

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
2 income taxes, so as to require an annual review to be conducted by the State Revenue
3 Commissioner regarding equitable participation of minority business enterprises in claiming
4 income tax credits offered by this state; to require approved diversity plans for equitable
5 participation of minorities among the jobs created or expenditures made to obtain certain tax
6 credits; to provide for related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,
10 is amended by adding a new Code section to read as follows:

11 "48-7-7.

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

13 (1) 'Minority' means an individual who is a member of a race which comprises less than
14 50 percent of the total population of this state.

15 (2) 'Minority business enterprise' means a small business concern which is owned and
16 controlled by one or more minorities and is authorized to do and is doing business under
17 the laws of this state, paying all taxes duly assessed, and domiciled within this state.

18 (3) 'Owned and controlled' means a business:

19 (A) Which is at least 51 percent owned by one or more minorities or, in the case of a
20 publicly owned business, at least 51 percent of all classes or types of the stock is owned
21 by one or more minorities; and

22 (B) Whose management and daily business operations are controlled by one or more
23 minorities.

24 (b) On or before October 1 of each year, the commissioner shall conduct a review, based
25 upon the prior year's tax returns, to determine whether there is equitable participation of
26 minority business enterprises among all taxpayers that claimed an income tax credit
27 pursuant to this chapter.

28 (c) The commissioner shall determine the total number and value of such income tax
29 credits claimed by all minority business enterprises in this state and present this data in
30 relation to the total number and value of such income tax credits allowed to all taxpayers
31 in this state.

32 (d)(1) The initial and subsequent reviews conducted pursuant to subsection (b) of this
33 Code section shall identify any disparities or proof of discrimination based on race that
34 have impacts on the ability of such minority business enterprises to successfully claim
35 such income tax credits.

36 (2) The commissioner shall make recommendations in each review regarding methods
37 or manners to achieve equitable participation of minority business enterprises among all
38 taxpayers that claimed an income tax credit pursuant to this chapter.

39 (e) On and after July 1, 2022, with respect to Code Sections 48-7-40, 48-7-40.1,
40 48-7-40.2, 48-7-40.3, 48-7-40.4, 48-7-40.7, 48-7-40.8, 48-7-40.9, and 48-7-40.17 a

41 taxpayer shall not be eligible to claim a tax credit related to establishing, creating, or
42 relocating any job unless:

43 (1) The taxpayer has filed with the department, at least three months prior to filing such
44 a claim for a tax credit, a diversity plan that outlines the taxpayer's specific goals and
45 stratagem for ensuring that its workforce reflects the diversity of this state such that
46 minorities are employed at levels sufficient to represent equitable participation within
47 the taxpayer's workforce; and

48 (2) The department has approved such diversity plan as meeting the requirements
49 established by the department and verified that the taxpayer met its goals, or made good
50 faith efforts to meet such goals."

51 **SECTION 2.**

52 Said chapter is further amended by adding a new subsection to Code Section 48-7-40.26,
53 relating to a tax credit for film, gaming, video, or digital productions in this state, to read as
54 follows:

55 "(m) For projects certified by the Department of Economic Development on or after
56 January 1, 2022, a production company shall not be eligible to claim a tax credit allowed
57 pursuant to this Code section for a state certified production unless:

58 (1) The production company has filed with the Department of Revenue, within three
59 months of incurring its first expenses for qualified production activities, a diversity plan
60 that outlines the production company's specific goals and stratagem for ensuring that its
61 workforce for the state certified production reflects the diversity of this state such that
62 minorities and minority business enterprises, as such terms are defined in Code Section
63 48-7-7, are employed or contracted with at levels sufficient to represent equitable
64 participation among the qualified production activities claimed for such state certified
65 production; and

