

House Bill 1198

By: Representatives Carson of the 46<sup>th</sup>, Belton of the 112<sup>th</sup>, Thomas of the 21<sup>st</sup>, Prince of the 127<sup>th</sup>, Clark of the 147<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to imposition, rate, computation, exemptions, and credits, so as to provide an income  
3 tax credit for members of the State Defense Force in good standing; to provide for the  
4 amount of such credit; to provide for the manner of claiming such credit; to provide for  
5 related matters; to provide an effective date and applicability; to repeal conflicting laws; and  
6 for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to  
10 imposition, rate, computation, exemptions, and credits, is amended by adding a new Code  
11 section to read as follows:

12 "48-7-40.37.

13 (a) As used in this Code section, the term:

14 (1) 'Member of the State Defense Force in good standing' means an individual who is a  
15 member of the State Defense Force who has been certified by his or her unit commander  
16 to have completed all annual requirements established by the Georgia Department of

17 Defense and the leadership of the State Defense Force, including, but not limited to, the  
18 following:

19 (A) Participation in drill activities as established by the State Defense Force;

20 (B) Completion of all required annual courses;

21 (C) Participation in annual training activities;

22 (D) Compliance with height and weight requirements; and

23 (E) Completion of annual duty level testing.

24 (2) 'State Defense Force' means the State Defense Force created by Part 3 of Article 1  
25 of Chapter 2 of Title 38.

26 (b) On and after January 1, 2023, any individual who was a member of the State Defense  
27 Force in good standing for an entire year and who has been certified by his or her unit  
28 commander as having served as a member of the State Defense Force in good standing for  
29 the entirety of the year shall be allowed a credit against the tax imposed by Code Section  
30 48-7-20 with respect to such year in an amount as follows:

31 (1) For his or her first year claiming the tax credit allowed by this Code section, \$500.00;

32 (2) For his or her second year claiming the tax credit allowed by this Code section,  
33 \$1,000.00;

34 (3) For his or her third year claiming the tax credit allowed by this Code section,  
35 \$1,500.00;

36 (4) For his or her fourth year claiming the tax credit allowed by this Code section,  
37 \$2,000.00;

38 (5) For his or her fifth year claiming the tax credit allowed by this Code section,  
39 \$2,500.00; and

40 (6) For any year beyond his or her fifth year claiming the tax credit allowed by this Code  
41 section, \$3,000.00.

42 (c) To receive the credit allowed by this Code section, the eligible taxpayer shall claim  
43 such credit on his or her return for the tax year for which he or she met the conditions

44 provided in this Code section and shall submit supporting documentation as prescribed by  
45 the commissioner.

46 (d) In no event shall the total amount of the tax credit under this Code section for a taxable  
47 year exceed the taxpayer's income tax liability. No such tax credit shall be allowed the  
48 taxpayer against any prior or succeeding years' tax liability.

49 (e)(1) On August 1, 2023, and annually thereafter, the commissioner and the State Defense  
50 Force shall issue a report to the Governor, the chairperson of the Senate Finance  
51 Committee, and the chairperson of the House Committee on Ways and Means concerning  
52 the tax credit allowed by this Code section.

53 (2) Such report shall include, for the prior calendar year, the:

54 (A) Number of members of the State Defense Force claiming a credit; and

55 (B) Total amount of credits awarded pursuant to this Code section.

56 (f) The commissioner shall be authorized to promulgate any rules and regulations  
57 necessary to implement and administer the provisions of this Code section."

58 **SECTION 2.**

59 This Act shall become effective on January 1, 2023, and shall apply to all taxable years  
60 beginning on and after such date.

61 **SECTION 3.**

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