel heavy-duty or medium-duty vehicle	Total State Credit	Credit	2	1	0
2.6.032	Bank Tax Credit	Total State Credit	Credit	36	44	51
2.6.033	Employer tax credit for hiring qualified parolees	Total State Credit	Credit	0	1	3
2.6.034	Income Tax Credit for Contributions to Rural Health Care Organizations	Total State Credit	Credit	10	15	17
2.6.035	Rehabilitation Zone tax credit	Total State Credit	Credit	0	0	1
2.6.036	Georgia Musical Investment tax credit	Total State Credit	Credit	0	1	4
2.6.037	Tax credit for contributions to the Public Education Innovation Fund	Total State Credit	Credit	0	0	5
2.6.038	Agribusiness Tax Credit	Total State Credit	Credit	0	0	0
Corporate Ne	et Worth Tax			-		
3.001	Exemption for nonprofit corporations	Net Worth Tax	Exemption	Estimate n	ot available	at this time

Expenditure	Summary	Tax	Type of	State	State	State	
			Expenditure	FY 2017	FY 2018	FY 2019	
3.002	Exemptions from	Net Worth	Exemption	Estimate n	e not available at this ti		
	the Net Worth Tax	Tax					
3.003	Eliminate the Net	Net Worth	Exemption	0	45	45	
	Worth tax for	Tax					
	corporations with						
	net worth of						
	\$100,000 or less						
Sales and Use	e Tax						
4.00100	Sales to Federal	Sales and	Exemption	Estimate n	ot available	at this tim	
	Government, State	Use Tax					
	of Georgia or a						
	county or						
	municipality in						
	Georgia or any						
	agency of such						
	governments						
4.00200	Tangible personal	Sales and	Exemption	Estimate n	ot available	at this tim	
	property furnished	Use Tax					
	by the Federal						
	Government or any						
	county or						
	municipality used						
	by a contractor in						
	the installation,						
	repair, or extension						
	of any public						
	water, gas, or						
1.00200	sewer system	<u> </u>	.				
4.00300	Federal retailer's	Sales and	Exemption	Estimate n	ot available	at this time	
	excise tax if	Use Tax					
	separately itemized						
	to the consumer						
	and Georgia motor						
	fuel tax imposed on the sale of						
	motor fuel						
4.00400	Sales of	Sales and	Exemption	7	8	8	
4.00400	transportation	Use Tax	Exemption	/	0	0	
	furnished by a						
	county or						
	municipal public						
	transit system or						
	public transit						
	authorities						
	autionities	I		1	1	I	

Expenditure	Summary	Tax	Type of	State	State	State	
			Expenditure	FY 2017	FY 2018	FY 2019	
4.00500	Sales of	Sales and	Exemption	Estimate combined With 4.0040			
	transportation	Use Tax					
	furnished by an						
	approved and						
	authorized urban						
	transit system						
4.00600	Sales to any	Sales and	Exemption	Estimate combined with 4.00700			
	Hospital Authority	Use Tax					
	created by Georgia						
	law				1		
4.00610	Sales to any	Sales and	Exemption	1	1	1	
	Housing Authority	Use Tax					
	created by Georgia						
	law						
4.00620	Sales to local	Sales and	Exemption	(m)	(m)	(m)	
	government	Use Tax					
	authorities created						
	on or after January						
	1, 1980 for the						
	principal purpose						
	of constructing,						
	owning, or						
	operating a						
	coliseum and						
4 00 520	related facilities	<u> </u>					
4.00630	Sales to any	Sales and	Exemption	(m)	(m)	(m)	
	agricultural	Use Tax					
	commission						
	created by the						
	Department of						
4.00700	Agriculture	Salaa and	Examplian	106	111	117	
4.00700	Sales of tangible	Sales and Use Tax	Exemption	106	111	11/	
	personal property and services to an	Use Tax					
	approved nursing home, inpatient						
	hospice, general						
	hospital or mental						
	hospital when used						
	specifically in the						
	treatment function						
	reatment function	I	l				

Expenditure	Summary	Tax	Type of	State	State	State
-	Č (Expenditure	FY 2017	FY 2018	FY 2019
4.00705	Sales of tangible	Sales and	Exemption	1	1	0
	personal property	Use Tax	_			
	to a non-profit					
	health center					
	established and					
	receiving funds					
	pursuant to the					
	U.S. Public Health					
	Service Act					
4.00710	Sales of tangible	Sales and	Exemption	1	1	1
	personal property	Use Tax				
	and services to a					
	nonprofit					
	organization whose					
	primary function is					
	to provide services					
	to persons with intellectual					
	disabilities					
4.00720	Sales to Georgia	Sales and	Exemption	(m)	(m)	(m)
4.00720	Society of the	Use Tax	Exemption	(III)	(III)	(111)
	Daughters of the	coc run				
	American					
	Revolution					
4.00730	Sales of tangible	Sales and	Exemption	1	1	0
	property and	Use Tax	•			
	services to a					
	nonprofit volunteer					
	health clinic					
	primarily treating					
	patients with					
	incomes below 200					
	percent of the					
	poverty level					
4.00800	Sales of tangible	Sales and	Exemption	38	40	42
	personal property	Use Tax				
	and services to the					
	University System					
	of Georgia and its					
	educational units					

Expenditure	Summary	Tax	Type of	State	State	State
-	ž		Expenditure	FY 2017	FY 2018	FY 2019
4.00900	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	Sales and Use Tax	Exemption		ombined wi	
	University System					
4.01000 4.01100	of Georgia Sales of tangible personal property and services used exclusively in the educational function of an approved private elementary or secondary school Sale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or	Sales and Use Tax Sales and Use Tax	Exemption	6 (m)	6 (m)	7 (m)
4.01200	cultural institute School lunches sold and served to pupils and employees of	Sales and Use Tax	Exemption	7	7	6
4.01300	public schools School lunches sold and served to pupils and employees of approved private schools	Sales and Use Tax	Exemption	1	1	1

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
4.01400	Sales of art and other artifacts for display or exhibition to museums	Sales and Use Tax	Exemption	1	1	1
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	Sales and Use Tax	Exemption	(m)	(m)	(m)
4.01510	Sales of pipe organs or steeple bells to any church qualifying as a nonprofit	Sales and Use Tax	Exemption	(m)	(m)	(m)
4.01700	Sales of fuel or consumable supplies used by ships engaged in inter-coastal or foreign commerce	Sales and Use Tax	Exemption	8	8	8
4.01800	Charges for transportation of tangible personal property made in connection with interstate or intrastate transportation	Sales and Use Tax	Exemption	Estimate n	ot available	at this time

Expenditure	Summary	Tax	Type of	State	State	State
-			Expenditure	FY 2017	FY 2018	FY 2019
4.01900	All tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a resident	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.02000	Water delivered through water mains, lines, or pipes	Sales and Use Tax	Exemption	64	65	68
4.02100	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	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.02200	Professional, insurance or personal service transactions which involve sales as inconsequential elements for which no separate charge is made	Sales and Use Tax	Exemption	·	enditure estin s (4.50003, 4 4.50011)	
4.02300	Repair services when a separate charge is made to the customer	Sales and Use Tax	Exemption		enditure estin s (4.50003, 4 4.50011) x	

Expenditure	Summary	Tax	Type of	State	State	State
		~ .	Expenditure	FY 2017	FY 2018	FY 2019
4.02400	Rental of videotape or film to persons charging admission to view the tape or	Sales and Use Tax	Exemption	7	7	7
	film					
4.02500	Fares of for-hire vehicles	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.03000	Vehicles purchased by service- connected disabled veterans when the U.S. Dept. of Veterans Affairs supplies a grant to purchase and specially adapted the vehicle	Sales and Use Tax	Exemption	(m)	(m)	(m)
4.03100	Sale of tangible personal property manufactured or assembled in Georgia for export when delivery is taken outside of Georgia	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.03200	Aircraft, watercraft, motor vehicles, and other transportation equipment manufactured or assembled in this State for exclusive use outside Georgia	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.03300	Common or common and contract carriers	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.03410	Machinery and equipment used to handle, move, or store tangible personal property in certain distribution facilities	Sales and Use Tax	Exemption	Estimate n	ot available	at this time

Expenditure	Summary	Tax	Type of	State	State	State
4.02420		0.1 1	Expenditure	FY 2017	FY 2018	FY 2019
4.03420	Machinery and	Sales and Use Tax	Exemption	(m)	(m)	(m)
	equipment used directly to	Use Tax				
	remanufacture					
	certain aircraft					
	engines or aircraft					
	engine parts					
4.03600	Machinery and	Sales and	Exemption	(m)	(m)	(m)
	equipment used in	Use Tax	F	()	()	()
	a facility for the					
	primary purpose of					
	reducing or					
	eliminating air and					
	water pollution					
4.03610	Machinery and	Sales and	Exemption	Estimate n	ot available	at this time
	equipment used for	Use Tax				
	water conservation					
	and incorporated					
	into a qualified					
	water conservation					
4.03800	facility.	Sales and	Examplian	(m)	(m)	(m)
4.03800	Sale of tangible	Use Tax	Exemption	(m)	(m)	(m)
	personal property and fees and	Use Tax				
	charges for					
	services by the					
	Rock Eagle 4-H					
	center					
4.03900	Certain sales by a	Sales and	Exemption	2	2	2
	public or private	Use Tax	*			
	school of tangible					
	personal property,					
	concessions, and					
	tickets for					
	admission to					
	school functions					
4.03910	Cargo containers	Sales and	Exemption	Estimate n	ot available	at this time
	and related chassis	Use Tax				
	used for storage or					
	shipping by					
	persons engaged in					
	international					
	shipment of					
	tangible personal					
	property					

Expenditure	Summary	Tax	Type of	State	State	State
	·		Expenditure	FY 2017	FY 2018	FY 2019
4.04000	Sale of major components or repair parts installed in military aircraft, vehicles, or missiles	Sales and Use Tax	Exemption	49	57	47
4.04100	Sale of tangible personal property and services to a nonprofit child- caring institution, child-placing agency, or maternity home	Sales and Use Tax	Exemption	1	1	1
4.04200	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	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.04300	Revenues from coin-operated amusement machines for which individual permits are required	Sales and Use Tax	Exemption	27	28	29
4.04400	Sale of motor vehicles to nonresident purchasers when vehicles are immediately removed from Georgia and titled in another state	Sales and Use Tax	Exemption	Estimate n	ot available	at this time

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
4.04500	The sale or use of paper stock when used to print catalogs for distribution outside Georgia	Sales and Use Tax	Exemption	Estimate n	ot available	at this time
4.04600	Sale of tangible personal property or taxable services to nonprofit blood banks	Sales and Use Tax	Exemption	2	2	2
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	Sales and Use Tax	Exemption	419	447	479
4.04800	Sale of crab bait to licensed commercial fishermen	Sales and Use Tax	Exemption	(m)	(m)	(m)
4.05000	Sales of insulin syringes and blood glucose level measuring strips dispensed without a prescription	Sales and Use Tax	Exemption	21	22	23
4.05100	Sale of oxygen when prescribed by a licensed physician	Sales and Use Tax	Exemption	1	1	1
4.05200	Sale or use of hearing aids	Sales and Use Tax	Exemption	5	6	6
4.05300	Transactions where food stamps or WIC coupons are used as the method of payment of payment	Sales and Use Tax	Exemption	111	110	110

Expenditure	Summary	Tax	Type of Exponditure	State FY 2017	State FY 2018	State FY 2019
4.05.400	Colo on wee of one	Sales and	Expenditure	<u>FY 2017</u> 35		
4.05400	Sale or use of any		Exemption		36	38
	durable medical	Use Tax				
	equipment or					
	prosthetic device					
	prescribed by a					
4.05500	physician	<u> </u>		1.00	175	100
4.05500	Sale of Georgia	Sales and	Exemption	169	175	180
	lottery tickets	Use Tax				
4.05600	Sale by any	Sales and	Exemption	1	1	1
	qualified nonprofit	Use Tax				
	parent-teacher					
	organization					
4.05700	Food purchased for	Sales and	Exemption	539	550	559
	off-premises	Use Tax				
	consumption					
4.05710	Sales of food and	Sales and	Exemption	1	1	1
	beverages to a	Use Tax				
	qualified food					
	bank (expires June					
	30, 2021)					
4.05720	Exemption for	Sales and	Exemption	3	3	3
	prepared food and	Use Tax	-			
	food ingredients					
	that are donated to					
	a qualified					
	nonprofit agency					
	and used for					
	hunger relief					
	purposes					
4.05730	Exemption for	Sales and	Exemption	(m)	(m)	(m)
	food and food	Use Tax	1		~ /	
	ingredients that are					
	donated following					
	a natural disaster					
	and used for					
	disaster relief					
4.05900	Sale of eligible	Sales and	Exemption	1	1	1
	food and beverages	Use Tax	puon		· ·	
	by any Girl or Boy					
	Scout council					
4.06000	Sale of certain	Sales and	Exemption	(m)	(m)	(m)
T.00000	machinery and	Use Tax	Licinpuon	(111)	(111)	(111)
	equipment used to	Use Tax				
	improve air quality in a clean room of					
	Class 100,000 or					
	less		l	1	I	l

Expenditure	Summary	Tax	Type of	State	State	State
1.0.61.00		<u> </u>	Expenditure	FY 2017	FY 2018	FY 2019
4.06100	Advertising inserts	Sales and	Exemption	Estimate n	ot available	at this time
	that are used in	Use Tax				
	newspapers for resale					
4.06200	Sod grass sold in	Sales and	Exemption	3	3	3
4.00200	the original state of	Use Tax	Exemption	5	5	5
	production by the	050 144				
	sod producer,					
	employee of the					
	producer, or family					
	member of the					
	producer					
4.06300	Funeral	Sales and	Exemption	(m)	(m)	(m)
	merchandise when	Use Tax				
	paid with funds					
	from the Georgia Crime Victims'					
	Emergency Fund					
4.06500	Sale of dyed diesel	Sales and	Exemption	1	1	1
1.002.00	fuel used	Use Tax	Litemption	-	1	1
	exclusively for					
	operations of					
	vessels or boats by					
	licensed					
	commercial					
1.06600	fishermen	0.1 1		2	2	2
4.06600	Sale of gold, silver, or platinum bullion	Sales and Use Tax	Exemption	3	3	3
4.06700	Sale of coins or	Sales and	Exemption	1	1	1
4.00700	currency	Use Tax	Exemption	1	1	1
4.06800	Sale of certain	Sales and	Exemption	Estimate n	ot available	at this time
	computer	Use Tax	1			
	equipment when					
	the total qualifying					
	purchases by a					
	high technology					
	company exceed					
4.0000	\$15 million	C - 1	E	Estimate (N 1. ' 1'	1. 1.0000
4.06900	Sales of machinery	Sales and Use Tax	Exemption	Estimate C	Combined wi	un 4.06000
	and equipment and material					
	incorporated and					
	used in a clean					
	room of Class 100					
	or less					

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
4.07000	Sale of natural gas	Sales and	Exemption	48	52	56
	used directly in the	Use Tax				
	manufacture of					
4.07100	electricity	C - 1		((()
4.07100	Sale to or by an	Sales and	Exemption	(m)	(m)	(m)
	organization whose	Use Tax				
	primary purpose is to raise funds for					
	books, materials,					
	and programs for					
	public libraries					
4.07200	Sale of prescribed	Sales and	Exemption	2	2	2
1.07200	mobility enhancing	Use Tax	Enemption	_	-	-
	equipment					
4.07500	Sales tax holiday	Sales and	Exemption	42	0	0
	for back to school	Use Tax	•			
	items (expired July					
	31, 2016)					
4.07600	Exemption for	Sales and	Exemption	(m)	0	0
	personal property	Use Tax				
	used in the					
	renovation or					
	expansion of an					
4.00100	aquarium	C - 1		4	4	4
4.08100	The purchase of food and	Sales and Use Tax	Exemption	4	4	4
	nonalcoholic	Use Tax				
	beverages provided					
	at no charge					
	aboard a qualified					
	airline					
4.08200	Sales tax holiday	Sales and	Exemption	(m)	0	0
	for water-efficient	Use Tax	1			
	and energy-					
	efficient purchases					
	(expired October 2,					
	2016)					
4.08300	Sale of biomass	Sales and	Exemption	1	1	2
	materials used to	Use Tax				
	produce electricity					
	or steam intended					
	for sale					

Summary of State Tax Expenditures

Summary of State Tax Expenditures									
Expenditure	Summary	Tax	Type of	State	State	State			
4 0 0 5 0 0		~ 1 1	Expenditure	FY 2017	FY 2018	FY 2019			
4.08600	Sales of engines,	Sales and	Exemption	17	17	18			
	parts, equipment	Use Tax							
	and other tangible								
	personal property								
	used in the								
	maintenance or								
	repair of certain								
4.00700	aircraft	C - 1		((112)	0			
4.08700	Sales of tangible	Sales and	Exemption	(m)	(m)	0			
	personal property	Use Tax							
	used to renovate or								
	expand a								
	zoological								
	institution (expires June 30, 2018)								
4.09100	The sale of	Sales and	Exemption	Estimata n	ot available	at this time			
4.09100	prewritten software	Use Tax	Exemption			at this time			
	which has been	USC TUX							
	delivered to the								
	purchaser								
	electronically or by								
	means of load and								
	leave								
4.09300	Sale of tangible	Sales and	Exemption	9	9	9			
	personal property	Use Tax	1						
	used for and in the								
	construction of a								
	competitive project								
	of regional								
	significance, for								
	the period								
	commencing								
	January 1, 2012,								
	until June 30, 2019								
4.09400	The sale, use,	Sales and	Exemption	Estimate n	ot available	at this time			
	consumption, or	Use Tax							
	storage of								
	materials,								
	containers, labels,								
	sacks, or bags used								
	for packaging								
	tangible personal								
	property for								
	shipment or sale								

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
4.09700	Sales of admission to a nonrecurring major sporting event	Sales and Use Tax	Exemption	1	3	1
4.09800	Sales of tangible personal property and services to a qualified job training organization	Sales and Use Tax	Exemption	1	1	1
4.09900	Exemption for expenses related to the renovation or expansion of qualified theatres	Sales and Use Tax	Exemption	0	(m)	(m)
4.10000	Exemption for sales of tickets to a qualified fine arts performance or exhibition	Sales and Use Tax	Exemption	1	4	4
4.3.2	Exemptions for energy, machinery or equipment, industrial material, and consumable supplies used in manufacturing	Sales and Use Tax	Exemption	3,091	3,140	3,198
4.3.3	Sale and use by a qualified agriculture producer of agricultural production inputs, energy used in agriculture, and agricultural machinery and equipment	Sales and Use Tax	Exemption	150	156	164
4.3.4	Exemption for qualified boat repairs	Sales and Use Tax	Exemption	(m)	(m)	(m)
4.3.5	Exemption for sales within an enterprise zone	Sales and Use Tax	Exemption	Estimate n	ot available	at this time

Summary of State Tax Expenditures

Expenditure	Summary	Tax	Type of	State	State	State
		~	Expenditure	FY 2017	FY 2018	FY 2019
4.50000	Admissions and Amusements	Sales and Use Tax for	Exemption	166	170	176
		Services				
4.50001	Agricultural Services	Sales and Use Tax for Services	Exemption	168	172	178
4.50002	Automotive Services	Sales and Use Tax for Services	Exemption	142	145	151
4.50003	Business Services	Sales and Use Tax for Services	Exemption	724	742	768
4.50004	Computer and Online Services	Sales and Use Tax for Services	Exemption	408	418	433
4.50005	Construction Labor	Sales and Use Tax for Services	Exemption	1,927	1,975	2,045
4.50006	Fabrication, Installation, and Repair Services	Sales and Use Tax for Services	Exemption	235	241	249
4.50007	Finance, Insurance, and Real Estate	Sales and Use Tax for Services	Exemption	1,045	1,072	1,110
4.50008	Industrial and Mining Services	Sales and Use Tax for Services	Exemption	11	11	11
4.50009	Residential Utility Service	Sales and Use Tax for Services	Exemption	19	19	20
4.50010	Personal Services	Sales and Use Tax for Services	Exemption	295	302	313

Expenditure	Summary	Tax	Type of Expenditure	State FY 2017	State FY 2018	State FY 2019
4.50011	Professional Services	Sales and Use Tax for Services	Exemption	2,195	2,250	2,330
4.50012	Storage	Sales and Use Tax for Services	Exemption	76	78	81
4.50013	Transportation Services	Sales and Use Tax for Services	Exemption	(m)	(m)	(m)
4.70000	Compensation of dealers for reporting and paying tax	Sales and Use Tax	Exemption	78	79	82
4.90000	Sales tax exemption for casual sales	Sales and Use Tax	Exemption	2	2	2
Insurance Provide the	emium Tax					
5.00100	Deduction of retaliatory taxes paid to other states	Insurance Premium Tax	Deduction	(m)	(m)	(m)
5.00200	Insurance premium tax credits - Georgia Job Tax Credit	Total State Credit	Credit	122	125	129
5.00300	Exemption for premiums of high- deductible health plans	Insurance Premium Tax	Exemption	6	6	7
5.00400	Exemption for insurance companies that only insure places of worship	Insurance Premium Tax	Exemption	(m)	(m)	(m)
5.00500	Insurance abatements	Insurance Premium Tax	Rate Reduction	159	162	167
5.00600	Special deductions for life insurance companies	Insurance Premium Tax	Deduction	166	170	174
5.00700	Insurance premium tax credit - Low Income Housing Credit	Total State Credit	Credit	230	241	253

Expenditure	Summary	Tax	Type of	State	State	State	
			Expenditure	FY 2017	FY 2018	FY 2019	
5.00800	Insurance Premium	Insurance	Exemption	0	0	0	
	Tax Exemption for	Premium					
	multiple employer	Tax					
	self-insured health						
	plans						
Motor Fuel T	ax						
6.00400	Motor fuel tax	Motor Fuel	Exemption	1	1	2	
	exemption for	Tax	_				
	aviation fuel						
6.00500	Motor fuel tax	Motor Fuel	Exemption	17	17	18	
	vendor	Tax	-				
	compensation						
Alcoholic Bev	erage Tax						
7.00100	Sales to persons	Alcoholic	Exemption	Estimate n	ot available	at this time	
	outside the state	Beverage	~				
	for resale or	Tax					
	consumption						
	outside the state						
7.00200	Sales to stores or	Alcoholic	Exemption	Estimate not available at this time			
	canteens in U.S.	Beverage					
	military	Tax					
	reservations						
7.00300	200 gallons	Alcoholic	Exemption	(m)	(m)	(m)	
	annually of	Beverage					
	homebrew per	Tax					
	household						
7.00400	Sales to and use by	Alcoholic	Exemption	(m)	(m)	(m)	
	religious	Beverage					
	organizations for	Tax					
	sacramental						
	purposes						
7.00500	Exemption for	Alcoholic	Exemption	(m)	(m)	(m)	
	ethyl alcohol used	Beverage					
	for certain	Tax					
	purposes						
7.00600	Malt beverages	Alcoholic	Exemption	1	1	1	
	containing less	Beverage	_				
	than one-half of	Tax					
	0.5 percent alcohol						
	by volume						

Tobacco Products Excise Tax

Expenditure	Summary	Tax	Type of	State	State	State	
_	_		Expenditure	FY 2017	FY 2018	FY 2019	
8.00100	Exemption for	Cigar and	Exemption	(m)	(m)	(m)	
	purchases for use	Cigarette					
	exclusively by	Excise Tax					
	patients at the						
	Georgia War						
	Veterans Home						
	and the Georgia						
	War Veterans						
	Nursing Home						
8.00200	De minimis	Cigar and	Exemption	Estimate n	ot available	at this time	
	amount brought	Cigarette	_				
	into the state by	Excise Tax					
	one person						
8.00300	Cigars and	Cigar and	Exemption	Estimate n	ot available	at this time	
	cigarettes stored in	Cigarette	-				
	a public warehouse	Excise Tax					
8.00400	Certain cigars and	Cigar and	Exemption	Estimate not available at this time			
	cigarettes held by	Cigarette					
	licensed dealers	Excise Tax					
Financial Inst	titutions Special State	e Occupation	Tax				
9.00100	Deduction for	Financial	Deduction	2	2	2	
	interest paid	Institutions					
	1	Business					
		License					
		Tax					
9.00200	Deductions for	Financial	Deduction	Estimate n	ot available	at this time	
	income from	Institutions					
	authorized	Business					
	activities of a	License					
	domestic	Tax					
	international						
	banking facility						
9.00300	Deduction for	Financial	Deduction	Estimate n	ot available	at this time	
	income from	Institutions					
	banking business	Business					
	with persons or	License					
	entities outside the	Tax					
	U.S.						
Special Asses	sment of Forest Land	Conservatio	n Use Property				
10.00000	Special assessment	State Grant	Credit	29	29	29	
	of forest land						
	conservation use						
	property						
Altornativa A	d Valorem Tax on M	otor Vahialas				•	

Alternative Ad Valorem Tax on Motor Vehicles

Expenditure	Summary	Tax	Type of	State	State	State
			Expenditure	FY 2017	FY 2018	FY 2019
11.001	Reduced rate for	Title Fee	Rate	9	10	11
	related family		Reduction			
	transfers					
11.002	Disabled veteran	Title Fee	Exemption	(m)	(m)	(m)
	exemption					
11.003	Reduced rate for	Title Fee	Rate	74	67	58
	rental vehicles		Reduction			
11.004	Reduced rate for	Title Fee	Rate	(m)	(m)	(m)
	vehicles		Reduction			
	manufactured in					
	years 1963 through					
	1985					
11.005	Reduced rate for	Title Fee	Rate	33	34	35
	salvage vehicles		Reduction			
11.006	Dealer loaner	Title Fee	Deferral	5	3	3
	vehicle exemption			-	-	-
11.007	Reduced rate for	Title Fee	Rate	(m)	(m)	(m)
11.007	donated vehicles	11110 1 00	Reduction	(111)	(111)	(111)
11.008	Extended payment	Title Fee	Deferral	-2	-1	-2
11.000	period for out-of-	The Tee	Delettur	2	1	2
	state vehicles					
11.009	Trade-in	Title Fee	Exemption	212	197	178
11.007	exemption	The Tee	Exemption	212	177	170
	(including rebates					
	and cash					
	discounts)					
11.010	Special assessment	Title Fee	Special Rule	19	20	18
11.010	for used vehicles	The Tee	Special Rule	17	20	10
11.011	Special assessment	Title Fee	Special Rule	-43	-39	-35
11.011	for new vehicles	The Fee	Special Rule	-+3	-37	-55
11.012	Buy here pay here	Title Fee	Rate	7	8	8
11.012	transactions	The ree		/	0	0
11.013		Title Eee	Reduction	1	1	1
11.015	Exemption from TAVT for leased	Title Fee	Exemption	1	1	1
	vehicles qualifying					
	for Manufacturing					
11.014	Headquarters			0	1.4	2.
11.014	Treatment of	Title Fee	Special Rule	0	14	26
	Leased Vehicles					

Summary of State Tax Expenditures

State Hotel-Motel 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 current rate structure, which includes six brackets ranging from 1 percent to 6 percent, has remained unchanged since 1955 when the 7 percent rate on taxable incomes over \$20,000 was eliminated. The threshold for each bracket depends on the filing status of the taxpayer, i.e. single, head of household, and married filing separate or joint.

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. In addition, for tax year 2012 and before, filers were allowed a personal exemption of \$5,400 for joint filers and \$2,700 for other filers and \$3,000 for each dependent. For tax years after 2012, the personal exemption for joint filers is \$7,400 and is \$3,700 for married taxpayers filing a separate return.

The tax is administered by the Georgia DOR. Individual income tax collections equaled \$10.4 billion in FY 2016 and accounted for 50 percent of Georgia's revenues from taxation. In CY 2016, 4.7 million individual state returns were filed. While predominately paid by individuals, a significant number of business activities 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 long 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, though, 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 in November 2016. Therefore, any changes to provisions that may occur because of federal legislative action that occurred after that period are not reflected in the estimates.

The explanations of the federal conformity provisions are taken from *Tax Expenditures: Compendium of Background Material in Individual Provisions*, published by the Committee on the Budget, United States Senate and prepared by the Congressional Research Service, December 2016.

1.1 Federal Exclusions

<u>1.1.001</u>	Exclusion of employee meals and lodging Federal Statute IRC section 119 and 132 Description: Employees are allowed to ex lodging furnished by employ for the convenience of the er	clude the fa ers if provio nployer.	ded on the	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	21	21	22
<u>1.1.002</u>	Exclusion of housing allowances for minis Federal Statute IRC Section 107 and 265 Description: In general, this provision allo related expenditures from the State Tax Expenditure	ows ministe eir gross inc	come. ll Years (\$	ct certain housing in Millions) <u>2019</u> 6
<u>1.1.003</u>	 (m) Denotes a value of less than \$1 million <u>Exclusion of employer-provided child care</u> Federal Statute IRC Section 129 Description: Payments by an employer, un for qualified dependent care excluded from the employee 	nder a deper assistance p 's income. State Fisca	provided to ll Years (\$	o an employee are in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2017</u> 14	<u>2018</u> 15	<u>2019</u> 15
<u>1.1.004</u>	Exclusion of employee awards Federal Statute IRC Section 74(c) and 27 Description: This provision provides an e personal property given to en achievement.	xclusion for nployees fo State Fisca	or length of ll Years (\$	f service or for safety in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	$\frac{2017}{2}$	$\frac{2018}{3}$	3
<u>1.1.005</u>	Exclusion of employer contributions and edined benefit and defined contribution p Federal Statute IRC Sections 401-407, 4 Description: Employer contributions to que bonus, and annuity plans on the employee. Furthermore, benefits when they are distribu-	lans 10-418E, an nalified pen behalf of an the employ buted. State Fisca <u>2017</u>	d 457 sion, profi employed ee is gener l Years (\$ <u>2018</u>	t-sharing, stock- e are not taxable to rally not taxed on the in Millions) <u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1,174	1,368	1,580

<u>1.1.006</u>	Exclusion of employer contributions for h long-term care insurance premiums Federal Statute IRC Sections 105,106, as		health insu	rance premiums and
	Description: Employees are allowed to ex		ibutions b	v their employers for
	health care coverage for the			
				in Millions)
		2017	2018	2019
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1,084	1,142	1,196
<u>1.1.007</u>	Exclusion of employer-paid accident and Federal Statute IRC Sections 105 and 10)6		
	Description: Premiums paid by employer			
	insurance plans are excluded			
				in Millions)
	State Tax Expenditure	$\frac{2017}{29}$	$\frac{2018}{30}$	$\frac{2019}{32}$
	(m) Denotes a value of less than \$1 million	2)	50	52
<u>1.1.008</u>	Exclusion of employer contributions for p	oremiums or	n group lor	ng-term life insurance
	Federal Statute IRC Section 79			
	Description: Premiums paid by the employed			
	plans for the employee are e		· ·	
		2017	2018	in Millions) 2019
	State Tax Expenditure	$\frac{2017}{28}$	$\frac{2018}{29}$	<u>2019</u> 29
	(m) Denotes a value of less than \$1 million	20	27	
1.1.009	Exclusion of employer-paid transportation	n benefits ar	nd employe	er-provided transit
	and vanpool benefits			<u> </u>
	Federal Statute IRC Section 132(f)			
	Description: Employer provided qualified employee taxable income.	d transporta	tion benefi	ts are excluded from
	employee axable meene.	State Fisca	al Years (\$	in Millions)
		2017	2018	2019
	State Tax Expenditure	30	31	32
	(m) Denotes a value of less than \$1 million			
<u>1.1.010</u>	Exclusion of benefits provided through ca Federal Statute IRC Section 125	feteria plan	<u>s</u>	
	Description: Qualified benefits offered th	rough an er	nplover's c	afeteria plan are not
	included as taxable income			
				in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	187	194	199
1 1 011	Evolution of employer provided adoption	accietanaa		
<u>1.1.011</u>	Exclusion of employer-provided adoption Federal Statute IRC Section 137	assistance		
	Description: Benefits received from a qua	alified empl	over-spon	sored adoption
	assistance program are exclu			
	employee.			

	State Fiscal Years (\$ in Millions)				
	<u>2017</u>	2018	2019		
State Tax Expenditure	1	1	1		
(m) Denotes a value of less than \$1 million					

<u>1.1.012</u> Exclusion of employer-provided education benefits (including education assistance and tuition reduction benefits)

	and tuition reduction benefits)		<u> </u>	
	Federal Statute IRC Section 117(d) and Sec	ction 127		
	Description: Tuition reductions for employe	ees of edu	cational i	nstitutions may be
	excluded from taxable income.			•
	amounts paid by the employer			
	programs.	•		
		tate Fisca	l Years (§	S in Millions)
		2017	2018	2019
	State Tax Expenditure	9	9	9
	(m) Denotes a value of less than \$1 million			
1 1 0 1 2				
<u>1.1.013</u>	Exclusion of miscellaneous fringe benefits	•		
	Federal Statute IRC Section 132 and 117(D	/	and day here	
	Description: Certain miscellaneous fringe be			
	services provided at no additio		· ·	
	condition fringes, de minimis f	•		lution reductions, can
	be excluded from the employed			S in Millions)
	3			,
	State Tex Expanditure	$\frac{2017}{45}$	<u>2018</u> 46	$\frac{2019}{47}$
	State Tax Expenditure (m) Denotes a value of less than \$1 million	43	40	47
<u>1.1.014</u>	Exclusion of foreign earned income (includi	ng housir	ng and sala	ary)
	Federal Statute IRC Section 911			
	Description: U.S. taxpayers who live and we	ork abroa	d are allo	wed a capped exclusion
	of their wage and salary incom			
	also exclude certain excess for			This provision does
	not apply to federal employees	•		
	S			S in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	42	45	47
	(iii) Denotes a value of less than \$1 million			
1.1.015	Exclusion of certain allowances for federal e	employee	s abroad	
	Federal Statute IRC Section 912	<u>, , , , , , , , , , , , , , , , , , , </u>		
	Description: U.S. federal civilian employees	s who wo	rk abroad	are allowed to exclude
	from taxable income certain sp			
	generally linked to the cost of			•
		<u> </u>	1	

State Fiscal Years (\$ in Millions)

<u>2019</u>

7

2018

7

2017

7

Exclusion of benefits and allowances to armed forces personnel (includes expenditure

Federal Statute IRC Section 112, 134, 104(a)(4) or (5) and 104(b)

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

for military disability benefits)

<u>1.1.016</u>

	Description:	Military personnel are provid cash payments in lieu of such certain members of the arme disability pay.	n benefits)	that are no	t taxed. In addition,	
		515	State Fisca	al Years (\$	in Millions)	
			2017	2018	<u>2019</u>	
	State Tax Exp (m) Denotes a valu	penditure the of less than \$1 million	53	56	59	
<u>1.1.017</u>		medical care and Tricare med retiree dependents	dical insura	nce for mi	litary dependents,	
		te IRC Section 112 and 134				
	Description:	Military personnel are provid		-		
	cash payments in lieu of such benefits) that are not taxed. In addition certain members of the armed forces are eligible for tax exclusion of disability pay.					
		51 5	State Fisca	al Years (\$	in Millions)	
			2017	2018	<u>2019</u>	
	State Tax Exp (m) Denotes a valu	penditure the of less than \$1 million	26	27	28	
1.1.018	Exclusion of	veterans' benefits (includes v	veterans dis	ability con	npensation, pensions.	
		nent benefits)		<u></u>		
		te 38 U.S.C. Section 5301				
	Description:	All benefits administered by are exempt from income.		-		
				-	in Millions)	
	State Tex Ext	anditura	<u>2017</u> 66	<u>2018</u> 67	$\frac{2019}{71}$	
	State Tax Exp (m) Denotes a valu	te of less than \$1 million	00	07	/1	
<u>1.1.019</u>		income attributable to the dis of the service Corp and certain				
		te IRC Section 108(f)				
	Description:	This section provides that in				
		and student loan repayment a income.	assistance r	nay be exc	eluded from gross	
			State Fisca	al Years (\$	in Millions)	
			2017		<u>2019</u>	
	State Tax Exp (m) Denotes a valu	penditure le of less than \$1 million	1	1	1	
<u>1.1.020</u>		workers' compensation benef benefits, and exclusion of dar				
		nysical sickness)	Ū	•		
		te IRC Section 104(a)(1)-(5	,			
	Description:	Employees are not taxed on				
		workers' compensation medi employers, or on the medica			-	
		receive. Workers' compensat				
		related injury and to survivor				
		taxable. Damages paid, throu				

compensate for physical injury or sickness are not included in income of the recipient.

	the recipient.			
		State Fisca	l Years (\$	in Millions)
		<u>2017</u>	2018	<u>2019</u>
	State Tax Expenditure	53	55	56
	(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 t	o coal mine	workers or	their survivors for
	total disability or death resu	lting from co	oal worker	s' pneumoconiosis
	(black lung disease) paid un	der the Blac	k Lung Be	enefits Act generally are
	not taxable.		-	
		State Fisca	l Years (\$	in Millions)
		2017	2018	2019
	State Tax Expenditure	(m)	(m)	(m)
	(m) Denotes a value of less than \$1 million		~ /	· · /
<u>1.1.022</u>	Exclusion of untaxed Social Security and	railroad reti	rement ber	nefits
	Federal Statute IRC Section 86			
	Description: In general, Social Security a	and railroad 1	retirement	benefits are not
	subject to tax.			
		State Fisca	l Years (\$	in Millions)
		<u>2017</u>	2018	<u>2019</u>
	State Tax Expenditure	197	208	220
	(m) Denotes a value of less than \$1 million			
<u>1.1.024</u>	Exclusion of certain foster care payments	_		
	Federal Statute IRC Section 131			
	Description: Qualified payments are excl	luded from tl	ne foster c	are provider's gross
	income.			
		State Fisca	l Years (\$	in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure	1	1	2
	(m) Denotes a value of less than \$1 million			
1 1 0 2 (
<u>1.1.026</u>	Exclusion of scholarship and fellowship i	ncome		
	Federal Statute IRC Section 117		1 1 1 0	.1
	Description: Scholarships and fellowship			
	students and their families p			
	degrees and (2) the amounts			
	enrollment or for books, sup			
	a qualified institution. Amo			ard and incidental
	expenses are not excluded f	÷		
			-	in Millions)
		<u>2017</u>	2018	<u>2019</u>
	State Tax Expenditure	19	20	21
	(m) Denotes a value of less than \$1 million			
1 1 0 27	Evolution of comings of Counselally dece	tion actives	a a a a a materia	and interact or
<u>1.1.027</u>	Exclusion of earnings of Coverdell educa	ation savings	accounts a	and interest on
	educational savings bonds			
	Federal Statute IRC Section 530			

	Description: Contributions to a Coverdel deductible but the earnings	grow on a ta	ax deferred		
		2017	2018	<u>2019</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1	
<u>1.1.028</u>	Exclusion of earnings of qualified tuition programs and savings account programs) Federal Statute IRC Section 529 Description: Contributions to qualified tu federal level but earnings ac	iition progra	ams are no	t deductible at the	
		State Fisca	al Years (\$	in Millions)	
		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	5	7	8	
<u>1.1.029</u>	Exclusion for certain agricultural cost-sha Federal Statute IRC Section 126 Description: Grants made for the purpose protecting the environment a income.	e of conserv	ing soil an		
		State Fisca	al Years (\$	in Millions)	
		2017	2018	<u>2019</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)	
<u>1.1.030</u>	 <u>Exclusion of cancellation of indebtedness income for farmers</u> Federal Statute Sections 108 and 1070(b)(4) Description: The provision allows farmers who are solvent to treat the income arising from the cancellation of certain indebtedness as if they were insolvent taxpayers. As such, income that would normally be subjet tax would be excluded from tax under qualifying conditions. State Fiscal Years (\$ in Millions) 2017 2018 2019 				
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1	
<u>1.1.031</u>	Exclusion of interest on state and local go Federal Statute Various Description: Interest earned on qualified				
				in Millions)	
	State Tex Expenditure	$\frac{2017}{m}$	$\frac{2018}{(m)}$	$\frac{2019}{(m)}$	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)	
<u>1.1.032</u>	Exclusion of capital gains on sales of prin Federal Statute IRC Section 121 Description: A taxpayer may exclude fro capital gain (\$500,000 in the	m federal ir	ncome tax		

	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u>2017</u> 227	l Years (\$ <u>2018</u> 241	in Millions) <u>2019</u> 252
<u>1.1.033</u>	Exclusion of capital gains at death Federal Statute IRC Sections 1001,1002 Description: A capital gains tax is not im when ownership of the prop the owner.	posed on the	e increased	l value of an asset
	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u>2017</u> 140	l Years (\$ <u>2018</u> 146	in Millions) <u>2019</u> 154
<u>1.1.034</u>	Carryover basis of capital gains on gifts Federal Statute IRC Sections 1001,1014 Description: A capital gains tax is not im when ownership of the prop owner's lifetime.	posed on the erty is transf	e increased ferred as a	l value of an asset gift during the
	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u>2017</u> 10	l Years (\$ <u>2018</u> 12	in Millions) <u>2019</u> 17
<u>1.1.035</u>	Permanent Exemption from imputed inter Federal Statute IRC Sections 163(e), 483 Description: Debt instruments for amoun maximum, given in exchang to them an interest rate great	3, 1274, and ts not exceed ge for real pr ter than 9 pe State Fisca	ding an inf operty, ma rcent. l Years (\$	ny not have imputed in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	$\frac{2017}{3}$	$\frac{2018}{3}$	<u>2019</u> 3
<u>1.1.036</u>	Exclusion of combat pay Federal Statute IRC Section 112 Description: Compensation received by a excluded from gross income in a combat zone or was hos incurred while serving in a c	e for any mo pitalized as	nth the ser a result of	vice member served
	State Tax Expenditure	State Fisca <u> 2017</u> 19	l Years (\$ <u>2018</u> 21	in Millions) <u>2019</u> 21
1 1 037	(m) Denotes a value of less than \$1 million		by public i	itilities
<u>1.1.037</u>	Exclusion of energy conservation subsidie Federal Statute IRC Section 136 Description: In general, this provision all income the value of any sub purchase or installation of an	ows custom sidy provide	ers to excl ed by a put	ude from their gross blic utility for the

	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisc. 2017 (m)	al Years (\$ 2018 (m)	5 in Millions) 2019 (m)
<u>1.1.040</u>	Exclusion of interest on public purpose st Federal Statute IRC Sections 103, 141 a Description: Interest income of qualifyin taxable income (expenditure law that only interest on GA	nd 146 g governme e estimate h bonds is ex	ental bonds as been ad xcluded fro	is excluded from justed to reflect GA
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1	2	2
<u>1.1.041</u>	Exclusion of income earned by voluntary Federal Statute IRC Sections 501(a) and Description: Provided certain requirement voluntary employee benefic federal income taxes.	1 501(c)(9) nts are met,	the income	e earned by a
		<u>2017</u>	2018	in Millions) <u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	17	17	18
<u>1.1.042</u>	Exclusion of survivor annuities paid to fa line of duty Federal Statute IRC Section 101(h) Description: The surviving spouse of a p can exclude from gross inco governmental pension plan.	ublic safety ome a surviv	officer kil	led in the line of duty
	8		al Years (\$ 2018	in Millions) 2019
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>1.1.043</u>	Exclusion of disaster mitigation payments Federal Statute IRC Section 139 Description: Payments made for disaster Disaster Relief and Emerger Insurance Act is excluded fr	mitigation ncy Insuran rom income State Fisc. <u>2017</u>	ce Act or t al Years (\$ <u>2018</u>	he National Flood 5 in Millions) <u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)

1.2 Federal Deductions

<u>1.2.001</u>	Accelerated depreciation (MACRS) Federal Statute IRC Sections 167 and 16 Description: Under the Modified Acceler cost of tangible depreciation allowed a shorter depreciation depreciate the costs of new r and equipment on an acceler	rated Cost R a property of on period. T rental housing rated schedu	f certain er Faxpayers ng and cer ıle.	nergy property is are allowed to
	State Tax Expenditure (m) Denotes a value of less than \$1 million	32	31	30
<u>1.2.003</u>	Expensing of exploration and developmen Federal Statute IRC Sections 263, 291, 6 Description: Firms engaged in mining are and development costs.	516-617,56, e permitted	1254 to expense	certain exploration
				in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>1.2.004</u>	Amortization of business startup costs Federal Statute IRC Section 195 Description: This provision allows a busi qualified start-up expenditure		er to dedu	ct up to \$10,000 in
		State Fisca	al Years (\$	in Millions)
		2017	2018	2019
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	1
<u>1.2.005</u>	Expensing of research and experimental e Federal Statute IRC Section 174 and 59(Description: This provision allows a busi expenditures that are paid or trade or business.	(e) iness taxpay		
		State Fisca	al Years (\$	in Millions)
		<u>2017</u>	<u>2018</u>	2019
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>1.2.006</u>	Expensing of magazine circulation expension Federal Statute IRC Section 173 Description: In general, current federal ta magazines, and other period establish, or increase circula	ax law allow licals to ded ation in the y	uct their ex year in whi	xpenditures to maintain,
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)

<u>1.2.007</u>	Deductions of oil and gas exploration and of Federal Statute IRC Sections 611, 612, 61 57(a)(2), 59(e) and 1254			53(c), 616-617,
	Description: Firms that extract oil, gas or of to recover their capital invest depreciates due to the physica the mineral is recovered. Firm development of oil, gas or ge expensing certain intangible of	ment in a r al and ecor ms engage othermal p drilling and	mineral res nomic dep d in the ex properties l d develops al Years (\$	serve, which letion or exhaustion as ploration and have the option of ment costs. § in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	0	0	0
<u>1.2.008</u>	Special treatment for expenses related to the Federal Statute IRC Sections 194, 263A(a Description: This provision allows expense Taxpayers are also allowed dereforestation expenses.	c)(5) ing of prod	duction co	
	-	State Fisca	al Years (§	5 in Millions)
		$\frac{2017}{2}$	$\frac{2018}{2}$	$\frac{2019}{3}$
	State Tax Expenditure (m) Denotes a value of less than \$1 million	2	2	3
<u>1.2.009</u>	Expensing under IRC section 179 of depred Federal Statute IRC Section 179 Description: Within certain limits, a taxpa expense the cost of qualifying in service.	yer may el	ect to ded	uct as a current
		State Fisca	al Years (§	5 in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	324	234	170
<u>1.2.010</u>	Exceptions for publicly traded partnerships certain energy-related activities Federal Statute IRC Section 7704 Description: This code section allows pub corporation for the purposes of situations.	licly traded	d partnersł	nips to be treated as a
		State Fisc:	al Years (S	in Millions)
		2017	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	6	6	6
<u>1.2.011</u>	Treatment of income from exploration and income under the publicly traded partnersh Federal Statute IRC Section 7704 Description: This code section allows pub corporation for the purposes of situations.	<u>ips rules</u> licly tradeo	d partnersł	nips to be treated as a

	State Tax Expenditure (m) Denotes a value of less than \$1 million (m) State Tax Expenditure (m) Denotes a value of less than \$1 million (m) State Tax Expenditure (m) Denotes a value of less than \$1 million (m) State Fiscal Years (\$ in Millions) (\$ 2017 2018 2019 (\$ 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
<u>1.2.012</u>	Various agricultural expensing provisionsFederal StatuteIRC Sections 162, 175, 180, 446, 448, 461, 464Description:Taxpayers in the business of farming may choose to expense costs associated with soil and water conservation, soil conditioning and the costs associated with raising dairy and breeding cattle. State Fiscal Years (\$ in Millions) $2017 2018 2019$
	State Tax Expenditure 1 1 1 (m) Denotes a value of less than \$1 million 1 1
<u>1.2.013</u>	Community and regional development incentivesFederal Statute IRC Sections 38(b), 39(d), 45A, 280C(a), 1391-1397DDescription: Communities designated as empowerment zones and renewable communities are eligible for special development incentives. State Fiscal Years (\$ in Millions)2017 2018 (m)2019 (m)
1.2.014	(m) Denotes a value of less than \$1 million Expensing to remove architectural and transportation barriers to the handicapped
	and elderly Federal Statute IRC Section 190 Description: This provision allows taxpayers to deduct up to \$15,000 of expenses incurred in a single year for removing physical barriers to handicap or elderly individuals in qualified facilities or public transportation vehicles owned or leased by the taxpayer. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) (m) (m)
<u>1.2.015</u>	 <u>Inventory methods and valuation, (including last-in first-out, lower of cost or market, specific identification for homogenous products)</u> Federal Statute IRC Sections 475, 491-492 Description: This provision allows taxpayers to use alternative inventory systems to determine cost of goods sold.
	State Tax Expenditure (m) Denotes a value of less than \$1 millionState Fiscal Years (\$ in Millions) 2017 22018
<u>1.2.017</u>	 <u>Health Savings Accounts</u> Federal Statute IRC Section 223 Description: This provision allows taxpayers to exclude their health savings account contributions from their gross income in determining their taxable income.

State Tax Expenditure (m) Denotes a value of less than \$1 million 10 12 14 1.2.018 Deduction of property taxes on real property Federal Statute IRC Section 164 Federal Statute IRC Section 164 Description: Taxpayers may claim an itemized deduction for property taxes paid on owner-occupied residences. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) Denotes a value of less than \$1 million 1.2.019 Deduction of property taxes and local government income taxes and personal
Federal Statute IRC Section 164 Description: Taxpayers may claim an itemized deduction for property taxes paid on owner-occupied residences. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure 140 151 161 (m) Denotes a value of less than \$1 million 140 151 161
State Tax Expenditure (m) Denotes a value of less than \$1 millionState Fiscal Years (\$ in Millions) 2017 1402018 2018 1512019 161
State Tax Expenditure140151161(m) Denotes a value of less than \$1 million
(m) Denotes a value of less than \$1 million
12010 Deduction of nonhusiness state and local accomment income taxes and reasonal
1.2.019 Deduction of nonbusiness state and local government income taxes and personal
property taxes
Federal Statute IRC Section 164
Description: State and local income, sales and personal property taxes paid by
individuals are deductible from adjusted gross income. State Fiscal Years (\$ in Millions)
$\frac{2017}{2018} = \frac{2019}{2019}$
State Tax Expenditure 388 412 436
(m) Denotes a value of less than \$1 million
1.2.020Deduction of mortgage interest on owner-occupied residencesFederal StatuteIRC Section 163(h)Description:A taxpayer may claim an itemized deduction for "qualified residence
interest" which includes interest paid on a mortgage secured by a
principal residence and a second residence.
State Fiscal Years (\$ in Millions)
$\frac{2017}{110}$ $\frac{2018}{110}$ $\frac{2019}{110}$
State Tax Expenditure410455501(m) Denotes a value of less than \$1 million501
1.2.021 Deduction of charitable contributions (includes deductions for health, education, and
for purposes other than health and education)
Federal Statute IRC Sections 170 and 642(c)
Description: Subject to certain limitations, charitable contributions may be deducted
by individuals. State Fiscal Years (\$ in Millions)
<u>2017</u> 2018 2019
State Tax Expenditure493507522
(m) Denotes a value of less than \$1 million
<u>1.2.022</u> Deduction of casualty and theft losses Federal Statute IRC Sections 165(c)(3), 165(e), 165(h)-165(k)
Description: An individual may claim an itemized deduction for unreimbursed
personal casualty or theft losses up to a specified limit. State Fiscal Years (\$ in Millions)
$\frac{2017}{2018} = \frac{2019}{2019}$
State Tax Expenditure 3 3 3
(m) Denotes a value of less than \$1 million

<u>1.2.023</u>	Deduction of overnight expenses for Nation Federal Statute IRC Sections 162(p) and Description: An above-the-line deduction travel, meals, and lodging ex- members.	l 62(a)(2)(E) n is available) e for unrei	mbursed overnight
	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u> 2017</u> 1	al Years (\$ <u>2018</u> 1	\$ in Millions) <u>2019</u> 1
<u>1.2.025</u>	Deduction of interest on student loans Federal Statute IRC Section 221 Description: Taxpayers may deduct inter- determining their adjusted g	ross income	2.	education loans in
	State Tax Expenditure	<u>2017</u> 12	<u>2018</u> 12	<u>2019</u> 13
	(m) Denotes a value of less than \$1 million			
<u>1.2.028</u>	Deduction of health insurance premiums a the self-employed Federal Statute IRC Section 162(l) Description: Generally, a self-employed i for health insurance or long-	individual n -term care in	nay deduc 1surance.	
	State Tax Expenditure	<u>2017</u> 30	<u>2018</u> 31	<u>2019</u> 33
	(m) Denotes a value of less than \$1 million	50	51	55
<u>1.2.029</u>	Deduction of medical and dental expenses Federal Statute IRC Section 213 Description: Most medical expenses that by an employer or insurance income to the extent they ex	are paid by e company r cceed 10 per	an indivic nay be dec cent of ad al Years (S	lual but not reimbursed lucted from taxable
	State Tax Expenditure (m) Denotes a value of less than \$1 million	58	62	68
<u>1.2.030</u>	Net exclusion of pension contributions and Federal Statute Section 219 and 408 and Description: Individuals participating in a deduct contributions in the o the case of Roth IRAs. Both income individuals.	408A a traditional case of tradi h exemption State Fisca <u>2017</u>	or Roth I tional IRA as are phas al Years (S <u>2018</u>	RA are allowed to as and distributions in sed out for higher- b in Millions) <u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	127	137	147

1.3 Special Federal Conformity Provisions

<u>1.3.001</u>	Deferral of gain on like-kind exchanges Federal Statute IRC Section 1031 Description: When business or investmer like kind, no gain or loss is n tax is paid at the time of the	recognized of		
		State Fisca	al Years (\$	in Millions)
		2017	2018	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	18	18	19
<u>1.3.002</u>	Special rules for magazine, paperback boo Federal Statute IRC Section 458			
	Description: Publishers and distributors of			
	elect to exclude from gross i	ncome for a	a tax year,	the income from the
	sale of goods that are returned	ed after the	close of th	e tax year.
		State Fisca	al Years (\$	in Millions)
		2017	2018	<u>2019</u>
	State Tax Expenditure	(m)	(m)	(m)
	(m) Denotes a value of less than \$1 million			
<u>1.3.003</u>	<u>Five-year carryback for net operating loss</u> Federal Statute IRC Section 172			-
	Description: Current law provides a five-		-	
	farming. The normal carryba	-		-
				in Millions)
	State Tex Expenditure	$\frac{2017}{1}$	<u>2018</u> 1	$\frac{2019}{1}$
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1
<u>1.3.004</u>	Special rules for mining reclamation reser			
	Federal Statute IRC Section 468 and 127			
	Description: Electing taxpayers may dedu			
	estimated future reclamation	and closing	g costs for	mining and solid
	waste disposal sites.	о., г .	1 37 (ф	
				in Millions)
	State Tex Expenditure	$\frac{2017}{(m)}$	$\frac{2018}{(m)}$	<u> </u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>1.3.005</u>	Cash accounting, other than agriculture			
	Federal Statute IRC Sections 446 and 44	-		
	Description: The cash method of account		-	
	that is not a tax shelter and f	alls into at l	east one of	f three specified
	categories.	a	1	
				in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	12	12	13
	(iii) Denotes a value of less than \$1 infinon			

<u>1.3.006</u>	Deferral of gain on non-dealer installment salesFederal StatuteIRC 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) $\frac{2017}{6}$ $\frac{2018}{5}$ $\frac{2019}{5}$
<u>1.3.007</u>	 (m) Denotes a value of less than \$1 million <u>Completed contract rules</u> 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)
	State Tax Expenditure 2017 2018 2019 (m) Denotes a value of less than \$1 million111
<u>1.3.008</u>	 Special treatment of employee stock ownership plans (ESOPs) (includes deferral of tax on certain employee stock plans) Federal Statute IRC Sections 401(a)(28), 404(a)(9), 404(k), 415(c)(6), 512(e), 1042, 4975(d)(3), 4978, 4979A Description: 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) 2017 2018 2019
	State Tax Expenditure766(m) Denotes a value of less than \$1 million766
<u>1.3.009</u>	Income averaging for farmers and fishermen Federal Statute IRC Section 1301 Description: Beginning with tax years after 1997, taxpayers have the option 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) 2017 2018 2019 State Tax Expenditure 1 1 1

1.4 Georgia Exemptions

<u>1.4.001</u>	all other filers	joint, \$3,700 for a. In addition, \$3, imed on the tax r	al analysis he persona married f ,000 is exc return	al exemption	on is \$7,400 for ately, and \$2,700 for n income for each
	State Tax Expenditure (m) Denotes a value of less than \$1 m	illion	<u>2017</u> 1,045	<u>2018</u> 1,058	<u>2019</u> 1,071
<u>1.4.002</u>		ximum of \$65,00 y include a maxin Sta	al analysis 2, individ 0 of retire num of \$4	uals age 65 ment incor	and above may ne. This income rned income.
<u>1.4.003</u>	Exclusion of federally taxal Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	§48-7-27 1971 1971 DOR data for 2 Class A Class A	014		
	Description: Social Securit state taxable i State Tax Expenditure (m) Denotes a value of less than \$1 m	ncome. Sta		nent benefi Years (\$ in <u>2018</u> 195	

<u>1.4.004</u>	Georgia Higher Education	a Savings Plan Contributions
	Statute	§48-7-27
	Year Enacted	NA
	Year Effective	Taxable years beginning on or after January 1, 2002
	Data Source	DOR data for 2014
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The contribution limits were increased from \$2,000 to
		\$4,000 effective January 1, 2016. For distributional
		analysis see Table 5 in Appendix
	Description: An exemptio	on from income is allowed for contributions to a qualified
	higher educa	ation savings plan. The exemption is limited to \$4,000 per
	qualified plan	n beneficiary.
		State Fiscal Years (\$ in Millions)
		<u>2017</u> <u>2018</u> <u>2019</u>
	State Tax Expenditure	7 8 9
	(m) Denotes a value of less than \$1 n	million
1 4 00 -	Interest on IIO 11' (
<u>1.4.005</u>	Interest on U.S. obligation	
	Statute Norm Expected	§48-7-27
	Year Enacted	1971
	Year Effective	1971 DOD 1445 for 2014
	Data Source	DOR data for 2014
	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 axable income.
	mended as a	State Fiscal Years (\$ in Millions)
		$\frac{2017}{2018} \frac{2018}{2019}$
	State Tax Expenditure	$\frac{2017}{12}$ $\frac{2010}{15}$ $\frac{2015}{17}$
	(m) Denotes a value of less than \$1 r	
1.4.007		
	Organ donation expenses	
	Organ donation expenses Statute	§48-7-27
		§48-7-27 1981
	Statute	0
<u></u>	Statute Year Enacted Year Effective Data Source	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015
<u></u>	Statute Year Enacted Year Effective Data Source Estimate Reliability	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class A
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class A sociated with the donation of organs in accordance with the
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class A sociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class A sociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded mot exceed \$10,000.
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class A sociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded mot exceed \$10,000. State Fiscal Years (\$ in Millions)
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org expenses can	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class A sociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded nnot exceed \$10,000. State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u>
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org expenses can	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class Asociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded nnot exceed \$10,000.State Fiscal Years (\$ in Millions) $\frac{2017}{(m)}$ $\frac{2018}{(m)}$ $\frac{2019}{(m)}$
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org expenses can	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class Asociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded nnot exceed \$10,000.State Fiscal Years (\$ in Millions) $\frac{2017}{(m)}$ $\frac{2019}{(m)}$
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org expenses can State Tax Expenditure (m) Denotes a value of less than \$1 m	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class Asociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded nnot exceed \$10,000.State Fiscal Years (\$ in Millions) $\frac{2017}{(m)}$ $\frac{2018}{(m)}$ $\frac{2019}{(m)}$
<u>1.4.008</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org expenses can State Tax Expenditure (m) Denotes a value of less than \$1 m Aged 65/Blind deduction	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class Asociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded hnot exceed \$10,000.State Fiscal Years (\$ in Millions) $\frac{2017}{(m)}$ $\frac{2017}{(m)}$ $\frac{2019}{(m)}$ million
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Expenses ass National Org expenses can State Tax Expenditure (m) Denotes a value of less than \$1 m	1981 Taxable years beginning on or after January 1, 2005 United Network for Organ Sharing, 2015 Class B Class Asociated with the donation of organs in accordance with the gan Procurement Act. The maximum value of excluded nnot exceed \$10,000.State Fiscal Years (\$ in Millions) $\frac{2017}{(m)}$ $\frac{2019}{(m)}$

	Year Effective	1971				
	Data Source	DOR data for 2014				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note	For distributional analysis see Table 7 in Appendix				
	1.000	ged 65 or older are allowed an annual deduction from				
		,300 per taxpayer. Taxpayers who are blind are allowed an				
		ction from income of \$1,300 per taxpayer.				
	annuar deduc	State Fiscal Years (\$ in Millions)				
	State Tex Expenditure	$\frac{2017}{7}$ $\frac{2018}{7}$ $\frac{2019}{7}$				
	State Tax Expenditure (m) Denotes a value of less than \$1					
	(iii) Denotes a value of less than \$11					
<u>1.4.010</u>	Premiums for high-deduct	ible health plans				
	Statute	§48-7-27				
	Year Enacted	1981				
	Year Effective	Taxable years beginning on or after January 1, 2008				
	Data Source	Kaiser-Health Research and Educational Trust and				
		America's Health Insurance Plan, Center for Policy and				
		Research				
	Estimate Reliability	Class B				
	Data Reliability	Class A				
	Note					
	Description: Taxpavers ar	e allowed to exclude 100 percent of premiums paid for				
		deductible health plans.				
	6	State Fiscal Years (\$ in Millions)				
		<u>2017</u> <u>2018</u> <u>2019</u>				
	State Tax Expenditure	$\frac{2017}{7}$ $\frac{2010}{7}$ $\frac{2010}{7}$				
	(m) Denotes a value of less than \$1 m					

Expenditure	Statute	Summary
1.4.006	§48-7-27	Certain military income
1.4.009	§48-7-27	Certain dependent's unearned income
1.4.011	§48-7-27	Exclusion of qualified insurance benefits for firefighters
1.4.012	§48-7-27	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 1981 through 1986
1.4.013	§48-7-27	Depreciation because of differences in Georgia and Federal law during tax years 1981 through 1986
1.4.014	§48-7-27	Income from any fund, program or system which is exempted by federal law or treaty
1.4.015	§48-7-27	Certain income in which the Sub-S election is not recognized by Georgia or another state in order to avoid double taxation
1.4.016	§48-7-27	Adjustment for certain teachers retired from the Teachers Retirement System of Georgia
1.4.017	§48-7-27	Amount claimed by certain employers in food and beverage establishments
1.4.018	§48-7-27	Adjustment of certain payments to minority subcontractors
1.4.019	§48-7-27	Adjustments to federal AGI for certain Georgia resident partners
1.4.020	§48-2-100	Exemption for certain disaster relief firms

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

1.5 Georgia Deductions

<u>1.5.001</u>	Standard Deduction					
	Statute	§48-7-27				
	Year Enacted	1971				
	Year Effective	1971				
	Data Source	DOR data for 2014				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note For distributional analysis see Table					
	Description: Taxpayers who do not itemize expenses on their federal return are					
	allowed a star	ndard deduction equal to \$2,300 for head of household and				
	single filers, S	\$1,500 for married filing separately and \$3,000 in the case				
	of joint filers.					
	State Fiscal Years (\$ in Millions)					
		<u>2017</u> <u>2018</u> <u>2019</u>				
	State Tax Expenditure (m) Denotes a value of less than \$1 m	224 234 245 nillion				

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

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

1.6 Georgia Credits

<u>1.6.001</u>	income tax lia	DOR data as Class A Class A for certain phy redit is equal to ability and may	of 2015 sicians prac to the lessor be claimed State Fiscal <u>2017</u>	eticing in ru of \$5,000 I for five yo Years (\$ i <u>2018</u>	or the taxpayer's ears.
	State Tax Expenditure (m) Denotes a value of less than \$1 m	nillion	1	1	1
<u>1.6.002</u>	Disabled person's home pur Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: This credit pr family home existing home	§48-7-29.1 1998 Taxable years DOR data as Class A Class A covides a \$500 containing acco	s beginning of 2015 credit for th	e purchase	To January 1, 1999 of a new single- or the retrofit of an
	existing none		State Fiscal	Years (\$ i	n Millions)
			<u>2017</u>	2018	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 m	nillion	(m)	(m)	(m)
<u>1.6.003</u>	Driver Education Credit Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: This credit pr or the cost of	DOR data as Class A Class A ovides a credit a qualified driv	of 2015 against incover education State Fiscal	ome tax fo on class. Years (\$ i	n Millions)
			2017	<u>2018</u>	<u>2019</u>

1.6.004	Disaster Assistance Credit				
	Statute	§48-7-29.4			
	Year Enacted	2000			
	Year Effective	Taxable years beginning on or after January 1, 2000			
	Data Source	DOR data as of 2015			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
		for individuals receiving disaster relief payments from the			
	_	rgency Management Agency or from the Federal			
	÷	Ianagement Agency. The credit amount is the actual			
		e disaster relief assistance or \$500, whichever is less.			
		State Fiscal Years (\$ in Millions)			
		2017 2018 2019			
	State Tax Expenditure	(m) (m) (m)			
	(m) Denotes a value of less than \$1 n				
<u>1.6.005</u>	Qualified Caregiving Expe	nse Credit			
	Statute	§48-7-29.2			
	Year Enacted	1998			
	Year Effective	Taxable years beginning on or after January 1, 1999			
	Data Source	DOR data as of 2015			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	_	for taxpayers with expenses related to the care of a			
	qualifying family member. The value of the credit is equal to no more				
	than 10 percent of the total amount expended for qualifying caregiving				
	<u>^</u>	no event shall the credit exceed \$150 or the taxpayer's			
	income tax li	ability, whichever is less.			
		State Fiscal Years (\$ in Millions)			
		$\frac{2017}{1}$ $\frac{2018}{1}$ $\frac{2019}{1}$			
	State Tax Expenditure (m) Denotes a value of less than \$1 n	1 1 1			
	(iii) Denotes a value of less than \$1 ii				
<u>1.6.006</u>	Tax credit for life insurance	e for Georgia National Guard and Air			
	National Guard				
	Statute	§48-7-29.9			
	Year Enacted	2005			
	Year Effective	Taxable years beginning on or after January 1, 2005			
	Data Source	DOR data as of 2015			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	Description: This credit is	available for active duty members of the Georgia National			
	Guard and Ai	r National Guard on active duty for more than 90			
	consecutive d	lays and who purchase qualified life insurance through the			
		oup Life Insurance program administered by the U.S.			
	-	of Veterans Affairs. The credit amount is equal to the cost			
	of the premiu	ms of the life insurance policy.			

		Ś	State Fiscal <u>2017</u>	Years (\$ i <u>2018</u>	n Millions) <u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1	million	1	1	1
<u>1.6.007</u>	<u>Child and Dependent Care</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: This credit is qualified exp State Tax Expenditure (m) Denotes a value of less than \$1	§48-7-29.10 2006 Taxable years DOR data as of Class A Class A s equal to 30 per benses related to	of 2015 cent of the f	federal cre children a	nd dependents.
<u>1.6.008</u>	annually unt occurring in	 §48-7-29.15 2008 Tax years beg DOR data as of Class A Class A rovides an annuter children. The child attain taxable years beg 	of 2015 al tax credit e value of th s the age of eginning on State Fiscal <u>2017</u>	for taxpay ne credit is f 18 and ay or after Ja Years (\$ i <u>2018</u>	yers adopting s \$2,000 per child pplies to adoptions nuary 1, 2008. n Millions) <u>2019</u>
<u>1.6.009</u>	per depender	§48-7A -3 1991 Taxable years DOR data as o Class A Class A rovides a tax cre taxpayer's AGI.	of 2015 edit to low-i . The maxin	ncome inconum value	4 January 1, 1992 dividuals. The credit is of the credit is \$26 1, 2010 and after,

				State Fiscal		
	State Tex Erre	nditum		$\frac{2017}{8}$	<u>2018</u> 9	<u>2019</u> 9
	State Tax Expe (m) Denotes a value		illion	0	9	9
<u>1.6.010</u>	Credit for taxes	paid to ano	ther state			
	Statute		§48-7-28			
	Year Enacted		1931			
	Year Effective		1931			
	Data Source		DOR data as	of 2015		
	Estimate Reliab	•	Class A			
	Data Reliability Note		Class A			
		resident inc	lividual with i	ncome taxed	by another	state is allowed a
	-				•	dit is equal to the
			vould be due i			
				State Fiscal	Years (\$ in	Millions)
				2017	<u>2018</u>	2019
	State Tax Expe			270	283	295
	(m) Denotes a value	of less than \$1 m	iillion			
<u>1.6.012</u>	<u>Georgia Job Ta</u>	x Credit				
	Statute		§48-7-40 and	1 §48-7-40.1		
	Year Enacted		§48-7-40: 19			
	Year Effective			•	0 0	on or after January 1,
					e years beg	ginning on or after
			January 1, 19			
	Data Source		DOR data as Fire Commis		Office of I	nsurance and Safety
	Estimate Reliab	ility	Class A	sioner		
	Data Reliability	•	Class A			
	Note			timate is prov	vided in the	corporate income
				-		m tax section, see
			2.6.001 and 3		•	
	Description: 7	The credit pr	ovides a state	wide job tax	credit to an	y business or
	h	eadquarters	engaged in m	anufacturing	, warehous	ing and distribution,
	-	-			-	rism, or research and
						ved the credit if
				-		of the state. Average
		•	U U	•	÷	e county in the state
			•	•	igible, emp	oloyers must offer
	h	lealth insura	nce to all new	· ·		M (11) =
				State Fiscal		
	Income Tax Exp	onditura		$\frac{2017}{14}$	$\frac{2018}{14}$	<u>2019</u> 15
	Corporate Incon		enditure	14	14	106
	Insurance Premi	-		7	103 7	<u>8</u>
	State Tax Exper	-	cilantale	$1\frac{7}{22}$	125	129
	(m) Denotes a value o		llion	122	120	

<u>1.6.013</u>	Quality Jobs Tax Credit Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability	 §48-7-40.17 2009 Taxable years beginning on or after January 1, 2009 DOR data as of 2016 Class A 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
	-	s for employers creating new high-wage jobs or relocating

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.

which it is located.			
	State Fiscal	Years (\$ i	n Millions)
	2017	<u>2018</u>	<u>2019</u>
Income Tax Expenditure	1	2	2
Corporate Income Tax Expenditure	92	103	107
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	94	105	109
(m) Denotes a value of less than \$1 million			

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

	3 JOBS CICUIT			
Statute		§48-7-40.24		
Year Enacted		2003		
Year Effective	e	Latest modifications are effective for taxable years		
		beginning on or after January 1, 2009		
Data Source		DOR data as of 2016		
Estimate Relia	ability	Class A		
Data Reliabili	ty	Class A		
Note		The same estimate is provided in the corporate income		
		tax section; see 2.6.003		
Description:	For business	enterprises that first qualified in a taxable year beginning		
	before Janua	ry 1, 2009, \$450 million in qualified investment property		
must be purc		hased for the project within a six-year period. The		
		r must also create at a minimum 1,800 new jobs within a		
six-year period and can receive credit for up to a maximum of 4,50				
	jobs. For bus	iness 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 full-time employees		
and either th		e qualified investment requirement of \$450 million in		
qualified inv		estment property, or the payroll requirement of \$150		
	million in tot	al annual Georgia W-2 reported payroll within the six-		
	year period.			
	- –			

	State Fiscal Years (\$ in Millions		
	2017	2018	<u>2019</u>
Income Tax Expenditure	Estir	nate comb	ined
Corporate Income Tax Expenditure	W	vith 1.6.012	2
Insurance Premium Tax Expenditure			
State Tex Expanditure			

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

1.6.016 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 as of 2016
Estimate Reliability	Class B
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section; see 2.6.005

Description: Taxpayer must invest a minimum of \$50,000 per project per location during the tax year to receive credit. Eligible taxpayers must be in operation for the immediately preceding three years. Leased property for a period of five years or longer is eligible for the credit.

State Fiscal Years (\$ in Millions)

	2017	2018	2019
Income Tax Expenditure	2	2	2
Corporate Income Tax Expenditure	23	24	24
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	25	25	26
(m) Denotes a value of less than \$1 million			

1.6.017 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 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section; see 2.6.006

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)		
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	1	1	1
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	1	1	1
(m) Denotes a value of less than \$1 million			

<u>1.6.018</u>	Port Activity Tax Cred	<u>it</u>
	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 2016
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The same estimate is provided in the corporate income
		tax section; see 2.6.007
	Description: For taxal	ble years beginning before January 1, 2010, businesses or the
	headqua	rters of any such businesses engaged in manufacturing,
	warehou	sing and distribution, processing, telecommunications,
	broadcas	ting, tourism, or research and development that have increased

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 over their 1997 base year port traffic, or by more than 10 percent over 75 net tons, five containers or 10 20-foot equivalent units (TEU's) during the previous 12-month period are qualified for increased job tax credits or investment tax credits. For taxable years beginning on or after January 1, 2010, the increase is based on a comparison of the previous 12-month period to the second preceding 12-month period.

	State Fiscal	Years (\$ i	n Millions)
	2017	2018	2019
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	7	7	8
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	7	7	8
(m) Denotes a value of less than \$1 million			

<u>1.6.019</u> Alternate Port Activity Tax Credit

Alternate For	LACIFIC TAX	Cledit
Statute		§48-7-40.15A
Year Enacted		2009
Year Effective	e	2009
Data Source		DOR data as of 2016
Estimate Relia	ability	Class A
Data Reliabili	ty	Class A
Note		The same estimate is provided in the corporate income
		tax section; see 2.6.008
Description:	Credit is allo	wed to any business enterprise located in a tier 2 or 3
	county or in a	a less developed area and which qualifies and receives the
	Jobs Tax Cre	dit and which

1. Consists of a distribution facility of greater than 650,000 square feet in operation in this state prior to December 31, 2008;

2. Distributes product to retail stores owned by the same legal entity or its subsidiaries as such distribution facility; and

3. Has a minimum of eight retail stores in this state in the first year of operations.

State Fiscal Years (\$ in Millions) <u>2017</u> 2018 2019 Estimate combined with 1.6.018

Income Tax Expenditure Corporate Income Tax Expenditure Insurance Premium Tax Expenditure State Tax Expenditure

1.6.020 Film Tax Credit Statute §48-7-40.26 Year Enacted 2005 Year Effective Taxable years beginning on or after January 1, 2005 Data Source Fiscal Note for HB 199/LC 34 5124S for 2017 **Estimate Reliability** Class A 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.

Description: Production companies which have at least \$500,000 of qualified expenditures in a state-certified production may claim this credit. Certification 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.

• minimute at			
	State Fiscal	Years (\$ i	n Millions)
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	256	286	314
Corporate Income Tax Expenditure	179	199	219
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	435	485	533
(m) Denotes a value of less than \$1 million			

1.6.021 Research Tax Credit

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 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax section; see 2.6.010

Description: This credit is for expenses resulting from research conducted in Georgia by businesses engaged 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 Internal Revenue Code of 1986, as amended.

	State Fiscal Years (\$ in Millions)		
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	1	1	1
Corporate Income Tax Expenditure	30	32	34
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	32	34	36
(m) Denotes a value of less than \$1 million			

1.6.022 Seed-Capital Fund Credit

Seea Capitari ana Ciea	
Statute	§48-7-40.27 & 40.28
Year Enacted	2008
Year Effective	Applicable to investments made on or after July 1, 2008
Data Source	DOR data as of 2016
Estimate Reliability	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)

	2017	2018	2019
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
Insurance Premium Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

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 2016
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: Employer credit for the premiums paid for a high-deductible 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.

		S	tate Fiscal	Years (\$ i	n Millions)
		-	2017	2018	2019
	Income Tax Expenditure		(m)	(m)	(m)
	Corporate Income Tax Expen	diture	(m)	(m)	(m)
	Insurance Premium Tax Expe	enditure	0	0	0
	State Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 milli	ion			
1.6.025	Qualified Transportation Cre	dit			
1.0.020		<u>848-7-29.3</u>			
		1999			
	Year Effective	Taxable years	beginning	on or after	r January 1, 2001
		DOR data as o			•
	Estimate Reliability	Class A			
	5	Class A			
			-	vided in th	e corporate income
		tax section; se			
	Description: A tax credit pr				
	federally quali				
		5	tate Fiscal		,
	Income Tax Expanditure		$\frac{2017}{m}$	$\frac{2018}{(m)}$	$\frac{2019}{(m)}$
	Income Tax Expenditure Corporate Income Tax Expen	diture	(m) (m)	(m) (m)	(m) (m)
	Insurance Premium Tax Expe		(m) (m)	(m) (m)	(m) (m)
	State Tax Expenditure	liaiture	(m)	(m)	(m)
	(m) Denotes a value of less than \$1 milli	ion	(111)	(111)	()
<u>1.6.026</u>	Business Enterprise Vehicle				
		§48-7-40.22			
		2001 Tanal 1. ang ang	1		. I
		DOR data as o		on or atter	r January 1, 2002.
		Class A	01 2010		
		Class A			
	÷		mate is pro	vided in th	e corporate income
		tax section; se	-	viaca in ti	
	Description: This is a credit			rprise for	the purchase of a
	—	-		-	transportation for its
	employees. In	order to qual	ify, a busin	ess enterp	rise must certify that
	each vehicle c	arries an avera	age daily ri	dership of	not less than four
	employees for				
		S	tate Fiscal	-	
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	Income Tax Expenditure	1.	(m)	(m)	(m)
	Corporate Income Tax Expen		(m)	(m)	(m)
	Insurance Premium Tax Expe State Tax Expenditure	enalture	$\frac{0}{(m)}$	$\frac{0}{(m)}$	$\frac{0}{(m)}$
	State tax experionne		(111)	(111)	(111)

<u>0</u>	Û Û	0	
(m)	(m)	(m)	

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

<u>1.6.027</u>	Employer's credit for prov			care for en	nployees and			
	employer's credit for purch	nasing child care	property_					
	Statute	§48-7-40.6						
	Year Enacted	1994 & 1999						
	Year Effective	Credit for cost	of operati	on: taxabl	e years beginning o	n		
		or after Januar	y 1, 1994;	Credit for	Cost of Qualified			
		Child Care Pro	operty: tax	able years	beginning on or af	ter		
		January 1, 2000.						
	Data Source	DOR data as of 2016						
	Estimate Reliability	Class A	Class A					
	Data Reliability	Class A						
	Note	The same estir	nate is pro	vided in t	he corporate income	e		
		tax section; see	e 2.6.016					
	Description: Employer's	Credit for Provid	ding or Sp	onsoring (Child Care for			
	Employees			-				
		St	tate Fiscal	Years (\$ i	n Millions)			
			2017	2018	2019			
	Income Tax Expenditure		8	8	8			
	Corporate Income Tax Exp	enditure	14	15	15			
	Insurance Premium Tax Ex	penditure	0	0	0			
	State Tax Expenditure	•	22	22	23			
	(m) Denotes a value of less than \$1 n	nillion						
<u>1.6.028</u>	Low-Income Housing Cre	<u>dit</u>						
	Statute	§48-7-29.6						
	Year Enacted	2000						
	Year Effective	Taxable years	beginning	on or afte	r January 1, 2001.			
	Data Source	DOR data as o	of 2016					
	Estimate Reliability	Class A						
	Data Reliability	Class A						
	Note	The same estir	nate is pro	vided in t	he corporate incom	e		
		tax section and	the insura	ance prem	ium tax section, see	e		
		2.6.017 and 5.						
	-	v .	0		taxpayers owning			
					come Housing tax c	redit		
	and that are	placed in service						
		St			n Millions)			
			<u>2017</u>	<u>2018</u>	<u>2019</u>			
	Income Tax Expenditure		97	102	107			
	Corporate Income Tax Exp		41	43	46			
	Insurance Premium Tax Ex	penditure	<u>91</u>	95	100			
	State Tax Expenditure		230	241	253			
	(m) Denotes a value of less than \$1 n	hillion						
<u>1.6.029</u>	Historic Rehabilitation Cre	<u>edit</u>						
	Statute	§48-7-29.8						
	Year Enacted	2002						
	Year Effective	Taxable years	beginning	on or afte	r January 1, 2004			
	Data Source				ote for H.B. 308 for	ſ		
	Estimate Reliability	Class B						
	Data Reliability	Class B						
	-							

	Note		The same estin	nate is pro	vided in th	ne corporate in	come	
			tax section; se					
	Description:		A credit for the certified rehabilitation of a certified structure or					
		historic home. Standards set by the Georgia Department of Natural						
			ust be met. This			in 2015 to all	ow unused	
		credits to be	assigned or sold					
			S		-	n Millions)		
	$\frac{2017}{2018}$ $\frac{2018}{2019}$							
	Income Tax E	•		27	24	25		
	·	ome Tax Exp		4	4	4		
		mium Tax Ex	penditure	0	0	0		
	State Tax Exp (m) Denotes a valu	e of less than \$1 m	illion	31	28	29		
<u>1.6.030</u>	Diesel Partic	ulate Emission	Reduction Tec	hnology E	quipment	<u>Credit</u>		
	Statute		§48-7-40.19	•••				
	Year Enacted		2000					
	Year Effective	e	Taxable years	beginning	on or after	r January 1, 20	01.	
	Data Source		DOR data as o	of 2016				
	Estimate Reli	ability	Class A					
	Data Reliabili	ity	Class A					
	Note		The same estin tax section; se		vided in th	e corporate in	come	
	Description	This is a cred	lit given to any		o installs d	liesel narticula	te	
	Description.		uction equipme					
			purposes of this					
			hnology equipr				heat.	
			ing, light, or co					
			t of a commerci				top,	
			er facility, the u					
			th a correspond					
		such vehicle	s diesel engine.	-	-			
			S	tate Fiscal	Years (\$ in	n Millions)		
				2017	<u>2018</u>	<u>2019</u>		
	Income Tax E			0	0	0		
	·	ome Tax Expe		0	0	0		
		mium Tax Ex	penditure	0	0	0		
	State Tax Exp			0	0	0		
	(m) Denotes a valu	e of less than \$1 m	lllion					
<u>1.6.031</u>	Low/Zero-Er	nission Vehic	le Charger Cred	it				
	Statute		§48-7-40.16					
	Year Enacted		1998					
	Year Effective	e	Taxable years	beginning	on or after	r January 1, 19	98	
	Data Source		DOR data as o	of 2016				
	Estimate Reli	•	Class A					
	Data Reliabili	ity	Class A					
	Note		The same estin	-		-		
			see 2.6.020. T			-		
			purchases or le		-	•		
			The credit for	electric ve	hicle charg	gers and conve	rsions	

remain applicable.

Description: This is a credit for the purchase or lease of a new zero or low-emission vehicle that is registered in the state of Georgia. The credit also applies to the conversion of a standard vehicle to a zero or low-emission vehicle. In addition, the credit applies to the purchase of an electric vehicle charger.

venicie charger.			
	State Fiscal	Years (\$ i	n Millions)
	2017	2018	<u>2019</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

1.6.032 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 2016
Estimate Reliability	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 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)			
	<u>2017</u>	2018	<u>2019</u>	
Income Tax Expenditure	9	0	0	
Corporate Income Tax Expenditure	5	0	0	
Insurance Premium Tax Expenditure	0	0	0	
State Tax Expenditure	14	0	0	
(m) Denotes a value of less than \$1 million				

1.6.033 Wood Residuals Credit

Statute	§48-7-29.14
Year Enacted	2008
Year Effective	July 1, 2008
Data Source	DOR data as of 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income tax
	section; see 2.6.022
Description: For the p	urposes of the wood residuals tax credit wood residuals include

Description: For the purposes of the wood residuals tax credit, wood residuals include urban wood waste, land clearing residues, and pellets, but not wood from a U.S. national forest.

			State Fiscal	Years (\$ ii	n Millions)
			<u>2017</u>	2018	<u>2019</u>
	Income Tax Expenditure		1	(m)	0
	Corporate Income Tax Exp		1	(m)	0
	Insurance Premium Tax Ex	xpenditure	0	0	0
	State Tax Expenditure (m) Denotes a value of less than \$1 r	nillion	2	(m)	0
<u>1.6.034</u>	<u>Georgia Employer GED T</u> <u>Basic Skills Education)</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	§48-7-4120152015Fiscal NoteClass AClass A	for H.B. 63 fo	or 2015	mployer's Credit for
	Description: Allows an e	tax section; previous pr million in ag	see 2.6.023. Tovision. The ggregate credit	The 2015 j 2015 prov its annuall	provision replaces the vision is capped at \$1 y.
		-	penses associa	ted with C	GED attainment
	of employee	28.		••••	
			State Fiscal	-	
	Income Tax Expanditure		$\frac{2017}{1}$	<u>2018</u> 1	$\frac{2019}{1}$
	Income Tax Expenditure Corporate Income Tax Exp	penditure	(m)	(m)	(m)
	Insurance Premium Tax Exp		0	0	0
	State Tax Expenditure	ipenancare	1	1	1
	(m) Denotes a value of less than \$1 m	nillion			
<u>1.6.035</u>	Employer's Credit for App Statute Year Enacted Year Effective	§48-7-40.5 1994			or taxable years
		U U	n or after Jan	uary 1, 20	09
	Data Source	DOR data a	s of 2016		
	Estimate Reliability Data Reliability	Class A Class A			
	Note		stimate is prov	vided in th	e corporate income
	1.000	tax section;	-		
	Description: The tax creater				
	e	ervices to their	1 2		
	÷ .	-		•	ng on commercially, ssing, data base
	-	-	-	-	personal information
					ept a retraining tax
	credit shall				ort or training on such
	software.				

	State Fiscal Years (\$ in Millions)			
	<u>2017</u>	<u>2018</u>	<u>2019</u>	
Income Tax Expenditure	17	18	20	
Corporate Income Tax Expenditure	31	34	37	
Insurance Premium Tax Expenditure	0	0	0	
State Tax Expenditure	48	52	56	
(m) Denotes a value of less than \$1 million				

<u>1.6.036</u>

Qualified Education Expen	se Credit
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 2016
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.

	State Fiscal	Years (\$ i	n Millions)
	2017	2018	<u>2019</u>
Income Tax Expenditure	39	39	39
Corporate Income Tax Expenditure	8	8	8
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	48	48	48
(m) Denotes a value of less than \$1 million			

1.6.037 Qualified Investor Tax Credit

Quannea investor rax.	create
Statute	§48-7-40.30
Year Enacted	2010
Year Effective	January 1, 2011; legislation modified in 2013
Data Source	DOR data as of 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section; see 2.6.026

Description: This credit provides a 35 percent tax credit for amounts invested in certain Georgia-headquartered small businesses. The credit was modified in 2015 and is now available for qualified investments made in years 2011-2018. The aggregate value of credits awarded under this provision cannot exceed \$5 million per year.

	State Fiscal Years (\$ in Millions			
	<u>2017</u>	2018	<u>2019</u>	
Income Tax Expenditure	2	3	3	
Corporate Income Tax Expenditure	0	0	0	
Insurance Premium Tax Expenditure	0	0	0	
State Tax Expenditure	2	3	3	
(m) Denotes a value of less than \$1 million				

<u>1.6.038</u>	Energy-efficient	or water-e	fficient equip	ment credit				
	Statute		§48-7-40.29					
	Year Enacted		2010					
	Year Effective		January 1 of	f the year follo	owing the	year in which	federal	
			funds for the	is program are	e made av	ailable and rec	ceived by	
			the state					
	Data Source		DOR data as of 2016 Class A					
	Estimate Reliabili	ty						
	Data Reliability		Class A					
	Note		The same es tax section;	-	vided in th	e corporate in	come	
	Description: Th	is tax cred			purchase	energy-effici	ent and	
						credit is equal		
						\$2,500, which		
						ars in which fe		
	fur	nds are ma	de available t	to the state for	r this purp	ose.		
				State Fiscal	Years (\$ in	n Millions)		
				<u>2017</u>	<u>2018</u>	<u>2019</u>		
	Income Tax Expe			0	0	0		
	Corporate Income			0	0	0		
	Insurance Premiu	-	penditure	<u>0</u>	0	0		
	State Tax Expend		0	0	0			
	(m) Denotes a value of le	ess than \$1 m	illion					
<u>1.6.041</u>	Tax credit for exi	isting busi			g qualified	d business exp	ansion	
	Statute		§48-7-40.21					
	Year Enacted		2001	C.	11 11	1		
	Year Effective					to tax years b	eginning	
	Dete Carrier			January 1, 20	08			
	Data Source	+*,	DOR data a Class A	s of 2016				
	Estimate Reliabili Data Reliability	lty	Class A Class A					
	Note			stimate is prov	vided in th	e corporate in	come	
	Note		tax section;	·		le corporate in	come	
	Description: Th	is credit a			eate at lea	st 500 new ful	1-time	
			taxable year		cuto ut icu			
	J		j	State Fiscal	Years (\$ ii	n Millions)		
				2017	2018	2019		
	Income Tax Expe	nditure		Estin	nate combi	ined		
	Corporate Income	e Tax Expe	enditure	W	ith 1.6.013	3		
	Insurance Premiu	m Tax Exp	penditure					
	State Tax Expend							
	(m) Denotes a value of le	ess than \$1 mi	illion					
1.6.042	Tax credit for put	rchase of a	alternative fue	el heavy-duty	or mediu	m-duty vehicle	9	
	Statute		§48-7-29.18				<u> </u>	
	Year Enacted		2014					
	Year Effective			rs beginning	on or after	2015		
	Data Source			for H.B. 404				
	Estimate Reliabili	ty	Class B					
	Data Reliability	-	Class B					

	Note		The same es	timate is prov	vided in th	ne corporate income	
	Decomintion	Drovidos o to	tax section;		Fon altern	ative fuel beevy duty	
	Description:	Provides a tax credit for the purchase of an alternative fuel heavy-duty vehicle not to exceed \$20,000 or \$12,000 in the case of an alternative					
		fuel medium-duty vehicle. The aggregate value of the credit is limited					
			to \$2.5 million in each fiscal year beginning with fiscal year 2016 and				
		ending with fiscal year 2017. The credit is applicable to purchases made on or after July 1, 2015 and before July 30, 2017.					
		State Fiscal Years (\$ in Millions)					
				<u>2017</u>	<u>2018</u>	<u>2019</u>	
	Income Tax E		11.	1	0	0	
	-	ome Tax Expe		1	1 0	0 0	
	State Tax Exp	mium Tax Exp penditure	penditure	$\frac{0}{2}$	1	0	
		e of less than \$1 mi	illion	-	-	Ŭ	
<u>1.6.043</u>	Bank Tax Cr	edit					
	Statute		§48-7-29.7				
		2		s of 2016			
		ability	Class A	5012010			
	Data Reliabili	•	Class A				
	Note	The same estimate is provided in the corporate income					
	D	Denseiter					
	Description:	Depository financial institutions are allowed a credit against their state income tax liability equal to the sum of the amount of business license					
		taxes paid to local governments and any special state occupation tax					
		paid to the st	-	5	1	Ĩ	
				State Fiscal Y			
	La como Torr F	in an ditana					
		•	enditure				
	-	-					
	State Tax Exp	-	L	36	44	51	
	(m) Denotes a valu	e of less than \$1 mi	illion				
<u>1.6.044</u>	· ·	credit for hiri		<u>parolees</u>			
	Data Source			for H.B. 828 f	for 2016		
	Estimate Relia	ability	Class B				
	Data Reliabili	ty					
	Note		The same es tax section,	·	vided in th	ne corporate income	
	Description:		• •		•	017, and before	
					μφ2,300 j	per year for caell	
	Statute Year Enacted Year Effective Data Source Estimate Relia Data Reliabili Note Description: Income Tax E Corporate Inc Insurance Pre State Tax Exp (m) Denotes a value <u>Employer tax</u> Statute Year Enacted Year Effective Data Source Estimate Relia Data Reliabili Note	e ability ity Depository fi income tax li taxes paid to paid to the st Expenditure ome Tax Expe mium Tax Exp enditure te of less than \$1 mi a credit for hiri e ability ity For the perio January 1, 20 time job for a	2000 2001 DOR data as Class A The same es tax section 2 inancial instit iability equal local governu- tate. enditure penditure illion <u>ing qualified p</u> §48-7-40.31 2016 2016 Fiscal Note Class B Class A The same es tax section, so d beginning co 20, an emplo at least 40 we tax credit in	timate is prov 2.6.032 utions are allo to the sum of nents and any State Fiscal Y 2017 2 33 0 36 parolees for H.B. 828 f timate is prov see 2.6.033 on or after Jan yer that emple eks during a 1	bowed a create the amount of	edit against their state nt of business license state occupation tax n Millions) $\frac{2019}{3}$ 47 <u>0</u> 51	

	State Fiscal Years (\$ in Millions) 2017 2018 2019 Income Tax Expenditure0(m)(m)Corporate Income Tax Expenditure013Insurance Premium Tax Expenditure000State Tax Expenditure000State Tax Expenditure013(m) Denotes a value of less than \$1 million13	
<u>1.6.045</u>	Income Tax Credit for Contributions to Rural Health Care OrganizationsStatute§48-7-29.20Year Enacted2016Year Effective2017Data SourceFiscal Note for LC 28 7806ER for 2016Estimate ReliabilityClass BData ReliabilityClass BNoteThe same estimate is provided in the corporate in tax section, see 2.6.034	come
	Description: An individual taxpayer shall be allowed an income tax credit equationmaximum of \$2,500 for an individual filing a single return or \$2,500 for an individual filing a single return or \$2,500 for joint returns. A corporation or other entity shall be allowed a income tax credit equal to a maximum of 75 percent of the corporation's income tax liability. Aggregate amount of credits exceed \$50 million in 2017, \$60 million in 2018 and \$70 million 2019. The provision is no longer effective for tax years after 20 State Fiscal Years (\$ in Millions) $\frac{2017}{10}$ $\frac{2018}{15}$ $\frac{2019}{17}$ (m) Denotes a value of less than \$1 million $\frac{10}{15}$ $\frac{17}{17}$	5,000 an cannot n in
<u>1.6.046</u>	Rehabilitation Zone tax creditStatute§48-7-40.32Year Enacted2017Year EffectiveTaxable years beginning on or after January 1, 20Data SourceFiscal Note for LC 34 4996 for 2017Estimate ReliabilityClass CData ReliabilityClass CNoteThe same estimate is provided in the corporate in tax section; see 2.6.035Description:An income tax credit to promote the revitalization of vacant rur Georgia downtowns. The statute includes three credits. The firs certified entities to claim an annual tax credit for five consecuti years of \$2,000 per qualified employee but not to exceed \$40,00 trueble upper for any taypoper.	come al t allows ve 00 per
	taxable year for any taxpayer. The second provides for a credit 25 percent of the purchase price of qualified property up to an a equal to \$125,000 per project. The third provides for a tax credit 30 percent of qualified rehabilitation expenses but not to exceed \$150,000 per project. State Fiscal Years (\$ in Millions) $\frac{2017}{0}$ $\frac{2018}{0}$ $\frac{2019}{1}$ (m) Denotes a value of less than \$1 million	mount t of

<u>1.6.047</u>	Georgia Mus	sical Investmen	nt tax credit				
	Statute		§48-7-40.33				
	Year Enacted		2017				
	Year Effectiv	e	Taxable years beginning on or after January 1, 2018.				
	Data Source		Fiscal Note for HB 155/LC 43 0546S for 2017				
	Estimate Reli	Class C					
	Data Reliabili	•	Class B				
	Note	5	The same estimate is provided in the corporate income tax				
			section; see 2.6.036.				
	Description:	An income t	ax credit equal to 15 percent of qualified production				
	2000-1900-00		s of a musical or theatrical performance or a recorded				
		L .	Formance incorporated into or synchronized with a movie,				
		-	r interactive entertainment production. An additional				
			to 5 percent may be allowed for certain expenditures in tier				
		1 or tier 2 co					
			State Fiscal Years (\$ in Millions)				
			<u>2017</u> <u>2018</u> <u>2019</u>				
	State Tax Exp	penditure	0 1 4				
	(m) Denotes a valu	ie of less than \$1 m	illion				
1.6.048	Tax credit fo	r contribution	s to the Public Education Innovation Fund				
1.0.040	Statute §48-7-29.21						
	Year Enacted		2017				
	Year Effectiv		Taxable years beginning on or after January 1, 2018.				
	Data Source Fiscal Note for HB 237/LC 7049S for 2017						
	Estimate Reli	ability	Class C				
	Data Reliabili	•	Class B				
	Note The same estimate is provided in the corporate income ta:						
	Note		section; see 2.6.037.				
	Description:	An income t	ax credit equal to contributions to a qualified Public				
	2000-1900-00		movation fund. The value of the credit varies by personal				
			ome filing type from \$1,000 to \$10,000. Corporate filers are				
			edit equal to 75 percent of their current income tax				
			e aggregate amount of credits awarded each year may not				
			illion. This statute is automatically repealed December 31,				
		2020.	, , , , , , , , , , , , , , , , , , ,				
			State Fiscal Years (\$ in Millions)				
			<u>2017</u> <u>2018</u> <u>2019</u>				
	State Tax Exp	penditure	$\overline{0}$ $\overline{0}$ $\overline{5}$				
	(m) Denotes a valu	ie of less than \$1 m	illion				
1.6.049	Agribusiness	Tay Credit					
1.0.042	Statute		§33-1-25				
	Year Enacted		2017				
	Year Effectiv		Taxable years beginning on or after January 1, 2018.				
	Data Source	C	Fiscal Note for HB 314/LC 37 2317ER for 2017				
		ability	Class B				
	Estimate Reli	-	Class B Class B				
	Data Reliabili Note	ity					
	INDIE		The same estimate is provided in the corporate income tax section; see 2.6.038				
	Description	An income t	ax credit to establish qualified low-income community rural				
		meonie ti					

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 (\$ i	n Millions)
	<u>2017</u>	2018	<u>2019</u>
State Tax Expenditure	0	0	0
(m) Denotes a value of less than \$1 million			

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

Expenditure	Statute	Summary
1.6.015	§48-7-40.25	New Manufacturing Facilities Property Credit
1.6.039	§48-7-40.10	Tax credit for water conservation facilities and qualified water
		conservation investment property
1.6.040	§48-7-40.11	Tax credit for shift from groundwater usage

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 current rate of 6 percent was adopted in 1969. The Georgia corporate income tax does not include a minimum level of exempt income and includes only one income tax bracket.

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 long 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 2016 were \$913 million or 5.0 percent of total state tax revenues. Approximately 265 thousand corporate returns were filed in CY 2015. All revenue collected from this tax is deposited into the State General Fund.

2.1 Federal Corporate Exclusions

<u>2.1.001</u>	<u>Permanent exemption from imputed interest rules</u> Federal Statute IRC Sections 163(e), 483, 1274, and 1274(A)				
	Description: Debt instruments for amou			nflation adjusted	
	maximum, given in exchan		•	0	
	them an interest rate greate				
	-	State Fisca	al Years (S	\$ in Millions)	
		<u>2017</u>	2018	<u>2019</u>	
	State Tax Expenditure	(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 million				
<u>2.1.003</u>	Exclusion of contributions in aid of const	ruction for v	water and	sewer utilities	
	Federal Statute IRC Section 118(c), (d)				
	Description: Qualifying contributions in	aid of cons	truction re	ceived by regulated water	
	and sewage disposal utilitie				
	under certain conditions.				
		State Fisca	-	\$ in Millions)	
		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure	(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 million				
<u>2.1.004</u>	Exclusion of earnings of certain environm	nental settle	ment fund	<u>s</u>	
	Federal Statute IRC Section 468B				
	Description: Under certain conditions en	nvironmenta	l settleme	nt funds are exempt from	
	tax.				
			-	\$ in Millions)	
		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)	
	(iii) Denotes a value of less than \$1 minion				
2.1.005	Exclusion of certain agricultural cost-sha	ring paymer	nts		
	Federal Statute IRC Section 126	• • •			
	Description: Grants made for the purpose	se of conserv	ving soil a	nd water resources or	
	protecting the environment	are exclude	ed from the	e recipient's gross income.	
			-	\$ in Millions)	
		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)	
	(iii) Denotes a value of less than \$1 million				
<u>2.1.006</u>	Exclusion of gain or loss on sale or excha	unge for brov	wnfield pr	opertv	
<u></u>	Federal Statute IRC Section 512 and 514		······	<u></u>	
	Description: Qualifying brownfield prop	perty that is	acquired f	rom an unrelated party,	
	subject to remediation, and				
	unrelated business income	tax.		_	
		State Fisca	al Years (S	\$ in Millions)	
		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure	(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 million				

<u>2.1.008</u>	 <u>Exclusion of disaster mitigation payments</u> Federal Statute IRC Section 139 Description: Payments made for disaster mitigation under the Robert T. Stafford Disaster Relief and Emergency Insurance Act or the National Flood Insurance Act is excluded from income. 						
				5 in Millions)			
	2	2017	<u>2018</u>	2019			
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)			
<u>2.1.009</u>	Exclusion of interest on public purpose state Federal Statute IRC Sections 103, 141 and Description: Interest income of qualifying g income.	146	-				
	S	tate Fisc	al Years (§	S in Millions)			
		2017	2018	2019			
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)			
<u>2.1.010</u>	Various foreign provisions including inventor interest expense allocation, deferral of active deferral of active financing income Federal Statute IRC Sections 861-863, 865 Description: These provisions provide certa foreign sourced income.	<u>e income</u> , 953-954	<u>of control</u> 4, 864	led foreign corporations,			
	S	tate Fisc	al Years (\$	S in Millions)			
		2017	<u>2018</u>	<u>2019</u>			
	State Tax Expenditure (m) Denotes a value of less than \$1 million	357	375	378			

2.2 Federal Corporate Deductions

<u>2.2.001</u>	Accelerated depreciation (MACRS) Federal Statute IRC Sections 167 and Description: Under the Modified Acce cost of tangible depreciat a shorter depreciation per costs of new rental housin an accelerated schedule.	elerated Cost I ion property of riod. Taxpaye	of certain e ers are allo	energy property is allowed wed to depreciate the
		State Fisca	al Years (§	s in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	5	5	5
<u>2.2.002</u>	Deduction of expenditures on energy-ef Federal Statute IRC Section 179D	ficient comm	ercial buil	ding property
	Description: This provision provides a cost of energy-efficient c after December 31, 2005	commercial bu	uilding pro	operty placed in service
		State Fisca	al Years (\$	5 in Millions)
		2017	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	0
<u>2.2.003</u>	Expensing of exploration and developm Federal Statute IRC Sections 263, 291 Description: Firms engaged in mining development costs.	, 616-617, 56 are permitted	, 1254 to expens	e certain exploration and
				5 in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2017</u> (m)	<u>2018</u> (m)	<u>2019</u> (m)
<u>2.2.004</u>	Amortization of business start-up costs Federal Statute IRC Section 195			
	Description: This provision allows a b qualified start-up expendit		yer to dedu	uct up to \$5,000 in
				5 in Millions)
		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>2.2.005</u>	Expensing of research and experimental Federal Statute IRC Section 174 and 5 Description: This provision allows a b expenditures that are paid trade or business.	9e usiness taxpa l or incurred i	n connecti	on with the taxpayer's
		2017	2018	\$ in Millions) 2019
	State Tax Expenditure	$\frac{2017}{3}$	3	3

	Expensing of magazine circulation exp Federal Statute IRC Section 173	oenditures			
		al tar larr allar	va muhliah	one of normanonana	
	Description: In general, current federa				
	magazines, and other per				,
	establish, or increase cire				
			-	5 in Millions)	
	State Terr Erroen diture	$\frac{2017}{(m)}$	$\frac{2018}{(m)}$	$\frac{2019}{(m)}$	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)	
2 2 007					
<u>2.2.007</u>	Deductions of oil and gas exploration a Federal Statute IRC Sections 611, 612 59(e) and 1254			63(c), 616-617, 57(a)(2),	
	Description: Firms that extract oil, ga	s or, other min	erals are r	permitted a deduction to	
	recover their capital inve				ne
	to the physical and econ				ue
	recovered. Firms engage				or
	geothermal properties ha	·			
	drilling and developmen	-	or emperior		
			al Years (S	in Millions)	
		2017	2018	2019	
	State Tax Expenditure	0	0	0	
	(m) Denotes a value of less than \$1 million				
<u>2.2.008</u>	Special treatment of expenses related to Federal Statute IRC Sections 194, 263 Description: This provision allows ex Taxpayers are also allow	3A(c)(5) appensing of pro	duction co		
	reforestation expenses.			1 1	
	reforestation expenses.	State Fisca	al Years (S	5 in Millions)	
	reforestation expenses.			5 in Millions)	
	State Tax Expenditure	State Fisca <u> 2017</u> 3	al Years (8 <u>2018</u> 3		
		2017	2018	5 in Millions) 2019	
2.2.009	State Tax Expenditure (m) Denotes a value of less than \$1 million	$\frac{2017}{3}$	$\frac{2018}{3}$	$\frac{2019}{3}$	r
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million Deduction of charitable contributions ($\frac{2017}{3}$	$\frac{2018}{3}$	$\frac{2019}{3}$	<u>r</u>
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> purposes other than health and education	$\frac{2017}{3}$	$\frac{2018}{3}$	$\frac{2019}{3}$	<u>r</u>
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and	$\frac{2017}{3}$	$\frac{2018}{3}$	$\frac{2019}{3}$	
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitat	$\frac{2017}{3}$	$\frac{2018}{3}$	$\frac{2019}{3}$	
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and	$\frac{2017}{3}$	$\frac{2018}{3}$	$\frac{2019}{3}$ in Millions) $\frac{2019}{3}$ in Millions) health, education, and for tions may be deducted by	
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitat	2017 3 (includes deduc on) l 642(c) tions, charitable State Fisca	2018 3 etions for 1 e contribu	$\frac{2019}{3}$ in Millions) <u>2019</u> <u>3</u> health, education, and for tions may be deducted by 5 in Millions)	
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitat	$\frac{2017}{3}$	$\frac{2018}{3}$	$\frac{2019}{3}$ in Millions) $\frac{2019}{3}$ in Millions) health, education, and for tions may be deducted by	
<u>2.2.009</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers.	$\frac{2017}{3}$	$\frac{2018}{3}$ etions for l e contribute contribute of Years (Solution 2018)	5 in Millions) $\frac{2019}{3}$ health, education, and for tions may be deducted by 5 in Millions) $\frac{2019}{3}$	
	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million	$\frac{2017}{3}$ (includes deduction) (includes deduction) (include	$\frac{2018}{3}$ etions for l e contribute contribute of years (\$\frac{2018}{18}\$)	in Millions) $\frac{2019}{3}$ health, education, and for tions may be deducted by in Millions) $\frac{2019}{19}$	
<u>2.2.009</u> <u>2.2.011</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Expensing under IRC section 179 of description</u>	$\frac{2017}{3}$ (includes deduction) (includes deduction) (include	$\frac{2018}{3}$ etions for l e contribute contribute of years (\$\frac{2018}{18}\$)	in Millions) $\frac{2019}{3}$ health, education, and for tions may be deducted by in Millions) $\frac{2019}{19}$	
	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Expensing under IRC section 179 of de</u> Federal Statute IRC Section 179	$\frac{2017}{3}$ <u>(includes deduction)</u> 1642(c) tions, charitable State Fisca $\frac{2017}{18}$ epreciable busi	$\frac{2018}{3}$ etions for 1 e contribute al Years (S) $\frac{2018}{18}$ ness properties $\frac{2018}{18}$	5 in Millions) $\frac{2019}{3}$ health, education, and for tions may be deducted by 5 in Millions) $\frac{2019}{19}$ 19	у
	 State Tax Expenditure (m) Denotes a value of less than \$1 million Deduction of charitable contributions (purposes other than health and education federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million Expensing under IRC section 179 of defederal Statute IRC Section 179 Description: Within certain limits, a taxpayer 	2017 3 (includes deduc on) 1 642(c) tions, charitable State Fisca 2017 18 epreciable busi axpayer may e	$\frac{2018}{3}$ etions for l e contributed Years (Solution 2018) $\frac{2018}{18}$ ness properties to decomposite to	5 in Millions) $\frac{2019}{3}$ thealth, education, and for tions may be deducted by 5 in Millions) $\frac{2019}{19}$ erty fluct, as a current expense	y
	 State Tax Expenditure (m) Denotes a value of less than \$1 million Deduction of charitable contributions (purposes other than health and education federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million Expensing under IRC section 179 of defederal Statute IRC Section 179 Description: Within certain limits, a taxpayer 	$\frac{2017}{3}$ (includes deduction) 1 642(c) tions, charitable State Fisca 2017 18 epreciable busi axpayer may electrony in the ta	$\frac{2018}{3}$ etions for l e contribute contribute of the second	5 in Millions) 2019 3 health, education, and for tions may be deducted by 5 in Millions) 2019 19 19 huct, as a current expense hen it is placed in service	y
	 State Tax Expenditure (m) Denotes a value of less than \$1 million Deduction of charitable contributions (purposes other than health and education federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million Expensing under IRC section 179 of defederal Statute IRC Section 179 Description: Within certain limits, a taxpayer 	$\frac{2017}{3}$ (includes deduction) 1 642(c) tions, charitable State Fisca $\frac{2017}{18}$ epreciable busi axpayer may effect coperty in the tata State Fisca	$\frac{2018}{3}$ etions for left contribution of the contributic on the contribution of t	5 in Millions) 2019 3 health, education, and for tions may be deducted by 5 in Millions) 2019 19 19 erty fuct, as a current expense hen it is placed in service 5 in Millions)	y
	 State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Deduction of charitable contributions (</u> <u>purposes other than health and education</u> Federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Expensing under IRC section 179 of de</u> Federal Statute IRC Section 179 Description: Within certain limits, a tert the cost of qualifying pression 	$\frac{2017}{3}$ <u>(includes deduction)</u> 1 642(c) tions, charitable State Fisca <u>2017</u> 18 epreciable busi expayer may effect the tages of t	$\frac{2018}{3}$ etions for l e contributed Years (Solution 2018) al Years (Solution 2018) ness properties of the second s	5 in Millions) 2019 3 health, education, and for tions may be deducted by 5 in Millions) 2019 19 huct, as a current expense hen it is placed in service 5 in Millions) 2019	y
	 State Tax Expenditure (m) Denotes a value of less than \$1 million Deduction of charitable contributions (purposes other than health and education federal Statute IRC Sections 170 and Description: Subject to certain limitate taxpayers. State Tax Expenditure (m) Denotes a value of less than \$1 million Expensing under IRC section 179 of defederal Statute IRC Section 179 Description: Within certain limits, a taxpayer 	$\frac{2017}{3}$ (includes deduction) 1 642(c) tions, charitable State Fisca $\frac{2017}{18}$ epreciable busi axpayer may effect coperty in the tata State Fisca	$\frac{2018}{3}$ etions for left contribution of the contributic on the contribution of t	5 in Millions) 2019 3 health, education, and for tions may be deducted by 5 in Millions) 2019 19 erty fuct, as a current expense ben it is placed in service 5 in Millions)	y

<u>2.2.012</u>	 <u>Amortization of air pollution control facilities</u> Federal Statute IRC Section 169(d)(5) Description: This provision allows plants placed in service after January 1, 1976 the option of amortizing investments in pollution control equipment for coal-fired electric generation plants.
	State Tax Expenditure $2 3 3$ (m) Denotes a value of less than \$1 million (State Tax Expenditure)
<u>2.2.014</u>	Various agricultural expensing provisions Federal Statute IRC Section 162, 175, 180, 446, 448, 461, 464 Description: Taxpayers in the business of farming may choose to expense costs associated with soil and water conservation, soil conditioning and the costs associated with raising dairy and breeding cattle. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) (m) (m)
<u>2.2.015</u>	(m) Denotes a value of less than \$1 million <u>Community and regional development incentives</u> Federal Statute IRC Sections 38(b), 39(d), 45A, 280C(a), 1391-1397D and 1400F,H,I
	Prederal Statute Ince Sections 38(0), 39(0), 49A, 280C(a), 1391-1397D and 14001, II, I and J Description: Communities designated as empowerment zones and renewable communities are eligible for special development incentives. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) (m) (m)
<u>2.2.016</u>	Expensing to remove architectural and transportation barriers to the handicapped and elderly Federal Statute IRC Section 190 Description: This provision allows taxpayers to deduct up to \$15,000 of expenses incurred in a single year for removing physical barriers to handicap or elderly individuals in qualified facilities or public transportation vehicles owned or leased by the taxpayer. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) (m) (m)
<u>2.2.017</u>	 (m) Denotes a value of less than \$1 million <u>Inventory methods and valuation</u> Federal Statute IRC Section 475, 491-492 Description: This provision allows taxpayers to use alternative inventory systems to determine the cost of goods sold. State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> State Tax Expenditure (m) Denotes a value of less than \$1 million

2.2.018 Limits on deductible compensation and disallowance of deduction for excess parachute payments

Federal Statute IRC Sections 280G, 4999, and 162(m)

Description: Excess parachute payments are not allowable deductions against the corporate income tax. In the case of publicly held corporations only executive compensation of \$1 million or less is deductible against the corporate income tax.

_	State Fiscal Years (\$ in Millions			ns)
	2017	<u>2018</u>	2019	
State Tax Expenditure	-4	-4	-4	
(m) Denotes a value of less than \$1 million				

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2.3 Special Federal Corporate Conformity Provisions

<u>2.3.001</u>		ain on like-kind exchanges				
	Federal Statute IRC Section 1031					
	Description:	When business or investme				
		kind no gain or loss is reco paid at the time of the exch		ie exchang	ge and therefore no tax is	
		paid at the time of the exer	÷	al Years (\$	S in Millions)	
			2017	<u>2018</u>	<u>2019</u>	
	State Tax Exp	enditure	24	25	26	
		e of less than \$1 million				
<u>2.3.002</u>		for magazine, paperback bo e IRC Section 458	ook, and reco	ord returns		
	Description:	Publishers and distributors	of magazine	es, paperba	acks, and records may	
		elect to exclude from gross				
		sale of goods that are retur			•	
					S in Millions)	
		1'.	<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Exp (m) Denotes a valu	e of less than \$1 million	(m)	(m)	(m)	
2.3.003	Five-vear car	ryback for net operating los	ses attributal	ole to farm	ning	
		e IRC Section 172			@	
	Description:	Current law provides a five	e-year carryb	oack perio	d for losses related to	
	_	farming. The normal carry	back period	for losses	is two years.	
			State Fisca		S in Millions)	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Exp (m) Denotes a valu	e of less than \$1 million	(m)	(m)	(m)	
<u>2.3.004</u>	Special rules	for mining reclamation rese	erves			
		e IRC Section 468 and 12				
	Description:	Electing taxpayers may dee estimated future reclamation				
		disposal sites.			i initing und sond waste	
			State Fisca	al Years (\$	S in Millions)	
	~		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Exp (m) Denotes a valu	e of less than \$1 million	(m)	(m)	(m)	
2.3.005	Cash account	ing, other than agriculture				
	Federal Statute IRC Sections 446 and 448					
	Description:	The cash method of account	nting may be	used by a	ny business taxpayer	
		that is not a tax shelter and	falls into at	least one	of three specified	
		categories.				
					S in Millions)	
		11.	<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Exp (m) Denotes a valu	e of less than \$1 million	1	1	1	

<u>2.3.006</u>	 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)
	State Tax Expenditure $\frac{2017}{14}$ $\frac{2018}{14}$ $\frac{2019}{14}$ (m) Denotes a value of less than \$1 million
<u>2.3.007</u>	Completed contract rulesFederal StatuteIRC Section 460Description: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)
	2017 2018 2019
	State Tax Expenditure33(m) Denotes a value of less than \$1 million3
<u>2.3.008</u>	Special treatment of employee stock ownership plans (ESOPs) (includes deferral of tax on 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) 2017 2018 2019 (m) State Tax Expenditure (m) (m) (m)
<u>2.3.009</u>	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 Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) (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

Corporate income earned in Georgia is apportioned using a single-factor apportionment formula. With single-factor apportionment, firms determine state tax liability based solely on the ratio of Georgia receipts to total receipts. The traditional apportionment formula involves the use of three Georgia-total ratios: property, payroll, and receipts. With the three-factor formula, the firm applies a weight of 33.33 percent to each ratio. 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. At least 25 states have a throwback rule. Georgia, North Carolina, Florida, Tennessee, South Carolina, and Virginia do not, but Alabama does. An alternative rule is the "throw-out rule," which eliminates sales to non-nexus states from both the numerator and denominator of the apportionment formula of a corporation. Georgia does not have a throw-out rule.

2.4.003 Corporate Receipts Sourcing

Georgia is among 16 states that apportions multistate corporate income based only on gross receipts, (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.

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	

Corporate apportionment expenditures for which an estimate is not currently available

2.5 Georgia Deductions

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

<u>2.6.001</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
		January 1, 1994.
	Data Source	DOR data as of 2016 and Office of Insurance and Safety
		Fire Commissioner
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The same estimate is provided in the income tax section and the insurance premium tax section, see 1.6.012 and
		5.00200

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.

	······································		
	State Fiscal	Years (\$ i	n Millions)
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Income Tax Expenditure	14	14	15
Corporate Income Tax Expenditure	101	103	106
Insurance Premium Tax Expenditure	7	7	8
State Tax Expenditure	122	125	129
(m) Denotes a value of less than \$1 million			

2.6.002 Quality Jobs Tax Credit

~-	<u>Quantif 0000 1</u>		
	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 2016
	Estimate Relia	bility	Class A
	Data Reliabilit	У	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 income tax section see
			1.6.013. Estimate of this provision is higher than in previous
			reports because new data is available.
	Description:	This credit is	s for employers creating new high-wage jobs or relocating
		high-wage jo	obs into the state. A quality job or high-wage job has 30
		hours a week	c of regular work; a job that is not already located in

hours a 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.

	Income Tax Expenditure Corporate Income Tax Exper Insurance Premium Tax Exp State Tax Expenditure (m) Denotes a value of less than \$1 mil	penditure $\frac{0}{94}$ $\frac{0}{105}$ $\frac{0}{109}$
<u>2.6.003</u>	New Facilities Jobs Credit Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	 §48-7-40.24 2003 Latest modifications are effective for taxable years beginning on or after January 1, 2009 DOR data as of 2016 Class A Class A The same estimate is provided in the income tax section
	before Januar must be purch manufacturer six-year perio jobs. For busi beginning on meet the job o and either the qualified inve	penditure
<u>2.6.005</u>	Manufacturer's Investment Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	Tax Credit§§48-7-40.2, 48-7-40.3, and 48-7-40.41994Taxable years beginning on or after January 1, 1994DOR data as of 2016Class BClass AThe same estimate is provided in the income tax sectionsee 1.6.016
	during the tax operation for	st invest a minimum of \$50,000 per project per location x year to receive credit. Eligible taxpayers must be in the immediately preceding three years. Leased property of five years or longer is eligible for the credit.

	State Fiscal Years (\$ in Millions)		
	2017	2018	<u>2019</u>
Income Tax Expenditure	2	2	2
Corporate Income Tax Expenditure	23	24	24
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure (m) Denotes a value of less than \$1 million	25	25	26

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 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section
	1.6.017

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.

	unities.		
	State Fiscal	Years (\$ i	n Millions)
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	1	1	1
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	1	1	1
(m) Denotes a value of less than \$1 million			

2.6.007 Port Activity Tax Credit

<u>/</u>	Fon Activity	Tax Cleun	
	Statute		§48-7-40.15
Year Enacted			1998
	Year Effective	e	Latest modifications apply to taxable years beginning on
			or after January 1, 2010
	Data Source		DOR data as of 2016
	Estimate Relia	ability	Class A
	Data Reliabili	ty	Class A
	Note		Estimate combined with 2.6.008. The same estimate is
			provided in the income tax section see 1.6.018.
	Description:	For taxable y	years beginning before January 1, 2010, 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 ou	t of Georgia ports during the previous 12-month period
by more that		by more than	10 percent over their 1997 base year port traffic, or by
more than 10			percent over 75 net tons, five containers or 10 20-foot
		equivalent u	nits (TEU's) during the previous 12-month period are
		qualified for	increased job tax credits or investment tax credits. For
		•	•

taxable years beginning on or after January 1, 2010, the increase is based on a comparison of the previous 12-month period to the second preceding 12-month period. State Fiscal Years (\$ in Millions)

	State Fiscal	Years (\$ i	n Million
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	7	7	8
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure (m) Denotes a value of less than \$1 million	7	7	8

	(iii) Denotes a value of less than \$					
2.6.008	Alternative Port Activity	y Tax Credit				
	Statute	§48-7-40.15A				
	Year Enacted	2009				
	Year Effective	2009				
	Data Source	DOR data as of 2016				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note	Estimate combined with 2.6.007. The same estimate is				
		provided in the income tax section see 1.6.019.				
	Description: Credit is a	llowed to any business enterprise located in a tier 2 or 3				
		in a less developed area and which qualifies and receives the				
		Fax Credit and which;				
		ts of a distribution facility of greater than 650,000 square feet				
		on in this state prior to December 31, 2008;				
	-	utes product to retail stores owned by the same legal entity or				
		iaries as such distribution facility; and				
		3. Has a minimum of eight retail stores in this state in the first year of				
		operations.				
	State Fiscal Years (\$ in Millions)					
		<u>2017</u> 2018 2019				
	Income Tax Expenditure Estimate combined					
	Corporate Income Tax E	1				
	Insurance Premium Tax	Premium Tax Expenditure				
	State Tax Expenditure	*				
	(m) Denotes a value of less than \$	1 million				
• < 0.00						
<u>2.6.009</u>	Film Tax Credit					
	Statute	§48-7-40.26				
	Year Enacted					
	Year Effective	Taxable years beginning on or after January 1, 2005				
	Data Source	Fiscal Note for HB 199/LC 34 5124S for 2017				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note	The same estimate is provided in the income tax section				
		see 1.6.020. Tax credit provisions applicable to qualified				
		interactive entertainment production companies were				
	Decomintion. Duchastic	modified in 2015.				
		n companies which have at least \$500,000 of qualified				
	expenditu	res in a state-certified production may claim this credit.				

Certification 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.

emmated.			
	State Fiscal	Years (\$ i	n Millions)
	2017	2018	<u>2019</u>
Income Tax Expenditure	256	286	314
Corporate Income Tax Expenditure	179	199	219
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	435	485	533
(m) Denotes a value of less than \$1 million			

2.6.010	Research Tax Credit	
	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 2016
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The same estimate is provided in the income tax section
		see 1.6.021

Description: This credit is for expenses resulting from research conducted in Georgia by businesses engaged 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 Internal Revenue Code of 1986, as amended.

	State Fiscal Years (\$ in Millions)		
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	1	1	1
Corporate Income Tax Expenditure	30	32	34
Insurance Premium Tax Expenditure	0	1	0
State Tax Expenditure	32	34	36
(m) Denotes a value of less than \$1 million			

2.6.011 Seed-Capital Fund Credit

beeu-capitai	I unu cicuit		
Statute		§48-7-40.27 & 40.28	
Year Enacted		2008	
Year Effective	e	Applicable to investments made on or after July 1, 2008	
Data Source		DOR data as of 2016	
Estimate Relia	ability	Class A	
Data Reliabili	ty	Class A	
Note		The same estimate is provided in the income tax section	
		see 1.6.022	
Description:	This provide	s 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)		
	2017	2018	<u>2019</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
Insurance Premium Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

<u>2.6.01</u>2

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 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section
	see 1.6.023

Description: Employer credit for the premiums paid for a high-deductible 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 (\$ i	n Millions)
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

2.6.014 Qualified Transportation Credit

Statute	§48-7-29.3
Year Enacted	1999
Year Effective	Taxable years beginning on or after January 1, 2001
Data Source	DOR data as of 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section
	see 1.6.025

Description: A tax credit provided to employers for the cost of providing any federally qualified transportation benefit to an employee.

	State Fiscal	Years (\$ i	n Millions)
	2017	2018	2019
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
Insurance Premium Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)

<u>2.6.015</u>	Business Enterprise Vehicl Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: This is a creat		\$48-7-40.22 2001 Taxable year DOR data as Class C Class A The same est see 1.6.026	of 2016 imate is prov	vided in th	t January 1, 2 the income tax	section
	Description.	motor vehicl employees. I each vehicle	e that is used on order to qua carries an ave or an entire tax	exclusively to lify, a busine rage daily rio	o provide ess enterpr dership of	transportation ise must certine not less than	n for its ify that
				<u>2017</u>	<u>2018</u>	<u>2019</u>	
	Income Tax E	Expenditure		(m)	(m)	(m)	
	Corporate Inc	•	enditure	(m)	(m)	(m)	
	Insurance Pre			0	Û	0 Û	
	State Tax Exp		L	(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 million		illion			()	
<u>2.6.016</u>	employer's credit for purc Statute Year Enacted Year Effective		oviding or sponsoring child care for employees and chasing 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.				ified
	Data Source	1 • 1• .	DOR data as of 2016				
	Estimate Reli	•	Class A				
	Data Reliabili	ty	Class A				
	Note			timate is prov	vided in th	e income tax	section
	.	-	see 1.6.027				11.01 1
	Description:		r expenses rel		- ·	-	-
			operty; and a t		employer	s who provide	e or
		sponsor child	d care for emp	•	ν (φ.	N (111)	
				State Fiscal		,	
	T T T	1.		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	Income Tax E	•		8	8	8	
	Corporate Inc			14	15	15	
	Insurance Pre		penditure	$\frac{0}{22}$	0	$\frac{0}{22}$	
	State Tax Exp (m) Denotes a valu		illion	22	22	23	
	(iii) Denotes a vala						
2.6.017	Low-Income	Housing Cred	lit				
	Statute	riousing cree	§48-7-29.6				
	Year Enacted		2000				
	Year Effective			s beginning	on or after	January 1, 2	001
			DOR data as			January 1, 2	
				01 2010			

	Estimate Reli	ability	Class A				
	Data Reliability Note		Class A				
				timate is n ro	vided in tl	ne income tax	section
	1000					tion, see 1.6.02	
			5.00700	rance prennu		1011, See 1.0.02	20 and
	D · /·	TTI · ·					
	Description:		it against Georgia income taxes for taxpayers owning which receive the federal Low-Income Housing tax credit				
							tax credit
		and that are	placed in serv		•		
				State Fiscal	Years (\$ i	n Millions)	
				2017	2018	<u>2019</u>	
	Income Tax E	Expenditure		97	102	107	
	Corporate Inc	ome Tax Exp	enditure	41	43	46	
	Insurance Pre			91	95	100	
	State Tax Exp		1	230	241	253	
	(m) Denotes a valu		nillion				
2.6.018	Historic Reh	abilitation Cre	dit				
2.0.010	Statute		§48-7-29.8				
	Year Enacted		848-7-29.8 2002				
	Year Effective			na haainnina	on on ofto	- Ionuomu 1 - 20	04
		e				r January 1, 20	
	Data Source	1 • 1 • .		s of 2016 and	Fiscal No	ote for H.B. 30	8 IOF
	Estimate Reli	•	Class B				
	Data Reliabili	ity	Class B				
	Note					ne income tax	
						ed in 2015 to	
						ld to other tax	
	Description:	A credit for	the certified r	ehabilitation (of a certif	ed structure of	ſ
		historic hom	e. Standards s	set by the Geo	orgia Depa	artment of Nat	ural
		Resources m	nust be met. T	his credit was	s modified	l in 2015 to all	ow
		unused credi	its to be assign	ned or sold to	other tax	payers.	
			-	State Fiscal	Years (\$ i	n Millions)	
				2017	2018	2019	
	Income Tax E	Expenditure		27	24	25	
	Corporate Inc		enditure	4	4	4	
	Insurance Pre	-		0	0	0	
	State Tax Exp		penditure	31	28	29	
	(m) Denotes a valu		illion	51	20	27	
26010	Diasol Partic	ulata Emissio	n Doduction T	Cochnology E	auinmont	Cradit	
<u>2.6.019</u>	Statute		<u>n Reduction T</u> §48-7-40.19		quipment	Clean	
			2000	,			
	Year Enacted					. I 1. O(0.1
	Year Effective	e	-		on or alle	r January 1, 20	01.
	Data Source		DOR data a	s of 2016			
	Estimate Reli	•	Class A				
	Data Reliabili	ity	Class A				
	Note			stimate is pro-	vided in tl	ne income tax	section
	Descriptions	This is a sma	see 1.6.030	w noncon wh	a installa	liacal mantiaula	to
	Description.					liesel particula depot, or other	
						late emission	
					-		
		teennology e	quipinent is a	my equipmen	t that prov	vides for heat,	an

conditioning, light, or communications for the driver's compartment of a commercial motor vehicle parked at a truck stop, depot, or other facility, the use of which results in the engine being turned off with a corresponding reduction of particulate emissions from such vehicle's diesel engine.

dieber engine.			
-	State Fiscal	Years (\$ i	n Millions)
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	0	0	0
Corporate Income Tax Expenditure	0	0	0
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	0	0	0
(m) Denotes a value of less than \$1 million			

<u>2.6.020</u>	I
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Low - and Zero-emission V	Vehicle 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 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section
	see 1.6.031. This credit has been repealed for all vehicle
	purchases or leases occurring on or after July 1, 2015.

Description: This credit applies to the purchase of an electric vehicle charger. State Fiscal Years (\$ in Millions)

	State Fiscal	Tears (\$	III MIIIIOII
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	(m)	(m)	(m)
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

2.6.021 Land Conservation Credit

	Statute		§48-7-29.12
Year Enacted			2006
	Year Effective	e	Taxable years beginning on or after January 1, 2006
	Data Source		DOR data as of 2016
	Estimate Relia	ability	Class A
	Data Reliabili	ty	Class A
	Note		This statute was modified in 2017 to allow conservation
			property to be used for solar generation of energy and
			conversion. The same estimate is provided in the individual
			income tax section; see 1.6.032.
Description: This is an ind		This is an inc	come tax credit for the qualified donation of real property
		that qualifies	as conservation land pursuant to Chapter 22 of Title
		36. This credi	it was modified in 2015 such that the aggregate value of
		credits award	led under this provision cannot exceed \$30 million per year
		and no new c	credit applications will be accepted after December 31,
		2016.	

	Income Tax Expenditure Corporate Income Tax Exper Insurance Premium Tax Exp State Tax Expenditure (m) Denotes a value of less than \$1 mil	nditure enditure	e Fiscal Y <u>2017</u> 9 5 <u>0</u> 14	ears (\$ in] <u>2018</u> 0 0 0 0 0	Millions) <u>2019</u> 0 0 <u>0</u> 0
2.6.022	Wood Residuals Credit				
	Statute Year Enacted	§48-7-29.14 2008			
		July 1, 2008			
		DOR data as of 2	2016		
		Class A			
		Class A			
	Note			ded in the	individual income tax
	Decomination. For the nume	Section; see 1.6.0		ar anadit u	up of mariduals in aluda
	Description: For the purpo urban wood w U.S. national	vaste, land clearin			ets, but not wood from a
		State	e Fiscal Y	ears (\$ in]	Millions)
			<u>2017</u>	<u>2018</u>	2019
	Income Tax Expenditure		1	(m)	0
	Corporate Income Tax Exper Insurance Premium Tax Exp		1 0	(m) 0	0 0
	State Tax Expenditure	enalture	2	(m)	$\frac{0}{0}$
	(m) Denotes a value of less than \$1 mil	lion	_	()	
<u>2.6.023</u>	<u>Georgia Employer GED Tax</u> Basic Skills Education)	<u>k Credit (previous</u>	sly known	as the Em	ployer's Credit for
	Statute	§48-7-41			
		2015			
		2015		0015	
		Fiscal Note for H Class A	I.B. 63 IO	r 2015	
	•	Class A Class A			
	•		te is provi	ded in the	individual income tax
					ion replaces the previous
					ped at \$1 million in
		aggregate credits			. 1. 1. 1.
	Description: Allows an employer incl	urred expenses as			
	employees.	ined expenses as	sociated v		
	employees.	State	e Fiscal Y	ears (\$ in]	Millions)
			<u>2017</u>	<u>2018</u>	2019
	Income Tax Expenditure		1	1	1
	Corporate Income Tax Exper		(m)	(m)	(m)
	Insurance Premium Tax Exp	enditure	<u>0</u> 1	<u> </u>	<u> </u>
	State Tax Expenditure (m) Denotes a value of less than \$1 mill	lion	1	1	1

2.6.024	<u>Employer's Credit for Approved Employee Retraining</u>						
	Statute	<u> </u>	§48-7-40.5				
	Year Enacted		1994				
	Year Effective	e	Latest modifi	cations are	effective f	or taxable year	rs
			beginning on	or after Jan	uary 1, 20	09	
	Data Source		DOR data as	of 2016			
	Estimate Relia	ability	Class A				
	Data Reliabili	ty	Class A				
	Note				vided in th	ne individual in	ncome tax
			Section; see				
	Description:		it reimburses e				
			rvices to their o				
			ograms shall n		•	-	-
		-	ed software pa	-	-	-	
		÷	, presentations	-		•	
		•	, or computer of				
		software.	e allowable for	r those prov	aing supp	ort or training	on such
		sontware.		State Fiscal	Voors (\$ i	n Millions)	
			L.	<u>2017</u>	<u>2018</u>	<u>2019</u>	
	Income Tax Expenditure			17	18	$\frac{2019}{20}$	
	Corporate Income Tax Expenditure		enditure	31	34	37	
	Insurance Premium Tax Expenditure			0	0	0	
	State Tax Exp		penanare	48	52	56	
	(m) Denotes a value of less than \$1 million						
<u>2.6.025</u>	-	ucation Expen					
	Statute		§48-7-29.16				
			2008		C.	T 1.00	
				Taxable years beginning on or after January 1, 2008 DOR data as of 2016			
	Data Source	hility	Class A	01 2010			
	Estimate Relia Data Reliabili	•	Class A Class A				
	Note	ty		imata is pro	wided in th	a individual i	ncome tax
	Note The same estimate is provided in the individual income tax Section; see 1.6.036.						
	Description:	This provide	s a tax credit fo		s made by	taxpavers to a	student
	I	-	organization w		-		
			ool or program				
		-		State Fiscal	Years (\$ in	n Millions)	
				2017	2018	<u>2019</u>	
	Income Tax E	xpenditure		39	39	39	
	Corporate Inc			8	8	8	
	Insurance Pres		penditure	0	0	0	
	State Tax Exp			48	48	48	
	(m) Denotes a valu	e of less than \$1 m	illion				
2.6.026	Oualified Inv	estor Tax Cre	dit				
2.0.020	Statute		§48-7-40.30				
	Year Enacted		2010				
	Year Effective	e	January 1, 20	11: legislati	ion modifi	ed in 2013	
	Data Source		DOR data as	-		_	

Estimate Relia	ability	Class A					
Data Reliabili	ty	Class A					
Note		The same esti	mate is prov	vided in tl	ne income tax sec	ction	
		see 1.6.037	-				
Description:	This credit p	rovides a 35 pe	ercent tax cr	edit for ar	nounts invested i	n	
-		brgia headquartered small businesses. The credit was modified					
		•			ments made in ye		
					led under this pro		
		ed \$5 million pe			1		
			State Fiscal	Years (\$ i	n Millions)		
			2017	2018	2019		
Income Tax E	xpenditure		2	3	3		
Corporate Inc		enditure	0	0	0		
Insurance Prei			0	0	0		
State Tax Exp		L	$\frac{1}{2}$	3	3		
(m) Denotes a value		illion		-	-		
	ient or Water-	Efficient Equip	oment Credi	<u>t</u>			
Statute		§48-7-40.29					
Year Enacted		2010					
Year Effective	e	January 1 of the year following the year in which federal					
			program are	e made av	ailable and recei	ved by	
		the state					
Data Source		DOR data as of 2016					
Estimate Relia	ability	Class A					
Data Reliability		Class A					
Note Th		The same estimate is provided in the income tax section					
		see 1.6.038	-				
Description: This tax credit applies to taxpayers who purchase energy-efficient and			t and				
	water-conser	rvation equipme	ent. The val	ue of the	credit is equal to	25	
	percent of th	ne cost of the qualified equipment or \$2,500, whichever is					
		edit is only available for those tax years in which federal					
		ade available to the state for this purpose.					
					N 61111		

<u>2.6.027</u>

	State Fiscal	Years (\$ i	n Millions)
	<u>2017</u>	2018	<u>2019</u>
Income Tax Expenditure	0	0	0
Corporate Income Tax Expenditure	0	0	0
Insurance Premium Tax Expenditure	0	0	0
State Tax Expenditure	0	0	0
(m) Denotes a value of less than \$1 million			

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 2016
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the individual income tax Section; see 1.6.041.

	-	credit applies to busine within a taxable year.	sses that create a	t least 500 new full-time	
	State Fiscal Years (\$ in Millions)				
			<u>2017</u> <u>201</u>	<u>8 2019</u>	
	Income Tax Expend		Estimate c		
	Corporate Income T		with 2.	5.002	
	Insurance Premium	-			
	State Tax Expenditu (m) Denotes a value of less				
2.6.031	Tax credit for purc	hases of alternative fuel	heavy-duty or n	nedium-duty vehicle	
	Statute	§48-7-29.18			
	Year Enacted	2014			
	Year Effective	-	beginning on or a		
	Data Source		r H.B. 404 for 20	012	
	Estimate Reliability				
	Data Reliability	Class A		• 4 • • • • • • • • •	
	Note		-	in the individual income tax	
	Description Prov	Section; see 1.		lternative fuel heavy-duty	
	—		-	the case of an alternative	
				ue of the credit is limited	
				with fiscal year 2016 and	
				oplicable to purchases made	
	on or	after July 1, 2015 and	before July 30, 2	017.	
		S	tate Fiscal Years	(\$ in Millions)	
			<u>2017</u> <u>201</u>		
	Income Tax Expend		1 0	0	
	Corporate Income T	-	1 1	0	
	Insurance Premium	-	$\frac{0}{2}$ 0	0	
	(m) Denotes a value of less		2 1	0	
<u>2.6.032</u>	Bank Tax Credit	849 7 20 7			
	Statute Year Enacted	§48-7-29.7 2000			
	Year Effective	2000			
	Data Source	DOR data as o	of 2016		
	Estimate Reliability		12010		
	Data Reliability	Class A			
	Note	The same estin		in the individual income tax	
	Decemination. Don	Section; see 1.		a anadit against thair state	
		-		a credit against their state mount of business license	
				cial state occupation tax	
		to the state.	into and any spec	in suite occupation an	
	Pulo				

		S	State Fiscal	Years (\$ ii	n Millions)	
			2017	<u>2018</u>	<u>2019</u>	
	Income Tax Expenditur		2	3	3	
	Corporate Income Tax I	•	33	41	47	
	Insurance Premium Tax	Expenditure	0	0	0	
	State Tax Expenditure (m) Denotes a value of less than	\$1 million	36	44	51	
<u>2.6.033</u>	Employer tax credit for		arolees			
	Statute	§48-7-40.31				
	Year Enacted	2016				
	Year Effective	2016		6 0016		
	Data Source	Fiscal Note for	or H.B. 828	for 2016		
	Estimate Reliability	Class B				
	Data Reliability	Class A	• • • • • • • • • • • • • • • • • • • •		· · · · · · · · · · · · · · · · · · ·	
	Note	Section; see 1		vided in th	e individual income tax	
	Deceminations For the m	· · · ·		anomy 1 - 20)17 and hafara	
	Description: For the p			•		
					lified parolee in a full- period shall be eligible	
		come tax credit in				
	qualified			01 \$2,500	per year for each	
	quanneu		State Fiscal	Vears (\$ ii	n Millions)	
		L.	2017	<u>2018</u>	<u>2019</u>	
	Income Tax Expenditur	2	$\frac{2017}{0}$	$\frac{2010}{(m)}$	(m)	
	Corporate Income Tax I		0	1	3	
	Insurance Premium Tax		0	0	0	
	State Tax Expenditure	Emponantaro	0	1	3	
	(m) Denotes a value of less than	\$1 million	Ũ	-	C	
2.6.034	Income Tax Credit for	Contributions to R	ural Health	Care Orga	nizations	
	Statute	§48-7-29.20				
	Year Enacted	2016				
	Year Effective	2017				
	Data Source	Fiscal Note f	or LC 28 78	06ER for 2	2016	
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note	This statute v	vas modified	d in 2017 t	o increase taxpayer	
					cap. The same estimate i	is
		provided in th	he individua	l income t	ax section; see 1.6.045.	
	Description: An indiv	idual taxpayer sha	ll be allowed	d an incon	ne tax credit equal to a	
	maximur	n of \$2,500 for an	individual f	iling a sin	gle return or \$5,000	
	5	returns. A corpora		•		
		ax credit equal to a		·		
					ount of credits cannot	
					and \$70 million in	
	2019. Th	e provision is no le	-		•	
			State Fiscal			
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure	rta 111	10	15	17	
	(m) Denotes a value of less than	\$1 million				
					110 - D	

<u>2.6.035</u>	_	 §48-7-40.32 2017 Taxable years beginning on or after January 1, 2018. Fiscal Note for LC 34 4996 for 2017 Class C Class C The same estimate is provided in the individual income tax Section; see 1.6.046. ncome tax credit to promote the revitalization of vacant rural
	certi year taxal 25 p equa 30 p	rgia downtowns. The statute includes three credits. The first allows fied entities to claim an annual tax credit for five consecutive s of \$2,000 per qualified employee but not to exceed \$40,000 per oble year for any taxpayer. The second provides for a credit equal to ercent of the purchase price of qualified property up to an amount 1 to \$125,000 per project. The third provides for a tax credit of ercent of qualified rehabilitation expenses but not to exceed 0,000 per project.
		State Fiscal Years (\$ in Millions)
		$\frac{2017}{2018}$ $\frac{2018}{2019}$
	State Tax Expenditu (m) Denotes a value of less	
2.6.036	Georgia Musical Ir	ivestment tax credit
	Statute	§48-7-40.33
	Year Enacted	2017
	Year Effective	
		Taxable years beginning on or after January 1, 2018
	Data Source	Fiscal Note for HB 155/LC 43 0546S for 2017
	Estimate Reliability	
	Data Reliability	Class B
	Note	The same estimate is provided in the individual income tax
	D	section; see 1.6.047.
		ncome tax credit equal to 15 percent of qualified production
		nditures of a musical or theatrical performance or a recorded
		cal performance incorporated into or synchronized with a movie,
		ision, or interactive entertainment production. An additional
		it equal to 5 percent may be allowed for certain expenditures in tier tier 2 counties.
	1 01	State Fiscal Years (\$ in Millions)
	State Ter Ernendit	$\frac{2017}{0} \frac{2018}{1} \frac{2019}{4}$
	State Tax Expenditu (m) Denotes a value of less	
2.6.037	Tax credit for cont	ributions to the Public Education Innovation Fund
2.0.007	Statute	§48-7-29.21
	Year Enacted	2017
	Year Effective	
		Taxable years beginning on or after January 1, 2018.
	Data Source	Fiscal Note for HB 237/LC 7049S for 2017
	Estimate Reliability	
	Data Reliability	Class B The source estimate is previded in the individual income term
	Note	The same estimate is provided in the individual income tax

section; see 1.6.048.

Description: An income tax credit equal to contributions to a qualified Public Education Innovation fund. The value of the credit varies by filer type from \$1,000 to \$10,000. Corporate filers are allowed a credit equal to 75 percent of their current income tax liability. The aggregate amount of credits awarded each year may not exceed \$5 million. This statute is automatically repealed December 31, 2020.

	State Fiscal Years (\$ in Millions		
	<u>2017</u>	2018	<u>2019</u>
State Tax Expenditure	0	0	5
(m) Denotes a value of less than \$1 million			

<u>2.6.038</u>	Agribusiness Tax Credit				
	Statute	§33-1-25			
	Year Enacted	2017			
	Year Effective	Taxable years beginning on or after January 1, 2018.			
	Data Source	Fiscal Note for HB 314/LC 37 2317ER for 2017			
	Estimate Reliability	Class B			
	Data Reliability	Class B			
	Note	The same estimate is provided in the individual income tax			
		Section; see 1.6.049.			
	Description: An income	ax credit to establish qualified low-income community rural			
	investment	funds and tax credits. The credit amount is 15 percent of			
	the eligible	nvestment per year beginning in the third year after the			
	investment	s made and continuing through the sixth year, for a total			
	credit equa	to 60 percent of the eligible investment. The credit is			
		le and may not be sold, but may be carried forward			
	indefinitely	7. The amount of credits available is subject to a cumulative			
	cap of \$100) million.			
		State Fiscal Years (\$ in Millions)			
		<u>2017 2018 2019</u>			
	State Tax Expenditure (m) Denotes a value of less than \$1	0 0 0 million			

Georgia corporate tax credit expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
2.6.004	§48-7-40.25	New Manufacturing Facilities Property Credit
2.6.028	§48-7-40.10	Tax credit for water-conservation facilities and qualified water- conservation investment property
2.6.029	§48-7-40.11	Tax credit for shift from groundwater usage

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.

The tax is administered by the Georgia DOR. Revenues from this tax totaled \$44 million in FY 2016. All revenues from this tax are deposited into the State General Fund.

<u>3.003</u>	Eliminate the Net Worth tax for corporations with net worth of \$100,000 or less							
	Statute	§48-13-71						
	Year Enacted	2017						
	Year Effective	Tax years beginning on or after January 1, 2018						
	Data Source	Fiscal Note SB 133/LC 40 1296 for 2017						
	Estimate Reliability	Class A						
	Data Reliability	Class A						
	Note							
	Description: The statu	te increases the threshold net worth value with regards to the						
	Net Wort	h tax. Corporations with net worth equal to \$100,000 or less						
	are exemp	are exempted from the net worth tax.						
	State Fiscal Years (\$ in Millions)							
		<u>2017</u> <u>2018</u> <u>2019</u>						
	State Tax Expenditure (m) Denotes a value of less than \$	0 45 45						

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	Exemptions from the Net Worth Tax

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. 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 (SPLOST) and/or an Educational Special Purpose Local Option Sales Tax (SPLOST) and/or an Educational Special Purpose Local Option Sales Tax (SPLOST) and/or an Educated to transportation purposes (T-SPLOST) with tax rates of 1 percent. 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.

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 2016, the state sales and use tax generated \$5.5 billion in state revenues and accounted for approximately 29 percent of total state tax revenues. All proceeds from the state sales and use tax, net of the vendor compensation, are deposited into the State General Fund.

<u>4.00400</u>	.00400 Sales of transportation furnished by a county or municipal public transit sys public transit authorities					
	Statute	§48-8-3(4)				
	Year Enacted	1968				
	Year Effective	1968				
	Data Source	National Transit Database				
	Estimate Reliability	Class B				
	Data Reliability	Class A				
	Note	Estimate combined with 4.00500				

	public trans by counties,	inties and municipalities arising out of their operation of any it facility and sales by public transit authorities or charges municipalities, or public transit authorities for the on of passengers upon their conveyances. State Fiscal Years (\$ in Millions)
		2017 2018 2019
	State Tax Expenditure	7 8 8
	Local Tax Expenditure	5 5 6
	(m) Denotes a value of less than \$1 n	nillion
<u>4.00500</u>	-	nished by an approved and authorized urban transit system
	Statute	§48-8-3(5)
	Year Enacted	1970
	Year Effective	1970
	Data Source	National Transit Database
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	Estimate combined with 4.00400
		arges, except charges for charter or sightseeing service,
	•	an urban transit system for the transportation of
	passengers.	
		State Fiscal Years (\$ in Millions)
		2017 2018 2019
	State Tax Expenditure	Estimate combined with 4.00400
	Local Tax Expenditure	
	(m) Denotes a value of less than \$1 n	nillion
4.00600	Sales to any Hospital Aut	hority created by Georgia law
4.00000	Statute	§48-8-3(6)
	Year Enacted	1976
	Year Enacted Year Effective	1976 1976
	Year Enacted	1976 1976 Georgia Office of Planning and Budget and IRS Form 990
	Year Enacted Year Effective Data Source	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data
	Year Enacted Year Effective Data Source Estimate Reliability	19761976Georgia Office of Planning and Budget and IRS Form 990DataClass B
	Year Enacted Year Effective Data Source	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B
	Year Enacted Year Effective Data Source Estimate Reliability	19761976Georgia Office of Planning and Budget and IRS Form 990DataClass B
	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	 1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter
	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter
	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions)
	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u>
	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions)
	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700
	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure Local Tax Expenditure	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700
4.00610	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700 million
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Sales to any Housing Aut	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure (m) Denotes a value of less than \$1 m States to any Housing Auth Statute	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700 nillion hority created by Georgia law §48-8-3(6.1)
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure (m) Denotes a value of less than \$1 m Statute Year Enacted	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) 2017 2018 2019 Estimate combined with 4.00700 million hority created by Georgia law §48-8-3(6.1) 1999
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Statute Year Enacted Year Effective	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700 million hority created by Georgia law \$48-8-3(6.1) 1999 1999
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure (m) Denotes a value of less than \$1 m Statute Year Enacted	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700 nillion hority created by Georgia law \$48-8-3(6.1) 1999 1999 Georgia Department of Community Affairs and the
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure (m) Denotes a value of less than \$1 m Statute Year Enacted Year Effective Data Source	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700 nillion hority created by Georgia law §48-8-3(6.1) 1999 1999 Georgia Department of Community Affairs and the American Community Survey
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure (m) Denotes a value of less than \$1 m Sales to any Housing Auth Statute Year Enacted Year Effective Data Source Estimate Reliability	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700 million hority created by Georgia law \$48-8-3(6.1) 1999 1999 Georgia Department of Community Affairs and the American Community Survey Class C
<u>4.00610</u>	Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales to any 7 of Title 31 State Tax Expenditure (m) Denotes a value of less than \$1 m Statute Year Enacted Year Effective Data Source	1976 1976 Georgia Office of Planning and Budget and IRS Form 990 Data Class B Class B Estimate combined with 4.00700 hospital authority created by O.C.G.A. Article 4 of Chapter State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u> Estimate combined with 4.00700 million hority created by Georgia law §48-8-3(6.1) 1999 1999 Georgia Department of Community Affairs and the American Community Survey

Note

Data Source

Description: Sales to any housing authority created by O.C.G.A. Article 1 of Chapter 3 of Title 8. State Fiscal Years (\$ in Millions) 2017 2018 2019 1 1 State Tax Expenditure 1 Local Tax Expenditure 1 1 1 (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 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 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) 2017 2018 2019 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 Class C **Estimate Reliability** Data Reliability Class C Note Description: Sales to any agricultural commission created by the Department of Agriculture. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) (m) (m) Local Tax Expenditure (m) (m) (m) (m) Denotes a value of less than \$1 million 4.00700 Sales of tangible personal property and services to an approved nursing home, inpatient hospice, general hospital or mental hospital when used specifically in the treatment function Statute §48-8-3(7) Year Enacted 1971 Year Effective 1971

DOR data for 2009 and IRS Form 990 data

	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note	Estimate com	bined with	4.00600		
	Description: Sales of tan				an approved non-	
		ng home, inpatie				
		en used specifica				
	exclusively	by the facility.	·			
			State Fiscal	Years (\$	in Millions)	
			2017	2018	<u>2019</u>	
	State Tax Expenditure		106	111	117	
	Local Tax Expenditure		79	83	88	
	(m) Denotes a value of less than \$1	million				
<u>4.00705</u>	Sales of tangible persona				established and	
	receiving funds pursuant			ervice Act		
	Statute	§48-8-3(7.05)			
	Year Enacted	2015				
	Year Effective	2015		G 24 452	7.6 2015	
	Data Source	Fiscal Note for	or HB 426 I	LC 34 452	/ for 2015	
	Estimate Reliability Data Reliability	Class C Class B				
	Note		on was alim	instad in '	2010 and reinstated in	
	Note				o expire on June 30,	
		2013. This pi 2018.	0 1 151011 15 5	chedulea	o expire on suite 50,	
	Description: Sales of tan					
		and receiving fu	inds pursuai	nt to the U	.S. Public Health Service	;
	Act.		a. F 1	TT (A)		
			State Fiscal			
	State Terr Friday ditant		<u>2017</u> 1	<u>2018</u> 1	<u>2019</u>	
	State Tax Expenditure Local Tax Expenditure		(m)	1 (m)	0 0	
	(m) Denotes a value of less than \$1	million	(111)	(111)	0	
4 00710	0 1 67 11	1 / 1	· ,	C" (• .• •	
<u>4.00710</u>	Sales of tangible personal					
	primary function is to pro Statute	§48-8-3(7.1)		<u>n meneci</u>	ual disabilities	
	Year Enacted	2001				
	Year Effective	2001				
	Data Source		ic Census a	nd Americ	an Community Survey	
	Estimate Reliability	Class C				
	Data Reliability	Class A				
	Note					
	Description: Sales of tan	gible personal p	roperty and	services to	o a nonprofit	
	organization	n, the primary fu	nction of w	hich is the	provision of services	
	to persons v	with intellectual	disabilities,	when such	n organization is a tax	
					Code and obtains an	
	exemption				venue Commissioner.	
			State Fiscal	-		
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		1	1	1	
	Local Tax Expenditure (m) Denotes a value of less than \$1	million	1	1	1	
	(iii) Denotes a value of less than \$1	mmuu				

4.00720	Sales to Georgia Society	y of the Daughters of the American Revolution
4.00720	Statute	§48-8-3(7.2)
	Year Enacted	2002
	Year Effective	2002
	Data Source	IRS 990 Form Data
	Estimate Reliability	Class C
	-	Class C
	Data Reliability Note	Class C
	Description: Sales of ta Georgia S which is ta	ngible personal property or services to any chapter of the tate Society of the Daughters of the American Revolution ax exempt under IRS Code Section $501(c)(3)$ and obtains an a determination letter from the State Revenue Commissioner. State Fiscal Years (\$ in Millions) 2017 2018 $2019(m) (m) (m)$
	(m) Denotes a value of less than \$	(m) (m) (m)
<u>4.00730</u>		ty and services to a nonprofit volunteer health clinic
		ts with incomes below 200 percent of the poverty level
	Statute Veen Enceted	§48-8-3(7.3)
	Year Enacted	2015
	Year Effective	2015 Eine IN (16, HP 4261 0.24 4527 6 - 2015
	Data Source	Fiscal Note for HB 426 LC 34 4527 for 2015
	Estimate Reliability	Class C
	Data Reliability	Class C
	Note	This exemption was eliminated in 2010 and reinstated in
		2015. This provision is scheduled to expire on June 30, 2018.
	Description: Sales of ta	ngible personal property and services to a nonprofit volunteer
		ic primarily treating patients with incomes below 200 percent
		erty level and when the item sold is used exclusively for
		eatment function.
	C	State Fiscal Years (\$ in Millions)
		<u>2017</u> <u>2018</u> <u>2019</u>
	State Tax Expenditure	$\overline{1}$ $\overline{1}$ $\overline{0}$
	Local Tax Expenditure	1 1 0
	(m) Denotes a value of less than \$	1 million
<u>4.00800</u>	Sales of tangible person and its educational units	al property and services to the University System of Georgia
	Statute	§48-8-3(8)
	Year Enacted	1963
	Year Effective	1963
	Data Source	University System of Georgia Annual Financial Report
	Estimate Reliability	Class B
	Data Reliability	Class A
	Note	Estimate combined with 4.00900
		ngible personal property and services to the University
	—	Georgia and its educational units.
	System Of	Georgia and its educational units.

		State Fiscal Years (\$ in Millions)
		$\frac{2017}{200}$ $\frac{2018}{10}$ $\frac{2019}{12}$
	State Tax Expenditure	38 40 42
	Local Tax Expenditure (m) Denotes a value of less than \$1 r	28 29 31
	(iii) Denotes a value of less than \$11	
4.00900	Sale of tangible personal t	property and services used exclusively in the educational
		rivate college or university located in Georgia in which the
		e University System of Georgia
	Statute	§48-8-3(9)
	Year Enacted	1966
	Year Effective	1966
	Data Source	University System of Georgia Annual Financial Report
	Estimate Reliability	Class C
	Data Reliability	Class C
	Note	Estimate combined with 4.00800
		gible personal property and services used exclusively in the
		function of an approved private college or university
		eorgia whose credits are accepted by the University System
	of Georgia.	
		State Fiscal Years (\$ in Millions)
		$\frac{2017}{2018}$ $\frac{2018}{2019}$
	State Tax Expenditure	Estimate combined
	Local Tax Expenditure	with 4.00800
	(m) Denotes a value of less than \$1 r	hillion
4.01000	Sales of tangible personal	property and services used exclusively in the educational
101000		rivate elementary or secondary school
	Statute	
		§48-8-3(10) 1968
	Statute	§48-8-3(10)
	Statute Year Enacted	\$48-8-3(10) 1968
	Statute Year Enacted Year Effective	§48-8-3(10)19681968The National Center for Education Statistics and the
	Statute Year Enacted Year Effective	\$48-8-3(10) 1968 1968
	Statute Year Enacted Year Effective Data Source	 §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education
	Statute Year Enacted Year Effective Data Source Estimate Reliability	 §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	 §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational	 §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang	 §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C class C gible personal property and services used exclusively in the function of an approved private elementary or secondary
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational	 §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C gible personal property and services used exclusively in the function of an approved private elementary or secondary State Fiscal Years (\$ in Millions)
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school.	\$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C gible personal property and services used exclusively in the function of an approved private elementary or secondary State Fiscal Years (\$ in Millions) <u>2017</u> <u>2018</u> <u>2019</u>
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school.	$\begin{array}{c} \$48-8-3(10) \\ 1968 \\ 1968 \\ The National Center for Education Statistics and the Georgia Department of Education Class C \\ Class C \\ Class C \\ \end{array}$
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure Local Tax Expenditure	$\begin{array}{c} \$48-8-3(10) \\ 1968 \\ 1968 \\ The National Center for Education Statistics and the Georgia Department of Education Class C \\ Class C \\ Class C \\ \end{array}$
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school.	$\begin{array}{c} \$48-8-3(10) \\ 1968 \\ 1968 \\ The National Center for Education Statistics and the Georgia Department of Education Class C \\ Class C \\ Class C \\ \end{array}$
4.01100	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m	$\begin{array}{c} \$48-8-3(10) \\ 1968 \\ 1968 \\ The National Center for Education Statistics and the Georgia Department of Education Class C Class C \\ Class C \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\$
<u>4.01100</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 r	\$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C gible personal property and services used exclusively in the function of an approved private elementary or secondary State Fiscal Years (\$ in Millions) 2017 2018 $20196 6 74 4 5nillionproperty or services to, and the purchase of tangible$
<u>4.01100</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 r	\$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C gible personal property and services used exclusively in the function of an approved private elementary or secondary State Fiscal Years (\$ in Millions) $2017 2018 2019 \\ 6 6 7 \\ 4 4 5$ nillion property or services to, and the purchase of tangible ces by, any educational or cultural institute
<u>4.01100</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Sale of tangible personal p personal property or service	\$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C gible personal property and services used exclusively in the function of an approved private elementary or secondary State Fiscal Years (\$ in Millions) 2017 2018 $20196 6 74 4 5nillionproperty or services to, and the purchase of tangible$
<u>4.01100</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure (m) Denotes a value of less than \$1 m Sale of tangible personal p personal property or service Statute	$\begin{array}{c} \$48-8-3(10) \\ 1968 \\ 1968 \\ The National Center for Education Statistics and the Georgia Department of Education Class C Class C \\ Class C \\ tible personal property and services used exclusively in the function of an approved private elementary or secondary \\ \\ State Fiscal Years (\$ in Millions) \\ \underline{2017} \underline{2018} \underline{2019} \\ 6 6 7 \\ 4 4 5 \\ \\ nillion \\ \hline \\ $
<u>4.01100</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 r <u>Sale of tangible personal p</u> personal property or service Statute Year Enacted	\$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C gible personal property and services used exclusively in the function of an approved private elementary or secondary State Fiscal Years (\$ in Millions) 2017 2018 $20196 6 74 4 5nillionproperty or services to, and the purchase of tangibleces by, any educational or cultural institute$48-8-3(11)1968$
<u>4.01100</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational school. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 r Sale of tangible personal p personal property or service Statute Year Enacted Year Effective	

	Data Reliability	Class A				
	Note					
	Description: Sales of tang tangible pers institute which Internal Revo through univ support of th funds of a fo department, of	onal property or ch: (A) Is tax exe enue Code; (B) Is ersities and othe eir educational p reign country; an or branch of a fo ocation in this sta	services by empt under Furnishes at r institutior programs; ((nd (D) Is an reign goven tte.	y, any educ Section 5 c least 50 p is of higher C) Is paid i instrume comment op	cational or cultural 01(c)(3) of the percent of its program er education in for by government	ns
	(m) Denotes a value of less than \$1 m	nillion				
<u>4.01200</u>	School lunches sold and se		nd employe	es of publ	lic schools	
	Statute Year Enacted	§48-8-3(12) 1953				
	Year Effective	1953				
	Data Source		1 Nutrition	Accorieti	on and the Georgia	
	Data Source	Department of		Associati	on and the Georgia	
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note					
	Description: Food, food in employees of	ngredients, and p f public schools.	prepared for	od sold an	d served to pupils an	d
		^	tate Fiscal	Years (\$ i	n Millions)	
		-	2017	2018	<u>2019</u>	
	State Tax Expenditure		7	7	6	
	Local Tax Expenditure		5	5	5	
	(m) Denotes a value of less than \$1 m	nillion				
<u>4.01300</u>	School lunches sold and se	erved to pupils a	nd employe	es of appr	coved private schools	5
	Statute	§48-8-3(13)				
	Year Enacted	1967				
	Year Effective	1967				
	Data Source	•			on and the National	
		Center of Edu	cation Stati	stics		
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note					_
	Description: Food, food in					d
	employees of			-	condary schools.	
		2			n Millions)	
	State Terr Device 1'		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		1 (m)	1 (m)	1 (m)	
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	villion	(m)	(m)	(m)	

4.01400 Sales of art and other artifacts for display or exhibition to museums

Statute	§48-8-3(14)
Year Enacted	1973
Year Effective	1973
Data Source	U.S. Economic Census and IRS Form 990 data
Estimate Reliability	Class C
Data Reliability	Class B

Note

Description: Sales of art and anthropological, archeological, geological, horticultural, or zoological objects or artifacts and other similar tangible personal property to or for the use by any museum or organization which is tax exempt under section 501(c)(3) of the Internal Revenue Code of such tangible personal property for display or exhibition in a museum within this state. State Fiscal Years (\$ in Millions)

	State Fiscal	Years (\$	in Million
	2017	2018	2019
	2017	2018	2019
State Tax Expenditure	1	1	1
Local Tax Expenditure	(m)	(m)	(m)
(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						
Statute		§48-8-3(15B)					
Year Enacted	Year Enacted						
Year Effectiv	e	1953					
Data Source		The National	Center for	Charitable	Statistics		
Estimate Reli	ability	Class C					
Data Reliabili	ity	Class B					
Note	-						
Description	Description: Sales of any reoperated by renter profit from to the benefit which the function year.		tions or der of the inst person. Wh	nomination itution or c nen the nur	is and no part lenomination nber of days	of the inures upon	
	•		State Fiscal	l Years (\$	in Millions)		
			2017	2018	<u>2019</u>		
State Tax Exp	oenditure		(m)	(m)	(m)		
Local Tax Ex	penditure		(m)	(m)	(m)		
(m) Denotes a valu	e of less than \$1 m	illion					
Sales of pipe	organs or stee	ple bells to any	y church qu	alifying as	<u>a nonprofit</u>		

<u>4.01510</u>	Sales of pipe organs or steeple bells to any church qualifying as a nonprofit				
	Statute	§48-8-3(15.1)			
	Year Enacted	2001			
	Year Effective	2001			
	Data Source	The Atlanta Chapter for The American Guild of Organists			
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note				

Description: Sales of pipe organs or steeple bells to any church qualifying as a nonprofit.

	nonprome.		a = 1			
			State Fiscal	-		
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		(m)	(m)	(m)	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 m	nillion				
<u>4.01700</u>	Sales of fuel or consumabl	le supplies use	ed by ships en	ngaged in i	nter-coastal or fo	<u>reign</u>
	<u>commerce</u>					
	Statute	§48-8-3(17))			
	Year Enacted	1951				
	Year Effective	1951				
	Data Source	U.S. Energy	y Information	Administr	ation, U.S.	
		Department	of Energy			
	Estimate Reliability	Class B				
	Data Reliability	Class A				
	Note					
	Description: Sales of fuel		. .	ed by ship	s engaged in inter	r-
	coastal or for	reign commer		V 7 (ф.	N (*11*	
			State Fiscal		,	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		8	8	8	
	(m) Denotes a value of less than \$1 m	nillion	5	5	6	
4.02000	XX7 / 1 1 1 1 1					
<u>4.02000</u>	Water delivered through w					
	Statute	§48-8-3(20))			
	Year Enacted	1966				
	Year Effective	1966				
	Data Source		ı of Labor Sta	atistics Con	nsumer Expenditu	ıre
		Survey				
	Estimate Reliability	Class C				
	Data Reliability	Class C				
	Note					
	Description: The sale of w	vater delivered	d to consumer	rs through	water mains, line	es, or
	pipes.		State Figoal	Voors (\$;	n Milliona)	
			State Fiscal 2017			
	State Terr Friday ditant			<u>2018</u>	$\frac{2019}{68}$	
	State Tax Expenditure		64	65 40	68 51	
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	nillion	48	49	51	
4 0 2 2 0 0		1	• • • • • • • • • • • • • • • • • • • •	1 1 .		
<u>4.02200</u>	Professional, insurance or	*			nvolve sales as	
	inconsequential elements f			ge 1s made		
	Statute	§48-8-3(22))			
	Year Enacted	1951				
	Year Effective	1951				
	Data Source	U.S. Census	s Bureau Econ	nomic Cen	sus	
	Estimate Reliability	Class C				
	Data Reliability	Class C				

Note

Description: Professional, insurance or personal service transactions which involve sales as inconsequential elements for which no separate charge is made. State Fiscal Years (\$ in Millions) 2017 2018 2016 See expenditure estimates State Tax Expenditure Local Tax Expenditure for services (4.50003, 4.50010, 4.50011) (m) Denotes a value of less than \$1 million 4.02300 Repair services when a separate charge is made to the customer §48-8-3(23) Statute Year Enacted 1951 Year Effective 1951 **US Economic Census** Data Source **Estimate Reliability** Class C Data Reliability Class C Note **Description:** Repair services when a separate charge is made to the customer. State Fiscal Years (\$ in Millions) 2016 2017 2018 State Tax Expenditure See expenditure estimates Local Tax Expenditure for Services (4.50003, 4.50010, 4.50011) (m) Denotes a value of less than \$1 million 4.02400 Rental of videotape or film to persons charging admission to view the tape or film Statute §48-8-3(24) Year Enacted 1989 Year Effective 1989 Data Source US Economic Census and Nash Information Services Box Office Data Class C Estimate Reliability Class C Data Reliability Note Description: Rental of videotape or film to persons charging admission to view the tape or film. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure 7 7 7 Local Tax Expenditure 5 5 5 (m) Denotes a value of less than \$1 million 4.03000 Vehicles purchased by service-connected disabled veterans when the U.S. Dept. of Veterans Affairs supplies a grant to purchase and specially adapted the vehicle Statute §48-8-3(30) Year Enacted 1972 Year Effective 1972 Data Source The Department of Veteran Affairs Class B **Estimate Reliability** Data Reliability Class B Note **Description:** The sale of a vehicle to a service-connected disabled veteran when the veteran received a grant from the United States Department of Veterans

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

	disability.				
			State Fiscal	Years (\$ i	n Millions)
			2017	2018	2019
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	illion			
<u>4.03420</u>	Machinery and equipment	used directly t	to remanufact	ure certain	n aircraft engines or
	aircraft engine parts				
	Statute	§48-8-3(34.2	2)		
	Year Enacted	1996			
	Year Effective	1996			
	Data Source	Fiscal Note t	for HB 933 L	C 40 0540) for 2014
	Estimate Reliability	Class B			
	Data Reliability	Class A			
	Note				
	Description: Machinery ar	nd equipment	used directly	to remanu	facture certain aircraft
					remanufacturing
	facility.	0 1	1		0
	2		State Fiscal	Years (\$ in	n Millions)
			2017	2018	2019
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	illion	()		
<u>4.03600</u>	Machinery and equipment		ity for the prin	mary purp	ose of reducing or
	eliminating air and water p				
	Statute	§48-8-3(36)			
	Year Enacted	1972			
	Year Effective	1972			
	Data Source		for HB 445 L	C 40 4571	S for 2015
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note			_	
	Description: Machinery ar				
	•	· ·	purpose of re	educing or	eliminating air and
	water pollution	on.	~ ~ ~		
			State Fiscal		
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	illion			
4.03800	Sale of tangible personal p	roperty and fe	as and charge	s for servi	ces by the Pock
	Eagle 4-H center	toperty and re	es and charge	5 101 501 11	ees by the Rock
	Statute	§48-8-3(38)			
	Year Enacted	§48-8-3(38) 1976			
	Year Effective	1976			
	Data Source		for HB 445/L	C 3/ 1571	\$ for 2015
		Class C	101 HD 443/L	C 34 43/1	5 101 2013
	Estimate Reliability				
	Data Reliability	Class C			

Note

Description:	Sale of tangible personal property and fees and charges for services by
	the Rock Eagle 4-H Center.

	the Rock	Lagie 4-11 Cente	State Fiscal	Years (\$ i	n Millions)	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		(m)	(m)	(m)	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than	1 \$1 million				
4.03900	Certain sales by a publ	lic or private scho	ol of tangible	personal 1	property.	
	concessions, and ticke				<u> </u>	
	Statute	§48-8-3(39))			
	Year Enacted	1994				
	Year Effective	1994				
	Data Source				IRS Form 990 etic Associatio	
	Estimate Reliability	Class C	C			
	Data Reliability	Class C				
	Note					
	Description: Sales by	any public or priv	vate school co	ntaining a	ny combinatio	on of
		indergarten throug				
		or admission to a s				
		eds from such sal	les are used so	olely for th	e benefit of su	uch
	school or	r its students.				
			State Fiscal			
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		2	2	2	
	(m) Denotes a value of less than		2	2	2	
	(iii) Denotes a value of less than					
<u>4.04000</u>	Sale of major component	ents or repair parts	s installed in r	nilitary ai	rcraft, vehicle	<u>s, or</u>
	<u>missiles</u>	810 0 2(10)				
	Statute Year Enacted	§48-8-3(40) 1965)			
	Year Effective	1965				
	Data Source		ng gov and th	AUS FO	onomic Censu	10
	Estimate Reliability	Class C	ing.gov and in	C U.S. LC	ononne Censu	15
	Data Reliability	Class B				
	Note					
	Description: Sale of n	najor components	or repair parts	s installed	in military air	rcraft,
		or missiles.			2	,
			State Fiscal	Years (\$ i	n Millions)	
			<u>2017</u>	2018	<u>2019</u>	
	State Tax Expenditure		49	57	47	
	Local Tax Expenditure		32	34	39	
	(m) Denotes a value of less than	1 \$1 million				
<u>4.04100</u>	Sale of tangible persor	· · ·		onprofit ch	uild-caring	
	institution, child-placing					
	Statute	§48-8-3(41))			
	Year Enacted	2004				
	Year Effective	2004				
						124

	placing ager maternity ho when such in providing ch under Section	s defined in paragra ncy as defined in pa ome as defined in pa nstitution, agency, of nild services and is on 501(c)(3) of the l fundraising activit	erty and s ph (1) of ragraph (aragraph or home i a non-pro (RS rever ies (limit	Code Sec (2) of Cod (14) of Co is engaged ofit, tax-ex nue code. ed to 30 d	ction 49-5-3; a child e Section 49-5-3, o ode Section 49-5-3, l primarily in tempt organization Also includes sales	r
	State Tay Expanditure		1	1	1	
	State Tax Expenditure		1	1	1	
	(m) Denotes a value of less than \$1 r	million	1	1	1	
<u>4.04300</u>	Revenues from coin-opera required Statute	ated amusement ma §48-8-3(43)	chines fo	or which in	ndividual permits a	<u>:e</u>
	Year Enacted	1992				
	Year Effective	1993				
	Data Source	U.S. Economic C	Census ar	nd DOR		
	Estimate Reliability	Class C				
	Data Reliability	Class B				
	Note		fers from	nrevious	reports due to new	data
	Description: Gross revent					
	_	hich vend or dispen			-	
		entertainment, or p			,	
				Years (\$ i	n Millions)	
			2017	2018	<u>2019</u>	
	State Tax Expenditure		27	$\frac{2010}{28}$	29	
	Local Tax Expenditure		20	20	2)	
	(m) Denotes a value of less than \$1 m	million	20	20	21	
<u>4.04600</u>	Sale of tangible personal p Statute	§48-8-3(46)	services	to nonprol	<u>fit blood banks</u>	
	Year Enacted	1980				
	Year Effective	1980	-	1 10 0 000		
	Data Source	U.S. Economic C	census ar	1d IRS 990) Form Data	
	Estimate Reliability	Class C				
	Data Reliability	Class B				
	Note		_			
	Description: Sale to certa		-	-	us according to	
	Section 501	(c)(3) of the IRS rev			.	
		Sta			n Millions)	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		2	2	2	
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	million	1	1	1	

<u>4.04700</u>	Sale of drugs dis	spensed by	prescription,	prescription	glasses, co	ontact lenses, co	ontact	
	lens samples and	l sales or u	use of certain of	controlled sub	ostances of	r dangerous dru	igs	
	Statute		§48-8-3(47)					
	Year Enacted		1984					
	Year Effective		1985					
	Data Source		State Health	Expenditure	s from the	Centers for M	edicare	
			and Medica	id Services				
	Estimate Reliabil	ity	Class B					
	Data Reliability Note		Class B					
	the ler pre	e treatment uses; prescr escription f ysicians, h	of drugs that are lawfully dispensable only by prescription for nt of natural persons; prescription eyeglasses and contact cription contact lens samples; drugs dispensable by a for the treatment of natural persons without charge to hospitals, etc. by pharmaceutical manufacturers or ; drugs and durable medical equipment dispensed or distributed					
	without charge solely for the purposes of a clinical trial approved by							
						his exemption		
						animal use, or		
	pre	escription e	eyeglasses.					
		•		State Fiscal	Years (\$	in Millions)		
				<u>2017</u>	2018	<u>2019</u>		
	State Tax Expendence	liture		419	447	479		
	Local Tax Expen			311	332	355		
	(m) Denotes a value of	less than \$1 m	illion					
<u>4.04800</u>	Sale of crab bait	to license	d commercial	<u>fishermen</u>				
	Statute		§48-8-3(48)					
	Year Enacted		1985					
	Year Effective		1985					
	Data Source		Georgia Dep Economic C	•	latural Res	sources and the	U.S.	
	Estimate Reliabil	ity	Class C					
	Data Reliability Note		Class C					
	Description: Sa	le of crab l	hait to license	d commercial	fisherma	n		
	Description, su			State Fiscal				
				<u>2017</u>	<u>2018</u>	<u>2019</u>		
	State Tax Expendence	liture		(m)	(m)	(m)		
	Local Tax Expen			(m)	(m)	(m)		
	(m) Denotes a value of		illion		· · ·			
<u>4.05000</u>	Sales of insulin prescription	syringes ar	nd blood gluce	ose level mea	<u>suring stri</u>	ps dispensed w	<u>vithout a</u>	
	Statute		§48-8-3(50)					
	Year Enacted		1986					
	Year Effective		1986					
	Data Source		The Centers	for Disease	Control an	d Prevention a	nd the	
			Medical Exp	penditures Pa	nel Surve	У		
	Estimate Reliabil	ity	Class C					
	Data Reliability		Class C					

	Note	This estimat		n the previ	ious year's report	due
	Description: Sale of blood delivery syste and blood glu prescription.	measuring deems used excl	evices, monitousively by di	abetics; in	sulin, insulin syrii	nges
	FF		State Fiscal	Years (\$	in Millions)	
			2017	2018	<u>2019</u>	
	State Tax Expenditure		21	22	23	
	Local Tax Expenditure		15	16	17	
	(m) Denotes a value of less than \$1 m	illion				
4.05100	Sala of oxygon whon prose	ribad by a lia	ongod nhygigi	on		
4.05100	Sale of oxygen when prese Statute	§48-8-3(51)		<u>an</u>		
	Year Enacted	1986				
	Year Effective	1986				
	Data Source		l Expenditure	Donal Su	ryay and Tha	
	Data Source		of Health and		•	
	Estimate Reliability	Class C	of ficaltif and	u Human v	Jei vices	
	Data Reliability	Class C				
	Note					
	Description: Sale of oxyge	en when prese	ribed by a lic	ensed phy	vsician	
	Description. Suc of oxyge	in when prese	State Fiscal			
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		1	1	1	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 m	illion	()	()	()	
<u>4.05200</u>	Sale or use of hearing aids					
	Statute	§48-8-3(52))			
	Year Enacted	1986				
	Year Effective	1986				
	Data Source		penditure Pan	el Survey	and Healthy Hear	ing
		Review				
	Estimate Reliability	Class A				
	Data Reliability	Class B				
	Note					
	Description: Exempts the s	sale or use of				e tax.
			State Fiscal		,	
	a		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		5	6	6	
	Local Tax Expenditure	:11:	4	4	4	
	(m) Denotes a value of less than \$1 m	IIIOII				
4.05300	Transactions where food st	amps or WIC	coupons are	used as th	e method of	
	payment of payment					
	Statute	§48-8-3(53)	1			
	Year Enacted	1986				
	Year Effective	1987				
	Data Source		nd Nutrition	Service an	d the U.S. Depart	ment
		of Agricult			S.S. Doput	
	Estimate Reliability	Class B				
	······································					

	Data Reliability	Class A				
	Note		•. •			
	Description: Sales tax is a	not applied on	items purcha	sed using 1	food stamps or	WIC
	coupons.		State Fiscal	Years (\$ i	n Millions)	
			2017	2018	<u>2019</u>	
	State Tax Expenditure		111	110	110	
	Local Tax Expenditure		83	83	83	
	(m) Denotes a value of less than \$1 r	nillion				
4.05400	Sale or use of any durable	medical equir	ment or pros	thetic devi	ce prescribed b	y a
	physician	1.1	k		<u> </u>	
	Statute	§48-8-3(54)				
	Year Enacted	1992				
	Year Effective	1993	C			1
	Data Source				penditures and t	he
	Estimata Daliability	Class B	penditure Par	iel Survey		
	Estimate Reliability Data Reliability	Class B Class A				
	Note	Class A				
	Description: Sale or use of	of any durable	medical equi	pment or r	rosthetic device	
	_	y a physician.		r r		
	-		State Fiscal	Years (\$ i	n Millions)	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		35	36	38	
	(m) Denotes a value of less than \$1 r	million	26	27	28	
	(III) Denotes a value of less than \$11	mmon				
<u>4.05500</u>	Sale of Georgia lottery tic	<u>kets</u>				
	Statute	§48-8-3(55)				
	Year Enacted	1992				
	Year Effective	1992	~ ·		1.5	
	Data Source	U	tery Commis	sion Annu	al Report	
	Estimate Reliability	Class A				
	Data Reliability Note	Class A				
	Description: Sale of lotter	ry tickets auth	orized by O.C	C.G.A Cha	pter 27 of Title	50.
		ry denets dation	State Fiscal			001
			2017	2018	2019	
	State Tax Expenditure		169	175	180	
	Local Tax Expenditure		125	130	133	
	(m) Denotes a value of less than \$1 m	million				
4.05600	Sale by any qualified non	profit parent-te	acher organi	zation		
	Statute	§48-8-3(56)	÷			
	Year Enacted	1995				
	Year Effective	1995				
	Data Source		ent Teacher A	Association	n and IRS Form	990
	Estimate Reliability	Class C				
	Data Reliability	Class B				
	Note Description: Sale by any	qualified nonn	rofit poront t	anchor ora	nization	
	Description: Sale by any	quanneu nonp	ioni parent to	eacher org	anization.	

			Ctate Elevel V	Vaana (¢ :	M(11: ana)	
			State Fiscal ` 2017	$\frac{2018}{2018}$	2019	
	State Tax Expenditure		1	1	1	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 m	illion	(111)	(111)	(111)	
		_				
<u>4.05700</u>	Food purchased for off-pre		<u>otion</u>			
	Statute	48-8-3(57)				
	Year Enacted Year Effective	1996				
	Data Source	1998 U.S. Consum	or Exponditu	ro Survoy		
	Estimate Reliability	U.S. Consum Class B	er Experiatu	ie Suivey		
	Data Reliability	Class B				
	Note					
	Description: Exemption a	pplies to food a	nd food ingr	edients, w	hich means	
			-		frozen, dried, or	
					wing by humans	
					does not apply to	
		-		-	tion items, vitami	ns,
		. It does not ap		al option	sales	
		s used primaril		1 .1		
	•	• • •	s (cough drop	os, breath	strips, over the	
	counter medi	. ,	State Fiscal	Voors (\$ in	n Millions)	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		539	<u>2010</u> 550	<u>2015</u> 559	
	Local Tax Expenditure		0	0	0	
	(m) Denotes a value of less than \$1 m	illion				
4 05710	0.1	1:C.	f 1 1 1 - (
<u>4.05710</u>	Sales of food and beverage Statute	-		expires Ju	<u>ne 30, 2021)</u>	
	Year Enacted	\$48-8-3(57.1 2006)			
	I Cal Ellacicu	2000				
	Vear Effective	2006				
	Year Effective Data Source	2006 Fiscal Note fe	or HB 763 L	C 430293	S for 2014	
	Data Source	Fiscal Note f	or HB 763 L	C 430293	S for 2014	
	Data Source Estimate Reliability		or HB 763 L0	C 430293	S for 2014	
	Data Source	Fiscal Note for Class B Class B			S for 2014 2006 and expired	June
	Data Source Estimate Reliability Data Reliability	Fiscal Note for Class B Class B Exemption w	as first estab	lished in 2		
	Data Source Estimate Reliability Data Reliability Note	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a	as first estab rrent exempti and June 30,	lished in 2 on applies 2021	2006 and expired s for sales betwee	n
	Data Source Estimate Reliability Data Reliability Note Description: Sales of food	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a	as first estab rrent exempti and June 30,	lished in 2 on applies 2021	2006 and expired s for sales betwee	n
	Data Source Estimate Reliability Data Reliability Note	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages	as first estab rrent exempti and June 30, to a qualifie	lished in 2 on applie: 2021 d food bar	2006 and expired s for sales betwee nk (expires June 3	n
	Data Source Estimate Reliability Data Reliability Note Description: Sales of food	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal Y	lished in 2 on applies 2021 d food bar Years (\$ in	2006 and expired s for sales betwee nk (expires June 3 n Millions)	n
	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021)	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal ⁷ <u>2017</u>	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u>	2006 and expired s for sales betwee nk (expires June 3 n Millions) <u>2019</u>	n
	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021) State Tax Expenditure	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal Y <u>2017</u> 1	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u> 1	2006 and expired s for sales betwee nk (expires June 3 n Millions) <u>2019</u> 1	n
	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021)	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal ⁷ <u>2017</u>	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u>	2006 and expired s for sales betwee nk (expires June 3 n Millions) <u>2019</u>	n
	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021) State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal Y <u>2017</u> 1 (m)	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u> 1 1	2006 and expired s for sales between nk (expires June 3 n Millions) 2019 1 1	n
<u>4.05720</u>	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021) State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Exemption for prepared for	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal 7 2017 1 (m) gredients that	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u> 1 1	2006 and expired s for sales between nk (expires June 3 n Millions) 2019 1 1	n
<u>4.05720</u>	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021) State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Exemption for prepared for nonprofit agency and used	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal Y <u>2017</u> 1 (m) gredients that ef purposes	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u> 1 1	2006 and expired s for sales between nk (expires June 3 n Millions) 2019 1 1	n
<u>4.05720</u>	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021) State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Exemption for prepared for nonprofit agency and used Statute	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages illion od and food ing for hunger relii §48-8-3(57.2)	as first estab rrent exempti and June 30, to a qualifie State Fiscal Y <u>2017</u> 1 (m) gredients that ef purposes	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u> 1 1	2006 and expired s for sales between nk (expires June 3 n Millions) 2019 1 1	n
<u>4.05720</u>	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021) State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Exemption for prepared for nonprofit agency and used Statute Year Enacted	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 and beverages	as first estab rrent exempti and June 30, to a qualifie State Fiscal Y <u>2017</u> 1 (m) gredients that ef purposes	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u> 1 1	2006 and expired s for sales between hk (expires June 3 h Millions) 2019 1 1	n
<u>4.05720</u>	Data Source Estimate Reliability Data Reliability Note Description: Sales of food 2021) State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Exemption for prepared for nonprofit agency and used Statute	Fiscal Note for Class B Class B Exemption w 30, 2010. Cur July 1, 2014 a and beverages illion od and food ing for hunger relii §48-8-3(57.2)	as first estab rrent exempti and June 30, to a qualifie State Fiscal Y <u>2017</u> 1 (m) gredients that ef purposes	lished in 2 on applie: 2021 d food bar Years (\$ in <u>2018</u> 1 1	2006 and expired s for sales between hk (expires June 3 h Millions) 2019 1 1	n

	Data Source	Fiscal Note for HB	763 LC 43 0191	S for 2015			
	Estimate Reliability	Class A					
	Data Reliability	Class A					
	Note	This exemption was	s eliminated in 2	011 and reinstated in			
		2015. This provision					
		2020.		I ,			
	Description: The use of fo	od and food ingredier	nts that are dona	ted to a qualified			
	nonprofit agency and that are used for hunger relief purposes. "Qualifie						
	· · · ·	ncy" means any entity	÷	· · · ·			
	· · ·	he Internal Revenue	•	-			
		ude drugs or over-the		e			
		0	Fiscal Years (\$ i	n Millions)			
		201		2019			
	State Tax Expenditure	3		3			
	Local Tax Expenditure	2		2			
	(m) Denotes a value of less than \$1 m	illion					
<u>4.05730</u>	Exemption for food and for	od ingredients that are	e donated follow	<u>ving a natural</u>			
	disaster and used for disast	er relief					
	Statute	§48-8-3(57.3)					
	Year Enacted	2015					
	Year Effective	2015					
	Data Source	Fiscal Note for HB	445/LC 34 4571	IS for 2015			
	Estimate Reliability	Class C					
	Data Reliability	Class B					
	Note	This provision is sch					
	Description: Exemption for						
		er and used for disast	er relief and doe	es not apply to any			
	donated over	the counter drugs.					
			Fiscal Years (\$ i				
		<u>201</u>		<u>2019</u>			
	State Tax Expenditure	(m	, , ,	(m)			
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	(n	n) (m)	(m)			
	(iii) Denotes a value of less than \$1 iii	linon					
4.05900	Sale of eligible food and be	everages by any Girl of	or Boy Scout co	uncil			
	Statute	§48-8-3(59)					
	Year Enacted	1996					
	Year Effective	1996					
	Data Source	The American Com	munity Survey,	IRS Form 990 data,			
		and Girl Scouts of A	• •				
	Estimate Reliability	Class B		*			
	Data Reliability	Class B					
	Note						
	Description: Sales of food	or food ingredients to	o and by membe	er councils of the Girl			
	Scouts or Bo	y Scouts of America i	n connection wi	ith fundraising			
	activities.			-			
		State F	Fiscal Years (\$ i	n Millions)			
		<u>20</u> 2		2019			
	State Tax Expenditure	1	. 1	1			
	Local Tax Expenditure	1	. 1	1			
	(m) Denotes a value of less than \$1 m	illion					

<u>4.06000</u>	Sale of certain machiner	y and equipment	used to imp	rove air q	<u>uality in a clean room</u>			
	of Class 100,000 or less		-	-				
	Statute	§48-8-3(60)						
	Year Enacted	2000						
	Year Effective	2001						
	Data Source	Fiscal Note for	or HB 445/I	C 34 457	'18 for 2015			
	Estimate Reliability	Class C		2001107	15 101 2010			
	Data Reliability	Class C						
	Note	Class C						
	Description: Sales of certain machinery and equipment used to improve air quality in a clean room of Class 100,000 or less when incorporated into							
					porated into			
	telecommu	nications manufa						
				-	in Millions)			
	~		<u>2017</u>	<u>2018</u>	<u>2019</u>			
	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 orig	ginal state of prod	luction by th	he sod pro	oducer, employee of			
	the producer, or family n							
	Statute	§48-8-3(62)						
	Year Enacted	1998						
	Year Effective	1998						
	Data Source		of Agricultu	re the U	S. Economic Census,			
	Bulu Source	and the Annu	-					
	Estimate Reliability	Class B	ur bur vey o	1 000 1100				
	Data Reliability	Class D						
	Note	Class A						
	Description: Sod grass s	old in the origina	l state of pr	oduction	by the sod producer,			
		of the producer, or						
			not apply to	sales fror	n a nursery or other places	s		
	where plan							
			State Fiscal	Years (\$	in Millions)			
			<u>2017</u>	2018	<u>2019</u>			
	State Tax Expenditure		3	3	3			
	Local Tax Expenditure		2	2	2			
	(m) Denotes a value of less than \$1	l million						
<u>4.06300</u>	Funeral merchandise wh	en paid with fund	ls from the	Georgia C	crime Victims			
	Emergency Fund	F						
	Statute	§48-8-3(63)						
	Year Enacted	1998						
	Year Effective	1998						
	Data Source		Crime Ren	ort and the	e National Office for			
	Data Source	Victims of Cr						
	Estimate Reliability	Class C						
	Data Reliability	Class C						
	Note							
	Description: The sale or	use of funeral m	erchandise.	outer buri	ial containers, and			
	-	narkers as defined						
		sed with funds rec						
	*			· · · ·	-			

	Victima Emo	maan ay Eynd y	ndon Chontor	- 15 of TH	1. 17	
	vicums Eme	ergency Fund u				
			State Fiscal	-		
	State Terr Erre en diture		$\frac{2017}{(m)}$	<u>2018</u>	$\frac{2019}{(m)}$	
	State Tax Expenditure		(m)	(m)	(m)	
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	nillion	(m)	(m)	(m)	
	() +					
<u>4.06500</u>	Sale of dyed diesel fuel us	ed exclusively	for operation	ns of vesse	els or boats by li	censed
	commercial fishermen					
	Statute	§48-8-3(65)				
	Year Enacted	NA				
	Year Effective	NA				
	Data Source	The Georgia	Department	of Natura	l Resources and	the
		U.S. Econom	nic Census			
	Estimate Reliability	Class C				
	Data Reliability	Class C				
	Note					
	Description: Sale of dyed	diesel fuel use	d exclusively	y for opera	ations of vessels	or
	boats by lice	nsed commerci	al fishermen	l. –		
			State Fiscal		in Millions)	
			2017	2018	2019	
	State Tax Expenditure		1	1	1	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 m	nillion				
1.0.00		. 1 11.				
<u>4.06600</u>	Sale of gold, silver, or plat					
	Statute	§48-8-3(66)				
	Year Enacted	2000				
	Year Effective	2000	4 1			
	Data Source	US Mint 201	4 annual rep	ort		
	Estimate Reliability	Class C				
	Data Reliability	Class C				
	Note		1 11.			
	Description: Sale of gold,	silver, or platin			Milliona)	
			State Fiscal	-		
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		3	3	3	
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	villion	2	2	2	
	(iii) Denotes a value of less than \$1 ii	minon				
<u>4.06700</u>	Sale of coins or currency					
	Statute	§48-8-3(67)				
	Year Enacted	2000				
	Year Effective	2000				
	Data Source	Professional	Numismatis	ts Guild		
	Estimate Reliability	Class C	i (annoniació)	us Ouna		
	Data Reliability	Class C				
	Note					
	Description: Sale of coins	or currency				
	Description. Sale of coms	or currency.				

			State Fiscal		
			<u>2017</u>	2018	<u>2019</u>
	State Tax Expenditure		1 1	1 1	1
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	nillion	1	1	1
<u>4.06900</u>	Sales of machinery and eq	uipment and m	naterial incorr	porated an	nd used in a clean
	room of Class 100 or less	_	_		
	Statute	§48-8-3(69)			
	Year Enacted	2000			
	Year Effective	2001			
	Data Source		for HB 445/L	C 34 457	1S for 2015
	Estimate Reliability	Class C			
	Data Reliability	Class C	1 • 1 • 1	1.0.000	
	Note	Estimate Con			
	Description: Sales of mac	• • •			-
		-			100 or less when the tangible personal
	property.	s used uncerty	in the manuf		ungiole personal
			State Fiscal	Years (\$ i	in Millions)
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure		Estimate Con	mbined w	ith 4.06000
	Local Tax Expenditure				
	(m) Denotes a value of less than \$1 n	nillion			
<u>4.07000</u>	Sale of natural gas used di	•	anufacture of	electricit	<u>y</u>
	Statute	§48-8-3(70)			
	Year Enacted	1999			
	Year Effective	2000	Information	A	untion.
	Data Source Estimate Reliability	Class B	Information A	Adminisu	ration
	Data Reliability	Class B Class A			
	Note	Class A			
	Description: Sale of natur		-	ctly in the	e manufacture of
	electricity wh	hich is subsequ	•	XX (A)	
			State Fiscal		
	State Terr Errage diture		<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure Local Tax Expenditure		$\begin{array}{c} 48\\0\end{array}$	52 0	56 0
	(m) Denotes a value of less than \$1 m	nillion	0	0	0
4.07100	Sale to or by an organizati	on whose prim	arv nurnose i	s to raise	funds for books
	materials, and programs for			<u>is to fuise</u>	runde for boons,
	Statute	§48-8-3(71)			
	Year Enacted	1999			
	Year Effective	2000			
	Data Source	National Cer	nter for Chari	table Stat	istics
	Estimate Reliability	Class B			
	Data Reliability	Class B			
	Note	_	_		
	Description: Sale to or by				
	books, mater	ials, and progr	ams for publi	c libraries	S.

			State Fiscal 2017	Years (\$ i <u>2018</u>	n Millions) <u>2019</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	illion	(m)	(m)	(m)
<u>4.07200</u>	Sale of prescribed mobility	enhancing eq	luipment		
	Statute	§48-8-3(72)			
	Year Enacted	1999			
	Year Effective	2000 State Health	Erro en diterro	- frame (1) -	Contono for Madioona
	Data Source		•		Centers for Medicare dical Expenditure
		Panel Survey			ulcal Experiature
	Estimate Reliability	Class B	<i>y</i>		
	Data Reliability Note	Class B			
	Description: The sale to o prescribed by	• •	ient of all mo	bility enha	ancing equipment
		1.2	State Fiscal	Years (\$ i	n Millions)
			<u>2017</u>	2018	<u>2019</u>
	State Tax Expenditure		2	2	2
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	illion	2	2	2
	()				
<u>4.07500</u>	Sales tax holiday for back t		-	l <u>y 31, 201</u>	<u>6)</u>
	Statute	§ 48-8-3(75))		
	Year Enacted Year Effective	2012			
	Data Source	2013 Fiscal Note :	for HB 958 I	C 34 411	2-EC for 2014
	Estimate Reliability	Class A		0 54 4112	2 LC 101 2014
	Data Reliability	NA			
	Note		•	· ·	es have been utilized
	Degerintions Coles Tory He		2002; expire		
	Description: Sales Tax Ho				ess. School Supplies
					components, and
					ce of \$1,000 or less.
			State Fiscal		
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure Local Tax Expenditure		42 21	$\begin{array}{c} 0\\ 0\end{array}$	0 0
	(m) Denotes a value of less than \$1 m	illion	21	0	0
<u>4.07600</u>	Exemption for personal pro	operty used in	the renovation	on or expa	<u>nsion of an aquarium</u>
	Statute	48-8-3(76)			
	Year Enacted	2015			
	Year Effective	2015 Eigenl Noted		C 20 7 4 24	5 for 2015
	Data Source Estimate Reliability	Class A	for HB 238 L	C 20 /423	0 101 2013
	Data Reliability	Class A			
	Note		ion expired J	anuary 1,	2017
	Description: Sale or use o				

or expansion of an aquarium located in this state that charges admission and is owned or operated by an organization that is tax exempt under 501(c)(3). Qualifying aquarium must pay tax and apply for refund. State Fiscal Years (\$ in Millions)

	State I ibeai	Γ curb (φ	III IVIIIIIO
	<u>2017</u>	<u>2018</u>	<u>2019</u>
State Tax Expenditure	(m)	0	0
Local Tax Expenditure	(m)	0	0
(m) Denotes a value of less than \$1 million			

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

 Statute
 §48-8-3(81)

 Year Enacted
 2005

 Year Effective
 2005

Data SourceBureau of Transportation StatisticsEstimate ReliabilityClass BData ReliabilityClass 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)			
	<u>2017</u>	2018	<u>2019</u>	
State Tax Expenditure	4	4	4	
Local Tax Expenditure	3	3	3	
(m) Denotes a value of less than \$1 million				

4.08200 Sales tax holiday for water-efficient and energy-efficient purchases (expired October

2, 2016)	
Statute	§ 48-8-3(82)
Year Enacted	2012
Year Effective	2013
Data Source	Fiscal Note for HB 958 LC 34 4112-EC for 2014
Estimate Reliability	Class B
Data Reliability	Class B
Note	Sales tax holidays for energy-efficient products have been
	utilized beginning in 2005; expired October 2, 2016
Description: Sales Tax H	oliday- From 12:01 AM on September 30, 2016 until

Description: Sales Tax Holiday- From 12:01 AM on September 30, 2016 until Midnight on October 2, 2016. The purchase of certain noncommercial home or personal use Energy Star Qualified Products and Water Sense Products with a sales price of \$1,500 or less per product.

	I.		1 1	
		State Fiscal	Years (\$	in Millions)
		2017	2018	<u>2019</u>
State Tax Expenditure		(m)	0	0
Local Tax Expenditure		(m)	0	0
(m) Denotes a value of less than \$1 million				

<u>4.08300</u>	Sale of biomass mate	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 Reliability	Class B			
	Data Reliability Note	Class A			
		use of biomass material, including pellets or other fuels			
		n compressed, chipped, or shredded biomass material, utilized			
		ction of energy, including without limitation the			
		of electricity and/or steam.			
	r	State Fiscal Years (\$ in Millions)			
		<u>2017 2018 2019</u>			
	State Tax Expenditure	$\overline{1}$ $\overline{1}$ $\overline{2}$			
	Local Tax Expenditure	1 1 1			
	(m) Denotes a value of less than \$1 r	million			
<u>4.08600</u>		uipment and other tangible personal property used in the			
	maintenance or repair of c				
	Statute	§48-8-3(86)			
	Year Enacted	2009			
	Year Effective	2009			
	Data Source	Fiscal Note for HB 933 LC 40 0540 for 2014			
	Estimate Reliability Data Reliability	Class C Class C			
	Note	Class C			
	Description: The sale or use of engines, parts, equipment, and other tangible personal				
property used in the maintenance or repair of aircraft when such					
		ts, equipment, and other tangible personal property are			
		such aircraft that is being repaired or maintained in this			
		g as such aircraft is not registered in this state.			
		State Fiscal Years (\$ in Millions)			
		<u>2017</u> <u>2018</u> <u>2019</u>			
	State Tax Expenditure	17 17 18			
	Local Tax Expenditure	13 13 14			
	(m) Denotes a value of less than \$1 m	million			
<u>4.08700</u>	Sales of tangible personal	property used to renovate or expand a zoological			
	institution (expires June 3	0, 2018)			
	Statute	§48-8-3(87)			
	Year Enacted	2009			
	Year Effective	2009			
	Data Source	Fiscal Note for HB 428 LC 40 0827 for 2015			
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note Description: Sales of tank	gible personal property used to renovate or expand a non-			
	1 0	gical institution located in this state that charges for			
		exhibits, and cares for a collection consisting primarily of			
		er than fish, and has received accreditation from the			
		of zoos and aquariums, and is owned or operated by an			
		that is tax exempt under section $501(c)(3)$ of the Internal Revenue			
		ption cannot exceed \$350,000 per institution and the exemption			
	expires June	2 30, 2018.			

		St		-	n Millions)	
	~ ~ ~ ~ "		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		(m)	(m)	0	
	Local Tax Expenditure (m) Denotes a value of less than \$1 mi	illion	(m)	(m)	0	
<u>4.09300</u>	Sale of tangible personal project of regional signification June 30, 2019				*	
	Statute	§ 48-8-3(93)				
	Year Enacted	2012				
	Year Effective	2012				
	Data Source	Fiscal Note for	HB 958 L	C 34 4112	-EC for 2014	
	Estimate Reliability	Class B				
	Data Reliability Note	Class B				
	Description: For the period	l commencing Ja	nuary 1, 2	012, until	June 30, 2019, sales	5
		ersonal property u	-			
	competitive p	roject of regiona	l significa	nce. The ex	xemption	
	applies to pur	chases made dur	ing the ent	tire time of	construction of the	
	· · · ·		•		g as such project me	
				÷	significance" within	1
	the period commencing January 1, 2012, until June 30, 2016.					
		St			n Millions)	
	~ ~ ~ ~ "		<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		9	9	9	
	(m) Denotes a value of less than \$1 mi	illion	7	7	7	
4.09700	Sales of admission to a non	recurring major	sporting e	vent		
1107700	Statute	§48-8-3(97)	sporting c	vent		
	Year Enacted	2016				
	Year Effective	2017				
	Data Source	Not Applicable				
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note					
	Description: Sales of admissions to nonrecurring major sporting events in this state					
	that are expected to generate over \$50 million in the host locality.					
		St	ate Fiscal	Years (\$ ir	n Millions)	
			<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Expenditure		1	3	1	
	(m) Denotes a value of less than \$1 mi	illion	1	3	1	
<u>4.09800</u>	Sales of tangible personal p	property and serv	vices to a q	ualified jo	<u>b training organizati</u>	ion
	Statute	§48-8-3(98)				
	Year Enacted	2016				
	Year Effective	2016				
	Data Source	Fiscal Note for	HB 924 L	C 34 4906	S for 2016	
	Estimate Reliability	Class A				
	Data Reliability	Class A				

Note **Description:** Sales of tangible personal property and services to a qualified job training organization located in this state when such organization is tax exempt under 501(c)(3). State Fiscal Years (\$ in Millions) 2018 2017 2019 State Tax Expenditure 1 1 1 Local Tax Expenditure 0 0 0 (m) Denotes a value of less than \$1 million 4.09900 Exemption for expenses related to the renovation or expansion of qualified theatres Statute §48-8-3(99) Year Enacted 2017 Year Effective Transactions occurring on or after July 1, 2017 Fiscal Note HB 265/LC 34 5180S for 2017 Data Source Estimate Reliability Class B Data Reliability Class B Provision expires December 30, 2018 Note **Description:** A sales tax exemption for qualified expenditures for tangible property used for or in the renovation or expansion of a qualified theatre. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure 0 (m) (m) Local Tax Expenditure 0 (m) (m) (m) Denotes a value of less than \$1 million Exemption for sales of tickets to a qualified fine arts performance or exhibition 4.10000 Statute §48-8-3(100) Year Enacted 2017 Year Effective Transactions occurring on or after April 25, 2017 Data Source Fiscal Note HB 265/LC 34 5180S for 2017 **Estimate Reliability** Class B Data Reliability Class B Note Provision expires June 30, 2020 **Description:** A sales tax exemption sales of tickets, fees, or charges for admission to a qualified fine arts performance or exhibition. State Fiscal Years (\$ in Millions) <u>201</u>7 2018 2019 State Tax Expenditure 1 4 4 4 4 Local Tax Expenditure 1 (m) Denotes a value of less than \$1 million Exemptions for energy, machinery or equipment, industrial material, and 4.3.2 consumable supplies used in manufacturing Statute § 48-8-3.2 Year Enacted 2012

Year Enacted2012Year Effective2013Data SourceBureau of Economic AnalysisEstimate ReliabilityClass AData ReliabilityClass ANoteModified 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: Exemptions for energy, machinery or equipment, industrial material, and consumable supplies used in manufacturing.

State Fiscal Years (\$ in Millions)

	State I isear Tears (\$ in minimum			
	2017	2018	<u>2019</u>	
State Tax Expenditure	3,091	3,140	3,198	
Local Tax Expenditure	2,133	2,167	2,206	
(m) Denotes a value of less than \$1 million				

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

chergy used in agriculture,	and agricultural machinery and equipment
Statute	§ 48-8-3.3
Year Enacted	2012
Year Effective	2013
Data Source	National Agricultural Statistical Service
Estimate Reliability	Class B
Data Reliability	Class A
Note	

Description: Sale to, or use by, a qualified agriculture producer of agricultural production inputs, energy used in agriculture, and agricultural machinery and equipment.

una equipment.					
	State Fiscal Years (\$ in Million				
	<u>2017</u>	<u>2018</u>	<u>2019</u>		
State Tax Expenditure	150	156	164		
Local Tax Expenditure	104	108	113		
(m) Denotes a value of less than \$1 million					

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

Exemption for quanticu	boat repairs		
Statute	§48-8-3.4		
Year Enacted	2017		
Year Effective	Transactions occurring on or after July 1, 2017		
Data Source	Fiscal Note HB 125/LC 34 5201S/AM 43 0065ER for 2017		
Estimate Reliability	Class B		
Data Reliability	Class B		
Note	The provision expires on June 30, 2025		
Description: A sales tax exemption for certain tangible property used in the repair,			
retrofit, or	maintenance of boats. The exemption cannot exceed		
\$35,000 fc	or any single repair, retrofit, or maintenance event.		
	State Fiscal Years (\$ in Millions)		
	<u>2017</u> <u>2018</u> <u>2019</u>		
State Tax Expenditure	(m) (m) (m)		
Local Tax Expenditure	(m) (m) (m)		
(m) Denotes a value of less than \$	1 million		

4.5 Sales and Use Tax for Services

<u>4.50000</u>	Description: State Tax Exp Local Tax Exp	TV; coin-operated video ga amusements); membership enditure	ames (inclue	des pinball vate clubs;	overnight trailer parks.	
4.50001	<u>Agricultura</u>	l Services				
	Description:	Veterinary services (both	large and sn	nall anima	l); landscaping services	
		(including lawn care); pet g				
			State Fiscal	Years (\$ i		
			<u>2017</u>	<u>2018</u>	2019	
	State Tax Exp		168	172	178	
	Local Tax Exp	penditure e of less than \$1 million	126	129	134	
	(III) Denotes a value	e of less than \$1 minion				
<u>4.50002</u>	Automotive	e Services				
	Description: State Tax Exp Local Tax Exp	rustproofing and undercoat	ges; automo	otive washi harges on	ing and waxing; automotive repairs to motor vehicles.	
	(m) Denotes a value	e of less than \$1 million	e of less than \$1 million			
4 50003	Duainaga S	micco				
<u>4.50003</u>	Business Se	Billboards; test laboratorie	(oveluding	modical	interior design and	
		decorating; commercial art (not ad placement); sign co agencies; temporary help a information and credit burg maintenance and janitorial telephone answering service and court reporting service (detective) services; armor	and graphic onstruction a gencies; che eaus; exterm services; w se; telemark s; security s ed car servic State Fiscal <u>2017</u>	c design; a and installa eck and de ninating (in indow clea eting servi services (in ces. Years (\$ i <u>2018</u>	advertising agency fees ation; employment bt collection; credit ncludes termite services); aning; bail bond fees; aces on contract; secretarial ncludes private investigation n Millions) <u>2019</u>	
	State Tax Exp		724	742	768	
	Local Tax Exp (m) Denotes a value	penditure e of less than \$1 million	543	556	576	
<u>4.50004</u>	Computer a Description:	nd Online Services Online data processing ser movies and video content, providers – dial-up; interne	other electro	onic goods	s; internet service	

broadband; mainframe computer access and processing service; information services; software – custom programs and professional services.

	State Fiscal Years (\$ in Millions		
	<u>2017</u>	2018	<u>2019</u>
State Tax Expenditure	408	418	433
Local Tax Expenditure	306	314	325
(m) Denotes a value of less than \$1 million			

4.50005 Construction Labor

Description: Labor for the construction of buildings; heavy and civil engineering construction labor; labor of specialty trade contractors.

	State Fiscal Years (\$ in Millions)		
	<u>2017</u>	2018	<u>2019</u>
State Tax Expenditure	1,927	1,975	2,045
Local Tax Expenditure	1,445	1,481	1,534
(m) Denotes a value of less than \$1 million			

4.50006 Fabrication, Installation, and Repair Services

Description: Labor charges for repairs for other tangible property; TV/radio repairs and other electronic equipment; repair charges generally; labor charges on repair of aircraft; repairs to interstate vessels; repairs to railroad rolling stock; repairs or remodeling of real property; service contracts sold at the time of sale of tangible personal property; installation charges by persons selling property; installation charges by persons other than the seller of the property.

	State Fiscal Years (\$ in Millions		
	2017	2018	<u>2019</u>
State Tax Expenditure	235	241	249
Local Tax Expenditure	176	180	187
(m) Denotes a value of less than \$1 million			

4.50007 Finance, Insurance, and Real Estate

Description: Service charges of banking institutions includes loan broker fees; insurance services; property sales agents (real estate or personal); real estate management fees (rental agents); investment counseling; real estate title abstract services.

	State Fiscal Years (\$ in Millions		
	2017	2018	<u>2019</u>
State Tax Expenditure	1,045	1,072	1,110
Local Tax Expenditure	784	804	832
(m) Denotes a value of less than \$1 million			

4.50008 Industrial and Mining Services

Description: Seismograph and geophysical services; metal and nonmetal and coal mining services; typesetting services; platemaking for the print trade. State Fiscal Years (\$ in Millions)

	State Fiscal	i ears (\$	
	2017	2018	2019
State Tax Expenditure	11	11	11
Local Tax Expenditure	8	8	9
(m) Denotes a value of less than \$1 million			

4.50009 Residential Utility Service

Description: Interstate telephone (including local, long distance, and cellular service) and telegraph.

	State Fiscal Years (\$ in Millions)		
	<u>2017</u>	2018	<u>2019</u>
State Tax Expenditure	19	19	20
Local Tax Expenditure	14	14	15
(m) Denotes a value of less than \$1 million			

4.50010 Personal Services

Description: Carpet and upholstery cleaning; swimming pool cleaning and maintenance; water softening and conditioning; shoe repair; garment services (altering and repairing); health clubs, tanning parlors, and reducing salons; laundry and dry cleaning services – coin-operated; laundry and dry cleaning services – not coin-operated; massage services (includes dating services); tax return preparation; sports and recreation instruction; barber shops; beauty parlors; travel agent services.

-	State Fiscal Years (\$ in Millions)			
	2017	<u>2018</u>	<u>2019</u>	
State Tax Expenditure	295	302	313	
Local Tax Expenditure	221	227	235	
(m) Denotes a value of less than \$1 million				

4.50011 Professional Services

Description: Attorneys; accounting and bookkeeping; physicians; dentists; medical test laboratories; architects; engineers; land surveying; nursing services out of the hospital.

	State Fiscal Years (\$ in Millions)			
	2017	2018	<u>2019</u>	
State Tax Expenditure	2,195	2,250	2,330	
Local Tax Expenditure	1,646	1,687	1,747	
(m) Denotes a value of less than \$1 million				

4.50012 Storage

Description: Marine towing services (includes tugboats); household goods storage; cold storage (includes fur storage); food storage; mini-storage; marina service (docking, storage, cleaning, repair); packing and crating (includes bus services); other warehousing and storage (including automotive storage).

	State Fiscal Years (\$ in Millions)		
	<u>2017</u>	2018	<u>2019</u>
State Tax Expenditure	76	78	81
Local Tax Expenditure	57	59	61
(m) Denotes a value of less than \$1 million			

4.50013 Transportation Services

Description: Intrastate courier service.

	State Fiscal Years (\$ in Millions)		
	2017	2018	<u>2019</u>
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

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	DOR data as of 2016		
	Estimate Reliability	Class A		
	Data Reliability	Class A		
	Note			
	Description: Georgia allo	ws a vendor collection fee of 3 percent for the first \$3,000		
	and then 0.5 percent for amounts above \$3,000 but does not impose maximum limitation per vendor.			
		State Fiscal Years (\$ in Millions)		
		<u>2017</u> <u>2018</u> <u>2019</u>		

	2017	2010	2019
State Tax Expenditure	78	79	82
(m) Denotes a value of less than \$1 million			

4.9 Casual Sales

<u>4.90000</u>	Sales tax exemption for casual sales				
	Statute	DOR administrative rule			
	Year Enacted	NA			
	Year Effective	NA			
	Data Source	DOR data for 2015			
	Estimate Reliability	Class B			
	Data Reliability	Class A			
	NoteSales of all motor vehicles will be exempt from state a local sales tax beginning March 1st, 2013 but taxed un the Alternative Ad Valorem Tax on Motor Vehicles, so section 11 of the report. Provision listed as 4.30000 in reports prior to FY 2014.Densit dimensional distribution				
	Description: Purchases of boats, planes and other tangible goods sold by persons not in the business of selling such items are not subject to sales tax. (Prior to				
	the implementation of the Alternative Ad Valorem Tax on Motor				
	Vehicles this estimate included casual sale of motor vehicles.)				
	State Fiscal Years (\$ in Millions)				
		<u>2017 2018 2019</u>			
	State Tax Expenditure	2 2 2			
	Local Tax Expenditure (m) Denotes a value of less than \$1 r	nillion 1 1			

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

Expenditure	Statute	Summary
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 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
4.01800	§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
4.02500	810 0 2(25)	the newly formed business Fares of for-hire vehicles
	§48-8-3(25)	
4.03100	§48-8-3(31)	Sale of tangible personal property manufactured or assembled in
4.00000	8.40.0.0(22)	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
4.03300	840 0 2(22)	use outside Georgia
	§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
1 0 0 0 1 0		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
4.04200	<u></u>	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
4.04400	§48-8-3(44)	Sale of motor vehicles to nonresident purchasers when vehicles are
4.04400	840-0-2(44)	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
4.04300	§+0-0-5(+5)	distribution outside Georgia
4.06100	§48-8-3(61)	Advertising inserts that are used in newspapers for resale
4.06800	§48-8-3(68)	Sale of certain computer equipment when the total qualifying
	310 0 5(00)	purchases by a high technology company exceed \$15 million
4.00100	§48-8-3(91)	The sale of prewritten software which has been delivered to the
4.09100		

4.09400	§ 48-8-3(94)	The sale, use, consumption, or storage of materials, containers, labels, sacks, or bags used for packaging tangible personal property for shipment or sale
4.3.5	§ 36-88-3(8.1)	Exemption for sales within an enterprise zone

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 at 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 2016, state revenues from this tax equaled \$429 million and local revenues equaled \$529 million. The state proceeds from the tax are deposited into the State General Fund.

5.00100	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 Reliability	Class A	
	Note	Not applicable at the local level	
	Description: Property	and casualty insurance companies domiciled in Georgia are	
		educt from their Georgia tax liability taxes paid to other states	
		es written in those states.	
	1	State Fiscal Years (\$ in Millions)	
		<u>2017 2018 2019</u>	
	State Tax Expenditure	(m) (m) (m)	
	(m) Denotes a value of less than S	\$1 million	
-	. .		
<u>5.00200</u>		credits - Georgia Job Tax Credit	
	Statute	\$33-8-4.1; \$33-1-18; \$48-7-29.6	
	Year Enacted	1960	
	Year Effective	2000	
	Data Source	DOR data as of 2016 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 tax section, see 1.6.012 and 2.6.001.	
		section and the corporate tax beenon, see 1.0.012 and 2.0.001.	

	Description:	The credit pr	ovides a statew	vide job tax	credit to a	ny 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					
		-	-	-	-	ployers must offer	
		health insurance to all new employees.					
		neurin moure		State Fiscal	Years (\$ in	n Millions)	
				2017	2018	2019	
	Income Tax E	vnenditure		$\frac{2017}{14}$	14	15	
	Corporate Inc		anditura	101	103	106	
				7	7		
	Insurance Pres		penditure	$\frac{7}{122}$	125	<u>8</u> 129	
	State Tax Exp (m) Denotes a value		illion	122	123	129	
	(III) Denotes a valu	e of less than \$1 m	mon				
5.00300	Exemption fo	r premiums o	f high-deductik	le health nl	ans		
2.00200	Statute	n premiums o	§33-8-4	ne neutri pi	<u>uns</u>		
	Year Enacted		2008				
	Year Effective	.	2008				
	Data Source			rongo and S	ofoty Fire	Commissioner	
		h:1:4-	Class A	inalice and S	alety File	Commissioner	
	Estimate Relia	•					
	Data Reliabili	ty	Class A	<i>,</i> • •	1 D	1 21 2014	
	Note	T				cember 31, 2014.	
	Description:					their insurance	
						gia residents for high-	
			·	efined by Se	ection 233	of the Internal	
		Revenue Co		~			
				State Fiscal	-		
				<u>2017</u>	<u>2018</u>	<u>2019</u>	
	State Tax Exp			6	6	7	
	(m) Denotes a valu	e of less than \$1 m	illion				
5 00 400	Example of fo				1		
<u>5.00400</u>	-	or insurance co	ompanies that o	<u>only insure p</u>	naces of w	/orsnip	
	Statute Vacue Encoded		§33-8-13				
	Year Enacted		1996				
	Year Effective	2	1996	1.0		a	
	Data Source			irance and S	atety Fire	Commissioner	
	Estimate Relia	•	Class A				
	Data Reliabili	ty	Class A				
	Note		Not applicabl				
	Description:				e risks of	places of worship are	
		exempt from	the state prem				
				State Fiscal	Years (\$ i	n Millions)	
				2017	2018	<u>2019</u>	
	State Tax Exp	enditure		(m)	(m)	(m)	
	(m) Denotes a valu	e of less than \$1 m	illion				

5.00500Insurance abatementsStatute§33-8-5Year Enacted1996Year EffectivePrior to 2000

	companies t Georgia asso	Office of Insurance and Safety Fire Commissioner Class A Class A Not applicable at the local level poses a reduced state rate of 1.25 percent on insurance hat invest at least 25 percent of their assets in qualified ets. If the amount invested in qualified Georgia assets is 75 percent, the rate is reduced to 0.50 percent. State Fiscal Years (\$ in Millions) 2017 2018 2010
	State Tax Expenditure (m) Denotes a value of less than \$1 m	$\frac{2017}{159} \frac{2018}{162} \frac{2019}{167}$
<u>5.00600</u>	guarantee f	$\begin{array}{c} \$\$33-8-4, 33-8-8, 33-8-8.1\\ 1981\\ Prior to 2000\\ Office of Insurance and Safety Fire Commissioner\\ Class A\\ Class A\\ Not applicable at the local level\\ ce companies are permitted to deduct contributions to state\\ unds, license fees paid to local governments, local premium\\ remium taxes otherwise payable to the State.\\ State Fiscal Years (\$ in Millions)\\ \underline{2017} \underline{2018} \underline{2019}\\ 166 170 174\\ \end{array}$
<u>5.00700</u>	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: This is a cre developmen	penditure $\begin{array}{rrr} 91 & 95 & 100 \\ 230 & 241 & 253 \end{array}$

<u>5.00800</u>	Insurance Premium Tax Exemption for multiple employer self-insured health plans						
	Statute Year Enacted		§33-50-3			_	
			2016				
	Year Effective		2016				
	Data Source		Office of Ins	urance and S	afety Fire	Commissioner	
	Estimate Reliab	oility	Class A				
	Data Reliability Note Description: Multiple em		Class A				
			ployer self-ins	ured health p	lans are ex	kempt from the s	state
	insurance premium tax on the plan's net premiums.						
				State Fiscal	Years (\$ in	n Millions)	
				2017	2018	2019	
	State Tax Exper (m) Denotes a value of		illion	0	0	0	

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, 2017, 26.3 cents per gallon. The state tax on diesel fuel is 29.4 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.

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 2016 totaled \$1,605 million.

<u>6.00400</u>	Motor fuel tax exemption for aviation fuel				
	Statute	§48-9-3			
	Year Enacted	1978			
	Year Effective	1978			
	Data Source	Fiscal Note for HB NA LC 34 4757 for 2016			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	Description: Exemption for aviation fuel.				
	_	State Fiscal Years (\$ in Millions)			
		<u>2017</u> <u>2018</u> <u>2019</u>			
	State Tax Expenditure	1 1 2			
	(m) Denotes a value of less than \$1 r	nillion			
<u>6.00500</u>	Motor fuel tax vendor com	-			
	Statute	§48-9-8(b)			
	Year Enacted	1992			
	Year Effective	1992			
	Data Source	Office of Planning and Budget Data for FY 2016			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	-	lealers are allowed to retain 1 percent of total amounts			
	collected as	reimbursement for the cost of collection.			
		State Fiscal Years (\$ in Millions)			
		<u>2017 2018 2019</u>			
	State Tax Expenditure	17 17 18			
	(m) Denotes a value of less than \$1 r	nillion			

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 four and one-half 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 five 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 15½ 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 2016, state collections equaled \$191 million. Local collections for FY 2014³ equaled \$135 million.

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

³ Latest data available.

per

		S	tate Fiscal ` 2017	Years (\$ in <u>2018</u>	n Millions) 2019
	State Tax Expenditure (m) Denotes a value of less than \$1 r	nillion	(m)	(m)	(m)
7 00400	Salas to and use by religio	us organizations	for coorom	ontol nurna	
<u>7.00400</u>	Sales to and use by religion Statute	\$\$3-5-61, 3-6-		entar purpe	<u>ises</u>
	Year Enacted	1977			
	Year Effective	1977 National Cont		(-1-1- C(-()-	
	Data Source Estimate Reliability	Class B	er for Charl	lable Statis	stics and Catholic.org
	Data Reliability Note	Class C			
	Description: Sales to and		-		
		S	tate Fiscal		
	State Tax Expenditure		<u>2017</u> (m)	<u>2018</u> (m)	<u>2019</u> (m)
	(m) Denotes a value of less than \$1 r	nillion	(III)	(111)	
<u>7.00500</u>	Exemption for ethyl alcoho				
	Statute Year Enacted	§§3-5-61, 3-6-	70		
	Year Effective	1980 1980			
	Data Source	U.S. Economi	c Census		
	Estimate Reliability	Class B			
	Data Reliability	Class A			
	Note Description: An exemption	on is allowed for	· purchases	of ethyl ald	cohol intended for use
	or used for t		rposes: scie		mical, mechanical,
	industriai, in		tate Fiscal	Years (\$ in	Millions)
		_	<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 r	nillion	(m)	(m)	(m)
7 00/00			lf of 0 5 mg		
<u>7.00600</u>	Malt beverages containing alcohol by volume	less than one-na	an or 0.5 pe	<u>rcent</u>	
	Statute	§3-5-90			
	Year Enacted	1987			
	Year Effective	1987	C		
	Data Source Estimate Reliability	U.S. Economi Class B	c Census		
	Data Reliability	Class B			
	Note				
	Description: Malt beverage	-			*
	-	nall not be subje	-		nder this title or any
	tux ievieu pi		tate Fiscal		
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 m	million	1	1	1
	(m) Denotes a value of less than \$11.				

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

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.

The tax is administered by the Georgia DOR. In FY 2016, the tax totaled \$220 million. The proceeds of the tax are deposited into the State General Fund.

<u>8.00100</u>	Exemption for purchases f Georgia War Veterans Ho				
	Nursing Home				
	Statute	§48-11-2			
	Year Enacted	1955			
	Year Effective	Latest Modif	ication 2003		
	Data Source	Georgia Dep	artment of V	eteran Ser	vices
	Estimate Reliability	Class B			
	Data Reliability	Class C			
	Note				
	Description: Exemption	for purchases for	or use exclus	ively by p	atients at the Georgia
War Veterans Home and the Georgia War Veterans Nursing					ns Nursing Home.
			State Fiscal	Years (\$ i	n Millions)
			2017	2018	2019
	State Tax Expenditure (m) Denotes a value of less than \$1	million	(m)	(m)	(m)

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 2016 equaled \$23 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			
	Year Enacted	1975			
	Year Effective	1975			
	Data Source	FDIC – Statistics on Depository Institutions			
	Estimate Reliability	Class B			
	Data Reliability	Class A			
	Note				
	Description: Financial inst	ption: Financial institutions are allowed to deduct from gross receipts into			
	paid on all lia	bilities.			
	_	State Fiscal Years (\$ in Millions)			
		<u>2017</u> <u>2018</u> <u>2019</u>			
	State Tax Expenditure (m) Denotes a value of less than \$1 m	aillion 2 2 2			

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 fores	t land conservation use pr	operty		
	Statute	§48-5A-2			
	Year Enacted	2008			
	Year Effective	2008			
	Data Source	Office of Planning and B	Budget; and	the Georgia DOR	
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	Description: Grants made available by the Georgia General Assembly through an appropriations and awarded to counties, municipalities and county o independent school districts for purposes of the Special Assessment				
	Forest Land C	Conservation Use Property	[,] program.		
		State Fiscal	l Years (\$ i	n Millions)	
		2017	2018	<u>2019</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 m	29 aillion	29	29	

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 fee, referred to as the Motor Vehicle Title Fee or the TAVT. 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 for new vehicles is equal to the greater of the retail selling price and the average of the current fair market value and the wholesale value as determined by the Georgia DOR. The tax base for used vehicles is equal to the average of the current fair market value and the wholesale value as determined by the Georgia DOR less any reductions for the trade-in value of another vehicle and any dealer rebates or cash discounts.

The title fee rate in CY 2013 was 6.5 percent and increased to 6.75 percent in CY 2014 and to 7 percent in CY 2015-2018. After CY 2018, the rate may be adjusted upward under certain conditions, but not higher than 9 percent. The revenue from the tax is shared between the state and local governments at a specified annual rate. The state (local) share of the tax was 57 (43) percent for CY 2013 and 55 (45) percent for CY 2014 and CY 2015. For years after CY 2015, should the local government receipts in the immediately preceding year exceed (fall short of) the target collection amount, as defined in the law, by more than 1 percent, the local share is adjusted such that, had that share percentage been in effect the prior year, the local share would have equaled the target collection amount. Because the local governments fell short of the target collection amount for CY 2016, the state (local) share for CY 2017 has been adjusted to equal 54.39 (45.61) percent.

The tax is administered by the Georgia DOR but initial proceeds remitted by taxpayers are collected at the local level. All proceeds from the state portion of the TAVT are deposited into the State General Fund. The TAVT generated \$963 million in state receipts for FY 2016 and \$741 million in local government receipts.

<u>11.001</u>	Reduced rate for related far	mily transfers
	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:	
	transferred b	te of 0.25 percent applies to transfers for a vehicle etween immediate family members or a transfer occurring as e death of an immediate family member.

		:	State Fiscal	Years (\$ i	in Millions)
			2017	2018	<u>2019</u>
	State Tax Expenditure		9	10	11
	Local Tax Expenditure (m) Denotes a value of less than \$1	million	7	9	12
<u>11.002</u>	Disabled veteran exempt		7)		
	Statute	§48-5C-1(d)(/)		
	Year Enacted Year Effective	2012			
	Data Source	2013 DOR data			
	Estimate Reliability	Class A			
	Data Reliability	Class A Class A			
	Note	Class A			
	Description: Exemption	from the title fea	e of the sale	of a vehic	ele to a service-connected
		veteran when the			
				•	specifically adapt the
	-	his or her disabili	-	nuse une c	specifically adapt the
	veniere to		•	Years (\$ i	in Millions)
		·	2017	2018	<u>2019</u>
	State Tax Expenditure		$\frac{2017}{(m)}$	(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 v				
	Statute	§48-5C-1(d)(11)(A)		
	Year Enacted	2012			
	Year Effective	2013			
	Data Source	DOR data			
	Estimate Reliability	Class A Class A			
	Data Reliability Note	Class A			
	Description: Rental veh	icles are subject	to a reduced	l state title	fee rate of 0.625 percent
		market value and			of 0.625 percent of the
			State Fiscal	Years (\$ i	in Millions)
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure		74	67	58
	Local Tax Expenditure		53	59	63
	(m) Denotes a value of less than \$1	million			
<u>11.004</u>	Reduced rate for vehicles			through 1	<u>1985</u>
	Statute	§48-5C-1(d)(17)		
	Year Enacted	2012			
	Year Effective	2013			
	Data Source	DOR data			
	Estimate Reliability	Class B			
	Data Reliability	Class B			
	Note	nonufocture 1 in	aara 1062 4	moush 100	5 are subject to a
	Description: Vehicles n				
	reduced sta	ale lille lee rale o	1 0.5 percen	it and redu	ced local title fee rate of

State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure (m) (m) (m) Local Tax Expenditure (m) (m) (m) (m) Denotes a value of less than \$1 million (m) (m) (m) 11.005 Reduced rate for salvage vehicles (m) (m) (m) 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 Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are normality subject to the local title fee. State Tax Expenditure 33 34 35 Local Tax Expenditure 34 43 53 (m) Denotes a value of less than \$1 million 34 43 53 (m) Denotes a value of less than \$1 million 11.006 Dealer loaner vehicle exemption Statute \$48-5C-1(d)(12) 53 53	ercent and are not
State Tax Expenditure (m) (m) (m) Local Tax Expenditure (m) (m) (m) (m) Denotes a value of less than \$1 million (m) (m) (m) 11.005 Reduced rate for salvage vehicles (m) (m) (m) 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 Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are not subject to the local title fee. State Tax Expenditure 33 34 35 Local Tax Expenditure 34 43 53 (m) Denotes a value of less than \$1 million 11.006 Dealer loaner vehicle exemption	
Local Tax Expenditure (m) (m) (m) (m) 11.005 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 Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are negative subject to the local title fee. State Tax Expenditure 33 34 35 Local Tax Expenditure 34 43 53 (m) Denotes a value of less than \$1 million 11.006 Dealer loaner vehicle exemption	
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11.005 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 Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are not subject to the local title fee. State Tax Expenditure 33 Local Tax Expenditure 34 43 Monotes a value of less than \$1 million 11.006	
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Year Enacted 2012 Year Effective 2013 Data Source DOR data Estimate Reliability Class A Data Reliability Class A Note Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are n subject to the local title fee. State Tax Expenditure 33 Year Effective 34 Additional title 34 Mote 34 State Tax Expenditure 34 Additional title 34 Mote 34 State Tax Expenditure 34 Additional title 34 Year Effective 34 Additional title 34 Bealer Ioaner vehicle exemption	
Year Effective 2013 Data Source DOR data Estimate Reliability Class A Data Reliability Class A Note Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are not subject to the local title fee. State Tax Expenditure State Tax Expenditure Model 33 State Tax Expenditure 34 Model 34 State Tax Expenditure 34 Stat	
Data Source DOR data Estimate Reliability Class A Data Reliability Class A Note Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are not subject to the local title fee. State Tax Expenditure State Tax Expenditure 33 34 35 Local Tax Expenditure 34 43 (m) Denotes a value of less than \$1 million 11.006	
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Data Reliability Class A Note Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are negative subject to the local title fee. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure 33 34 35 Local Tax Expenditure 34 43 53 (m) Denotes a value of less than \$1 million Dealer loaner vehicle exemption	
Note Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are n subject to the local title fee. State Fiscal Years (\$ in Millions)	
Description: Salvage vehicles are subject to a state title fee rate of 1 percent and are number subject to the local title fee. State Fiscal Years (\$ in Millions) 2017 2018 2019 State Tax Expenditure 33 34 35 Local Tax Expenditure 34 43 53 (m) Denotes a value of less than \$1 million Dealer loaner vehicle exemption 53	
State Tax Expenditure State Tax Expendi	ons)
State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 million $ \frac{2017}{33} \frac{2018}{34} \frac{2019}{35} \frac{34}{35} \frac{35}{53} $ 11.006 Dealer loaner vehicle exemption	ons)
State Tax Expenditure 33 34 35 Local Tax Expenditure 34 43 53 (m) Denotes a value of less than \$1 million 34 43 53	
Local Tax Expenditure (m) Denotes a value of less than \$1 million344353 11.006 Dealer loaner vehicle exemption	
(m) Denotes a value of less than \$1 million 11.006 Dealer loaner vehicle exemption	
<u>11.006</u> Dealer loaner vehicle exemption	
Statute $848-5C-1(d)(12)$	
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	l title fee for a
period of 366 days.	X.
State Fiscal Years (\$ in Millions)	
State Tax Expenditure $\begin{array}{ccc} 2017 & 2018 & 2019 \\ 5 & 3 & 3 \end{array}$	ms)
Local Tax Expenditure 4 3 3)))
(m) Denotes a value of less than \$1 million	лця <i>)</i>
11.007 Reduced rate for donated vehicles	лпร <i>)</i>
	лцร <i>)</i>
	лцร <i>)</i>
	лцร <i>)</i>
Statute §48-5C-1(d)(13)	ш <i>5)</i>
Statute§48-5C-1(d)(13)Year Enacted2012	ш <i>5)</i>
Statute§48-5C-1(d)(13)Year Enacted2012Year Effective2013	лцร <i>)</i>
Statute§48-5C-1(d)(13)Year Enacted2012Year Effective2013Data SourceDOR data	ш5)
Statute§48-5C-1(d)(13)Year Enacted2012Year Effective2013Data SourceDOR dataEstimate ReliabilityClass AData ReliabilityClass ANoteNote	
Statute§48-5C-1(d)(13)Year Enacted2012Year Effective2013Data SourceDOR dataEstimate ReliabilityClass AData ReliabilityClass ANoteDescription: Vehicles donated to nonprofit organizations for the purpose of being	ose of being
Statute§48-5C-1(d)(13)Year Enacted2012Year Effective2013Data SourceDOR dataEstimate ReliabilityClass AData ReliabilityClass ANoteNote	ose of being e title fee rate of

		St	tate Fiscal	Years (\$ ir	n Millions)
			2017	2018	<u>2019</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 mi	illion			
<u>11.008</u>	Extended payment period f				
	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		1 1 .	C	
	Description: Vehicles regionary the title	fee in two equal			
	Full management	-	tate Fiscal		-
			2017	<u>2018</u>	<u>2019</u>
	State Tax Expenditure		-2	-1	
	Local Tax Expenditure		-1	2	-2 2
	(m) Denotes a value of less than \$1 mi	illion			
<u>11.009</u>	Trade-in exemption (includ			unts)	
	Statute	§48-5C-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 stat		-		
	discounts.				vehicle, rebates or cash
		St			n Millions)
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure		212	197	178
	(m) Denotes a value of less than \$1 mi	illion	160	179	201
<u>11.010</u>	Special assessment for used	d vehicles			
	Statute	§48-5C-1(a)(1)	(C)		
	Year Enacted	2012	. ,		
	Year Effective	2013			
	Data Source	DOR data			
	Estimate Reliability	Class C			
	Data Reliability	Class B			
	Note				
	Description: Under certain				
	sale, odomet	er reading, and v	alues from	n alternativ	e pricing guides.

			State Fiscal 2017	2018	2019
	State Tax Expenditure		19	20	18
	Local Tax Expenditure (m) Denotes a value of less than \$1 mi		15	18	20
	(m) Denotes a value of less than \$1 m	llion			
<u>11.011</u>	Special assessment for new	vehicles			
	Statute	§48-5C-1(a)	(1)(D)		
	Year Enacted	2012			
	Year Effective	2013			
	Data Source	DOR data			
	Estimate Reliability	Class C			
	Data Reliability	Class B			
	Note				
	Description: The title fee average of the		market value	and the cu	irrent wholesale value.
			State Fiscal		
			<u>2017</u>	<u>2018</u>	<u>2019</u>
	State Tax Expenditure		-43	-39	-35
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	llion	-32	-36	-40
<u>11.012</u>	Buy here pay here transacti	ons			
	Statute	§48-5C-1(b)	(1)(B)(xv)		
	Year Enacted	2013			
	Year Effective	2014			
	Data Source	DOR data			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	Description: Seller financ	ed used car tra	ansactions are	e subject to	a title fee rate that is
	two and a ha	If percentage	points below	the standa	rd title fee rate
			State Fiscal	Years (\$ in	n Millions)
			2017	<u>2018</u>	<u>2019</u>
	State Tax Expenditure		7	8	8
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	illion	6	7	9
<u>11.013</u>	Exemption from TAVT for	leased vehicl	es qualifying	for Manu	facturing Headquarters
	Statute	48-5C-1			
	Year Enacted	2015			
	Year Effective	2015			
	Data Source	DOR data			
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
					" and included in the
	rights and qu	alifications of	f that plate is	an exempt	ion from the TAVT.

			State Fiscal	Years (\$ i	n Millions)	
			2017	2018	<u>2019</u>	
	State Tax Expenditure		1	1	1	
	Local Tax Expenditure		1	1	1	
	(m) Denotes a value of less than \$1 m	illion				
<u>11.014</u>	Treatment of Leased Vehic	cles				
	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					
	Description: The TAVT is	levied only or	n the base pa	yments un	der the lease a	igreement.
			State Fiscal	Years (\$ i	n Millions)	
			<u>2017</u>	2018	<u>2019</u>	
	State Tax Expenditure		0	14	26	
	Local Tax Expenditure		0	14	29	
	(m) Denotes a value of less than \$1 m	illion				

12. Special Excise Tax on Consumer Fireworks

An excise tax of 5 percent is levied on gross receipts of the retail sale of fireworks in addition to any state and local taxes otherwise imposed by law. This provision became effective for fiscal years beginning on 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 \$928 thousand in state receipts for FY 2016.

13. State Hotel-Motel Tax

An excise tax of \$5.00 per day is levied on each room rented or leased. This provision became effective on July 1, 2015. The tax is administered by the Georgia DOR. Although collections from this tax are deposited in to the State General Fund, they must be appropriated exclusively for transportation purposes. The state hotel-motel tax generated \$151 million in state receipts for FY 2016.

Appendix of Tables

Expenditure	Summary	Tax	Expiration Date
1.6.024	Teleworking Credit	State	12/31/2011
		Personal	
		Income Tax	
1.6.031/	Low- & Zero-Emission Vehicle Credit	Total State	6/30/2015
2.6.020		Credit	
1.6.033/	Clean Energy Property Credit	Total State	12/31/2014
2.6.022		Credit	
2.6.013	Teleworking Credit	Corporate	12/31/2011
		Income Tax	
2.6.033	Cigarette export tax credit	Corporate	6/30/2010
		Income Tax	
4.01600	The sale or use of Holy Bibles; testaments, and similar	Sales and	2/6/2006
	books commonly recognized as being Holy Scripture	Use Tax	
	regardless of by or to whom sold		
4.02600	Sale of machinery used exclusively for irrigation of	Sales and	12/31/2012
	crops to persons primarily engaged in producing farm	Use Tax	
	crops for sale (expired December 31, 2012)		
4.02700	Sales of sugar for use as food to honey bee producers	Sales and	12/31/2012
	(expired December 31, 2012)	Use Tax	
4.02800	Sale of cattle, hogs, sheep, horses, poultry, or bees	Sales and	12/31/2012
	when sold for breeding purposes (expired December	Use Tax	
	31, 2012)		
4.02900	Sale of certain types of agricultural machinery (expired	Sales and	12/31/2012
	December 31, 2012)	Use Tax	
4.02910	Off-road equipment and related attachments used	Sales and	12/31/2012
	exclusively in site preparation, planting, cultivating, or	Use Tax	
	harvesting of timber by persons primarily engaged in		
	growing or harvesting timber (expired December 31,		
	2012)		
4.03310	Partial sales tax exemption for jet fuel sold to or used	Sales and	6/30/2015
	by a qualifying airline at a qualifying airport	Use Tax	
4.03400	Certain machinery used in the manufacturing of	Sales and	12/31/2012
	tangible personal property (expired December 31,	Use Tax	
	2012)		
4.03430	The sale or use of repair or replacement parts,	Sales and	12/31/2012
	machinery clothing, molds, dies, waxes or tooling for	Use Tax	
	machinery (expired December 31, 2012)		
4.03440	Sale of tangible personal property to or used in or for	Sales and	6/30/2012
	the construction of a new alternative fuel facility	Use Tax	
	primarily dedicated to the production and processing of		
	ethanol, biodiesel, butanol or their by-products (expired		
	6/30/2012)		
4.03500	Certain materials used in industrial packaging (expired	Sales and	12/31/2012
	December 31, 2012)	Use Tax	

Table 1: Summary of Expired Provisions

4.03700	Machinery and equipment used in combating air and water pollution and any industrial material used in a burning or recycling process (expired December 31, 2012)	Sales and Use Tax	12/31/2012
4.04900	Liquefied gases and other fuels used in poultry or pullet houses or structures (expired December 31, 2012)	Sales and Use Tax	12/31/2012
4.04910	Liquefied petroleum gas or other fuel used in a structure where swine are raised (expired 6/30/2010)	Sales and Use Tax	6/30/2010
4.05800	Graduated exemption for the sale of overhead materials used in government contracts (repealed effective January 1, 2011)	Sales and Use Tax	1/1/2011
4.06400	Sale of electricity or fuels used exclusively for the operation of an irrigation system on a farm for crop irrigation (expired December 31, 2012)	Sales and Use Tax	12/31/2012
4.07010	Partial exemption for certain sales of natural or artificial gas, fuel oil, propane, petroleum coke and coal used directly or indirectly in the manufacture or processing of tangible personal property primarily for resale (expired 12/31/2010).	Sales and Use Tax	12/31/2010
4.07300	Sale of certain production equipment to film producers and film production companies (expired January 1, 2013)	Sales and Use Tax	1/1/2013
4.07400	Sale or use of digital broadcast equipment sold to, leased to, or used by a federally licensed commercial or public radio or television broadcast station, a cable network, or a cable distributor	Sales and Use Tax	11/1/2008
4.07500	Sales tax holiday for back to school items (expired July 31, 2016)	Sales and Use Tax	7/31/2016
4.07700	Liquefied gases and other fuels used in structures where plants, floral products, seedlings, and nursery stock are grown for sale (expired December 31, 2012)	Sales and Use Tax	12/31/2012
4.07800	Materials used to construct a new symphony hall costing in excess of \$200 million that is owned and operated by a nonprofit organization (expired 9/1/2011)	Sales and Use Tax	9/1/2011
4.07900	Ice used to chill poultry or vegetables during processing or shipment (expired December 31, 2012)	Sales and Use Tax	12/31/2012
4.08200	Sales tax holiday for water-efficient and energy- efficient purchases (expired October 2, 2016)	Sales and Use Tax	10/2/2016
4.08800	Sale of tangible personal property used in the construction of a qualified civil rights museum (expired July 30, 2015)	Sales and Use Tax	7/30/2015
4.08900	The sale of an airplane flight simulation training device (expired 6/30/2011).	Sales and Use Tax	6/30/2011
4.09000	The sale of electricity to a manufacturer located in this state used directly in the manufacture of a product (expired December 31, 2012)	Sales and Use Tax	12/31/2012
4.09200	Sale to an organization defined by the Internal Revenue Service as an instrumentality of the states relating to the holding of an annual meeting in this state for the	Sales and Use Tax	12/31/2013

	period commencing July 1, 2012, and ending on		
	December 31, 2013		
4.09600	Exemption for sales or use of construction materials	Sales and	6/30/2016
	used for or in the construction of buildings at a private	Use Tax	
	college (expired June 30, 2016)		
6.00100	Motor fuel tax refunds for agricultural purposes	Motor Fuel	6/30/2015
		Tax	
6.00200	Sale of fuel to mass transit vehicles	Motor Fuel	6/30/2015
		Tax	
6.00300	Sale of fuel to campus transportation vehicles	Motor Fuel	6/30/2015
	· ·	Tax	
6.00600	Motor fuel tax exemption for public school buses	Motor Fuel	6/30/2015
	• •	Tax	

Expenditure	Summary	State FY 2016	State FY 2017	State FY 2018	
Sales Tax Exe	emption for a Business Input ⁴		:	1	
4.01700	Sales of fuel or consumable supplies used by ships engaged in inter-coastal or foreign commerce	8	8	8	
4.02500	Fares of for-hire vehicles	Estimate	not available at	this time	
4.03410	Machinery and equipment used to handle, move, or store tangible personal property in certain distribution facilities	Estimate	not available at	this time	
4.03420	Machinery and equipment used directly to remanufacture certain aircraft engines or aircraft engine parts	(m)	(m)	(m)	
4.03910	Cargo containers and related chassis used for storage or shipping by persons engaged in international shipment of tangible personal property	Estimate 1	not available at	this time	
4.04500	The sale or use of paper stock when used to print catalogs for distribution outside Georgia.	Estimate 1	Estimate not available at this time		
4.04800	Sale of crab bait to licensed commercial fishermen	(m)	(m)	(m)	
4.06000	Sale of certain machinery and equipment used to improve air quality in a clean room of Class 100,000 or less	(m)	(m)	(m)	
4.06500	Sale of dyed diesel fuel used exclusively for operations of vessels or boats by licensed commercial fishermen	1	1	1	
4.06800	Sale of certain computer equipment when the total qualifying purchases by a high technology company exceed \$15 million	Estimate	Estimate not available at this time		
4.06900	Sales of machinery and equipment and material incorporated and used in a clean room of Class 100 or less	Estimate Combined with 4.06000			
4.07000	Sale of natural gas used directly in the manufacture of electricity	48	52	56	
4.08100	The purchase of food and nonalcoholic beverages provided at no charge aboard a qualified airline	4	4	4	
4.08300	Sale of biomass materials used to produce electricity or steam intended for sale	1	1	2	
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	Estimate 1	not available at	this time	

Table 2: Sales and use tax expenditures by type

⁴ Sales tax exemptions which are defined primarily as an exemption for a profit making business.

4.3.2	Exemptions for energy, machinery or equipment, industrial material, and consumable supplies used in manufacturing	3,091	3,140	3,198
4.3.3	Sale and use by a qualified agriculture producer of agricultural production inputs, energy used in agriculture, and agricultural machinery and equipment	150	156	164
43.4	Exemption for qualified boat repairs	(m)	(m)	(m)
Sales Tax E	exemption for a Specific Item ⁵			
4.00300	Federal retailer's excise tax if separately itemized to the consumer and Georgia motor fuel tax imposed on the sale of motor fuel	Estimate	not available at	this time
4.00400	Sales of transportation furnished by a county or municipal public transit system or public transit authorities	7	8	8
4.00500	Sales of transportation furnished by an approved and authorized urban transit system	Estimate	combined With	4.00400
4.01200	School lunches sold and served to pupils and employees of public schools	7	7	6
4.01300	School lunches sold and served to pupils and employees of approved private schools	1	1	1
4.01800	Charges for transportation of tangible personal property made in connection with interstate or intrastate transportation	Estimate	not available at	this time
4.02000	Water delivered through water mains, lines, or pipes	64	65	68
4.02200	Professional, insurance or personal service transactions which involve sales as inconsequential elements for which no separate charge is made	·	iture estimates f 03, 4.50010, 4.5	
4.02300	Repair services when a separate charge is made to the customer	-	iture estimates fe 03, 4.50010, 4.5	
4.02400	Rental of videotape or film to persons charging admission to view the tape or film	7	7	7
4.03300	Common or common and contract carriers	Estimate	not available at	this time
4.04200	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	Estimate	not available at	this time

⁵ Sales tax exemptions which are defined primarily by the item being purchased and not defined, or only generally defined, by the seller or purchaser.

4.04300	Revenues from coin-operated amusement machines for which individual permits are required	27	28	29
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	419	447	479
4.05000	Sales of insulin syringes and blood glucose level measuring strips dispensed without a prescription	21	22	23
4.05100	Sale of oxygen when prescribed by a licensed physician	1	1	1
4.05200	Sale or use of hearing aids	5	6	6
4.05400	Sale or use of any durable medical equipment or prosthetic device prescribed by a physician	35	36	38
4.05500	Sale of Georgia lottery tickets	169	175	180
4.05700	Food purchased for off-premises consumption	539	550	559
4.06100	Advertising inserts that are used in newspapers for resale	Estimate not available 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	3	3
4.06600	Sale of gold, silver, or platinum bullion	3	3	3
4.06700	Sale of coins or currency	1	1	1
4.09100	The sale of prewritten software which has been delivered to the purchaser electronically or by means of load and leave.	Estimate not available at this time		
4.10000	Exemption for sales of tickets to a qualified fine arts performance or exhibition	1	4	4
4.90000	Sales tax exemption for casual sales	2	2	2
Sales Tax E	xemption for a Specific Purchaser ⁶		1	<u>I</u>
4.00100	Sales to Federal Government, State of Georgia or a county or municipality in Georgia or any agency of such governments	Estimate not available at this time		
4.00600	Sales to any Hospital Authority created by Georgia law	Estimate of	combined with	4.00700
4.00610	Sales to any Housing Authority created by Georgia law	1	1	1

⁶ 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.

4.00620	Sales to local government authorities created on or after January 1, 1980 for the principal purpose of constructing, owning,	(m)	(m)	(m)
	or operating a coliseum and related			
	facilities			
4.00630	Sales to any agricultural commission	(m)	(m)	(m)
	created by the Department of Agriculture			
4.00700	Sales of tangible personal property and	106	111	117
	services to an approved nursing home,			
	inpatient hospice, general hospital or			
	mental hospital when used specifically in			
	the treatment function.			
4.00710	Sales of tangible personal property and	1	1	1
	services to a nonprofit organization whose			
	primary function is to provide services to			
	persons with intellectual disabilities			
4.00720	Sales to Georgia Society of the Daughters	(m)	(m)	(m)
	of the American Revolution			
4.00800	Sales of tangible personal property and	38	40	42
	services to the University System of			
	Georgia and its educational units			
4.00900	Sale of tangible personal property and	•		1.00800
	services used exclusively in the			
	educational function of an approved			
	private college or university located in			
	Georgia in which the credits are accepted			
4.01000	by the University System of Georgia		-	
4.01000	Sales of tangible personal property and	6	6	7
	services used exclusively in the			
	educational function of an approved			
4.01100	educational function of an approved private elementary or secondary school	(m)	(m)	(m)
4.01100	educational function of an approved private elementary or secondary schoolSale of tangible personal property or	(m)	(m)	(m)
4.01100	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible	(m)	(m)	(m)
4.01100	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any	(m)	(m)	(m)
	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural institute			
	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased		(m) ot available at t	
4.01100 4.01900	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any 			
	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon			
4.01900	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a resident	Estimate n	ot available at t	his time
4.01900	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a residentSales, transfers or exchanges of tangible	Estimate n		his time
4.01900	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a residentSales, transfers or exchanges of tangible personal property resulting from business	Estimate n	ot available at t	his time
4.01900	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a residentSales, transfers or exchanges of tangible	Estimate n	ot available at t	his time
	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a residentSales, transfers or exchanges of tangible personal property resulting from business reorganization when the owners, partners, or stockholders maintain the same	Estimate n	ot available at t	his time
4.01900	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a residentSales, 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	Estimate n	ot available at t	his time
4.01900	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a residentSales, 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	Estimate n Estimate n	ot available at t	his time
4.01900 4.02100	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any 	Estimate n Estimate n	ot available at t ot available at t	his time
4.01900 4.02100	educational function of an approved private elementary or secondary schoolSale of tangible personal property or services to, and the purchase of tangible personal property or services by, any educational or cultural instituteAll tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon 	Estimate n Estimate n	ot available at t ot available at t	his time

4.03600	Machinery and equipment used in a facility for the primary purpose of	(m)	(m)	(m)
	reducing or eliminating air and water pollution			
4.03610	Machinery and equipment used for water conservation and incorporated into a qualified water conservation facility.	Estimate not available at this tin		his time
4.04000	Sale of major components or repair parts installed in military aircraft, vehicles, or missiles	49	57	47
4.04100	Sale of tangible personal property and services to a nonprofit child-caring institution, child-placing agency, or maternity home	1	1	1
4.04600	Sale of tangible personal property or taxable services to nonprofit blood banks	2	2	2
4.07100	Sale to or by an organization whose primary purpose is to raise funds for books, materials, and programs for public libraries	(m)	(m)	(m)
4.09300	Sale of tangible personal property used for and in the construction of a competitive project of regional significance, for the period commencing January 1, 2012, until June 30, 2019	9	9	9
4.09700	Sales of admission to a nonrecurring major sporting event	1	3	1
4.09800	Sales of tangible personal property and services to a qualified job training organization	1	1	1
Sales Tax E	Exemption for a Specific Purchaser of a Specific	Item ⁷		
4.01400	Sales of art and other artifacts for display or exhibition to museums	1	1	1
4.01510	Sales of pipe organs or steeple bells to any church qualifying as a nonprofit	(m)	(m)	(m)
4.03000	Vehicles purchased by service-connected disabled veterans when the U.S. Dept. of Veterans Affairs supplies a grant to purchase and specially adapted the vehicle	(m)	(m)	(m)
4.03200	Aircraft, watercraft, motor vehicles, and other transportation equipment manufactured or assembled in this State for exclusive use outside Georgia	Estimate r	not available at t	his time
4.04400	Sale of motor vehicles to nonresident purchasers when vehicles are immediately removed from Georgia and titled in another state.	Estimate r	not available at t	his time

 $^{^{7}}$ Sales tax exemptions which are specifically defined by the purchaser as well as the item being purchased.

4.05300	Transactions where food stamps or WIC coupons are used as the method of payment of payment	111	110	110
4.05710	Sales of food and beverages to a qualified food bank (expires June 30, 2021)	1	1	1
4.06300	Funeral merchandise when paid with funds from the Georgia Crime Victims' Emergency Fund	(m)	(m)	(m)
4.07200	Sale of prescribed mobility enhancing equipment	2	2	2
4.08600	Sales of engines, parts, equipment and other tangible personal property used in the maintenance or repair of certain aircraft	17	17	18
4.09900	Exemption for expenses related to the renovation or expansion of qualified theatres	0	(m)	(m)
Sales Tax E	Exemption for a Specific Seller ⁸			
4.00200	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 water, gas, or sewer system.	Estimate r	not available at t	this time
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	(m)	(m)	(m)
4.03800	Sale of tangible personal property and fees and charges for services by the Rock Eagle 4-H center	(m)	(m)	(m)
4.03900	Certain sales by a public or private school of tangible personal property, concessions, and tickets for admission to school functions	2	2	2
4.05600	Sale by any qualified nonprofit parent- teacher organization	1	1	1
4.05720	Exemption for prepared food and food ingredients that are donated to a qualified nonprofit agency and used for hunger relief purposes	3	3	3
4.05730	Exemption for food and food ingredients that are donated following a natural disaster and used for disaster relief	(m)	(m)	(m)
4.05900	Sale of eligible food and beverages by any Girl or Boy Scout council	1	1	1

⁸ Sales tax exemptions which are defined primarily by the seller and not defined, or only generally defined, by the purchaser of the item being purchased.

4.3.5	Exemption for sales within an enterprise zone	Estimate not available at this time		
4.70000	Compensation of dealers for reporting and paying tax	78	79	82

Tables 3-9: Distributional tables of selected provisions

Tables 3 through 8 provide information on the distribution across Georgia AGI for several exemptions and deductions from the state personal income tax. Due to a lack of data and for reasons of confidentiality, these tables cannot be produced for other provisions. The data used to produce the tables is from the state personal income tax files for 2015. It has not been adjusted for inflation nor does it reflect any legislative changes that may have occurred since 2015. 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.

		isonai Zhempu		
	Number of	Average Value	Total	Percent of
	Returns			Total Dollars
$GA AGI \leq 0$	343,120	\$4,976	\$1,707,257,200	6.3%
0 <ga agi="" td="" ≤\$25,000<=""><td>1,550,647</td><td>\$5,439</td><td>\$8,434,002,200</td><td>31.1%</td></ga>	1,550,647	\$5,439	\$8,434,002,200	31.1%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>898,947</td><td>\$6,757</td><td>\$6,074,577,400</td><td>22.4%</td></ga>	898,947	\$6,757	\$6,074,577,400	22.4%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>712,300</td><td>\$7,882</td><td>\$5,614,279,000</td><td>20.7%</td></ga>	712,300	\$7,882	\$5,614,279,000	20.7%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>499,325</td><td>\$9,927</td><td>\$4,956,903,800</td><td>18.3%</td></ga>	499,325	\$9,927	\$4,956,903,800	18.3%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>19,378</td><td>\$10,659</td><td>\$206,556,500</td><td>0.8%</td></ga>	19,378	\$10,659	\$206,556,500	0.8%
GA AGI >\$1,000,000	8,870	\$10,382	\$92,087,700	0.3%
Total	4,032,587	\$6,717	\$27,085,663,800	100.00%

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
$GA AGI \leq 0$	347,446	\$28,179	\$9,790,785,099	44.6%
0 <ga agi="" td="" ≤\$25,000<=""><td>184,930</td><td>\$26,353</td><td>\$4,873,529,151</td><td>22.2%</td></ga>	184,930	\$26,353	\$4,873,529,151	22.2%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>91,479</td><td>\$25,804</td><td>\$2,360,489,821</td><td>10.8%</td></ga>	91,479	\$25,804	\$2,360,489,821	10.8%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>83,221</td><td>\$27,653</td><td>\$2,301,286,205</td><td>10.5%</td></ga>	83,221	\$27,653	\$2,301,286,205	10.5%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>59,959</td><td>\$37,238</td><td>\$2,232,766,736</td><td>10.2%</td></ga>	59,959	\$37,238	\$2,232,766,736	10.2%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>3,723</td><td>\$60,789</td><td>\$226,318,521</td><td>1.0%</td></ga>	3,723	\$60,789	\$226,318,521	1.0%
GA AGI >\$1,000,000	2,140	\$70,105	\$150,023,823	0.7%
Total	772,898	\$28,380	\$21,935,199,356	100.0%

Table 4: Retirement Income Exclusion

The percent of total column may not sum to 100 percent due to rounding.

	Number of	Average Value	Total	Percent of
	Returns	Č		Total Dollars
$GA AGI \leq 0$	1,778	\$2,758	\$4,903,985	4.5%
0 <ga agi="" td="" ≤\$25,000<=""><td>1,747</td><td>\$2,259</td><td>\$3,945,667</td><td>3.6%</td></ga>	1,747	\$2,259	\$3,945,667	3.6%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>2,055</td><td>\$2,011</td><td>\$4,132,152</td><td>3.8%</td></ga>	2,055	\$2,011	\$4,132,152	3.8%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>6,539</td><td>\$1,975</td><td>\$12,911,860</td><td>11.8%</td></ga>	6,539	\$1,975	\$12,911,860	11.8%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>24,954</td><td>\$2,992</td><td>\$74,667,528</td><td>68.5%</td></ga>	24,954	\$2,992	\$74,667,528	68.5%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>1,389</td><td>\$4,568</td><td>\$6,344,946</td><td>5.8%</td></ga>	1,389	\$4,568	\$6,344,946	5.8%
GA AGI >\$1,000,000	454	\$4,547	\$2,064,462	1.9%
Total	38,916	\$2,800	\$108,970,600	100.0%

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	Average Value	Total	Percent of
	Returns			Total Dollars
$GA AGI \le 0$	19,539	\$17,478	\$341,500,945	85.6%
0 <ga agi="" td="" ≤\$25,000<=""><td>6,588</td><td>\$1,820</td><td>\$11,993,338</td><td>3.0%</td></ga>	6,588	\$1,820	\$11,993,338	3.0%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>4,084</td><td>\$1,986</td><td>\$8,109,845</td><td>2.0%</td></ga>	4,084	\$1,986	\$8,109,845	2.0%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>5,946</td><td>\$1,580</td><td>\$9,396,233</td><td>2.4%</td></ga>	5,946	\$1,580	\$9,396,233	2.4%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>10,210</td><td>\$1,763</td><td>\$17,998,425</td><td>4.5%</td></ga>	10,210	\$1,763	\$17,998,425	4.5%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>1,290</td><td>\$2,408</td><td>\$3,106,340</td><td>0.8%</td></ga>	1,290	\$2,408	\$3,106,340	0.8%
GA AGI >\$1,000,000	1,178	\$5,733	\$6,752,978	1.7%
Total	48,835	\$8,167	\$398,858,104	100.0%

The percent of total column may not sum to 100 percent due to rounding.

Table 7: Blind and Age 65 Deductions

	Number of	Average Value	Total	Percent of
	Returns			Total Dollars
$GA AGI \le 0$	200,171	\$1,840	\$368,232,800	58.2%
0 <ga agi="" td="" ≤\$25,000<=""><td>96,348</td><td>\$1,773</td><td>\$170,779,700</td><td>27.0%</td></ga>	96,348	\$1,773	\$170,779,700	27.0%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>32,168</td><td>\$1,724</td><td>\$55,463,200</td><td>8.8%</td></ga>	32,168	\$1,724	\$55,463,200	8.8%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>17,618</td><td>\$1,732</td><td>\$30,514,900</td><td>4.8%</td></ga>	17,618	\$1,732	\$30,514,900	4.8%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>3,730</td><td>\$1,843</td><td>\$6,875,700</td><td>1.1%</td></ga>	3,730	\$1,843	\$6,875,700	1.1%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>120</td><td>\$1,983</td><td>\$237,900</td><td>0.0%</td></ga>	120	\$1,983	\$237,900	0.0%
GA AGI >\$1,000,000	59	\$2,027	\$119,600	0.0%
Total	350,214	\$1,805	\$632,223,800	100.0%

The percent of total column may not sum to 100 percent due to rounding.

	Number of	Average Value	Total	Percent of
	Returns			Total Dollars
$GA AGI \le 0$	244,616	\$2,578	\$630,617,800	9.7%
0 <ga agi="" td="" ≤\$25,000<=""><td>1,417,497</td><td>\$2,374</td><td>\$3,364,636,000</td><td>51.5%</td></ga>	1,417,497	\$2,374	\$3,364,636,000	51.5%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>641,808</td><td>\$2,483</td><td>\$1,593,636,600</td><td>24.4%</td></ga>	641,808	\$2,483	\$1,593,636,600	24.4%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>296,911</td><td>\$2,707</td><td>\$803,884,800</td><td>12.3%</td></ga>	296,911	\$2,707	\$803,884,800	12.3%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>47,312</td><td>\$2,897</td><td>\$137,051,300</td><td>2.1%</td></ga>	47,312	\$2,897	\$137,051,300	2.1%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>340</td><td>\$2,746</td><td>\$933,800</td><td>0.0%</td></ga>	340	\$2,746	\$933,800	0.0%
GA AGI >\$1,000,000	205	\$2,838	\$581,700	0.0%
Total	2,648,689	\$2,466	\$6,531,342,000	100.0%

Table 8: Standard Deduction

The percent of total column may not sum to 100 percent due to rounding.

Table 9: Social Security Benefits

	Number of	Average Value	Total	Percent of
	Returns			Total Dollars
$GA AGI \le 0$	220,347	\$12,962	\$2,856,130,242	38.3%
0 <ga agi="" td="" ≤\$25,000<=""><td>111,408</td><td>\$13,293</td><td>\$1,480,983,596</td><td>19.8%</td></ga>	111,408	\$13,293	\$1,480,983,596	19.8%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>78,710</td><td>\$15,006</td><td>\$1,181,102,561</td><td>15.8%</td></ga>	78,710	\$15,006	\$1,181,102,561	15.8%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>60,908</td><td>\$18,347</td><td>\$1,117,499,507</td><td>15.0%</td></ga>	60,908	\$18,347	\$1,117,499,507	15.0%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>33,950</td><td>\$21,769</td><td>\$739,054,663</td><td>9.9%</td></ga>	33,950	\$21,769	\$739,054,663	9.9%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>2,049</td><td>\$27,075</td><td>\$55,477,103</td><td>0.7%</td></ga>	2,049	\$27,075	\$55,477,103	0.7%
GA AGI >\$1,000,000	1,176	\$28,269	\$33,244,283	0.4%
Total	508,548	\$14,676	\$7,463,491,955	100.0%

The percent of total column may not sum to 100 percent due to rounding.