

House Bill 490

By: Representatives Frye of the 122nd, Bazemore of the 69th, Willis of the 55th, Holcomb of the 81st, Romman of the 97th, and others

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 revise a deduction related to depreciation for single-family residential
3 rental property; to provide for related matters; to provide for an effective date and
4 applicability; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes,
8 is amended by revising paragraph (14) of subsection (b) of Code Section 48-7-21, relating
9 to taxation of corporations, as follows:

10 "(14)(A) There shall be subtracted from taxable income the deduction provided and
11 allowed by Section 179 of the Internal Revenue Code of 1986 as enacted on or before
12 January 1, 2005, to the extent the deduction has not been included in the corporation's
13 taxable income, as defined under the Internal Revenue Code of 1986; provided,
14 however, that for taxable years beginning on or after January 1, 2024, the provisions
15 of this subparagraph shall not be applicable for single-family residential rental property.

16 (B) For taxable years beginning on or after January 1, 2024, to the extent any amount
17 was taken by a corporation as a deduction allowed by Section 179 of the Internal
18 Revenue Code in connection with any single-family residential rental property, such
19 amount shall be added to the taxable income of the corporation."

20 **SECTION 2.**

21 Said chapter is further amended by revising paragraph (15) of subsection (a) of Code Section
22 48-7-27, relating to computation of taxable income, as follows:

23 "(15)(A) The deduction provided and allowed by Section 179 of the Internal Revenue
24 Code of 1986 as enacted on or before January 1, 2005, to the extent the deduction has
25 not been included in federal adjusted gross income, as defined under the Internal
26 Revenue Code of 1986, and the expenses have not been included in itemized
27 nonbusiness deductions; provided, however, that for taxable years beginning on or after
28 January 1, 2024, the provisions of this subparagraph shall not be applicable for
29 single-family residential rental property.

30 (B) For taxable years beginning on or after January 1, 2024, to the extent any amount
31 was taken by a corporation as a deduction allowed by Section 179 of the Internal
32 Revenue Code in connection with any single-family residential rental property, such
33 amount shall be added to the taxable income of the corporation."

34 **SECTION 3.**

35 This Act shall become effective on January 1, 2024, and shall be applicable to all taxable
36 years beginning on or after such date.

37 **SECTION 4.**

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