

The Senate Committee on Finance offered the following substitute to HB 1020:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 48-7-40.1 of the Official Code of Georgia Annotated, relating to tax  
2 credits for business enterprises in less developed areas, so as to provide for certain military  
3 zones that qualify for designation as less developed areas during a limited period of time; to  
4 provide for related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Code Section 48-7-40.1 of the Official Code of Georgia Annotated, relating to tax credits for  
8 business enterprises in less developed areas, is amended by revising subsection (c) as  
9 follows:

10 "(c) The commissioner of community affairs, and the commissioner of economic  
11 development in areas qualifying under the provisions of paragraphs (1), (3), and (4) of this  
12 subsection, also shall be authorized to include in the designation provided for in  
13 subsection (b) of this Code section:

14 (1) Any area composed of ten or more contiguous census tracts which, in the opinion of  
15 the commissioner of community affairs and the commissioner of economic development,

16 undergoes a sudden and severe period of economic distress caused by the closing of one  
17 or more business enterprises located in such area;

18 (2) Any area composed of one or more census tracts adjacent to a federal military  
19 installation where pervasive poverty is evidenced by a 15 percent poverty rate or greater  
20 as reflected in the most recent decennial census; provided, however, that the subsequent  
21 redrawing or alteration of census tracts in a manner which results in an area no longer  
22 being in a census tract adjacent to a federal military installation shall not disqualify an  
23 area which has previously qualified under this paragraph if the area continues to have  
24 pervasive poverty as described in this paragraph;

25 (2.1) Any census tract in a county that contains a federal military installation with a  
26 garrison of at least 5,000 federal or military personnel combined and also contains an  
27 industrial park that is owned and operated by a governmental entity;

28 (2.2) For 2025 and 2026, any census tract in a county that contains a federal military  
29 installation with a garrison of at least 5,000 federal or military personnel;

30 (3) Any area composed of one or more contiguous census tracts which, in the opinion  
31 of the commissioner of community affairs and the commissioner of economic  
32 development, is or will be adversely impacted by the loss of one or more jobs, businesses,  
33 or residences as a result of an airport expansion, including noise buy-outs, or the closing  
34 of a business enterprise which, in the opinion of the commissioner of community affairs  
35 and the commissioner of economic development, results or will result in a sudden and  
36 severe period of economic distress; or

37 (4) Any area which is within or adjacent to one or more contiguous census block groups  
38 with a poverty rate of 15 percent or greater as determined from data in the most current  
39 United States decennial census, where the area is also included within a state enterprise  
40 zone pursuant to Chapter 88 of Title 36 or where a redevelopment plan has been adopted  
41 pursuant to Chapter 61 of Title 36 and which, in the opinion of the commissioner of

42 community affairs and the commissioner of economic development, displays pervasive  
43 poverty, underdevelopment, general distress, and blight.  
44 No designation made pursuant to this subsection shall operate to displace or remove any  
45 other area previously designated as a less developed area. Notwithstanding any provision  
46 of this Code section to the contrary, in areas designated as suffering from pervasive poverty  
47 under this subsection, job tax credits shall be allowed as provided in this Code section, in  
48 addition to business enterprises, to any lawful business."

49

**SECTION 2.**

50 All laws and parts of laws in conflict with this Act are repealed.