

House Bill 527

By: Representatives Neal of the 74th and Park of the 101st

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, and exemptions from income taxes, so as to provide
3 for a tax credit for employers that retain 90 percent of their full-time employees for a certain
4 period of time; to provide for conditions and limitations; to provide for rules and regulations;
5 to provide for related matters; to provide for an effective date and applicability; to repeal
6 conflicting laws; and 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, and exemptions from income taxes, is amended by adding a
11 new Code section to read as follows:

12 "48-7-40.31A.

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

14 (1) 'Employer' means an enterprise or organization, whether corporation, partnership,
15 limited liability company, proprietorship, association, trust, business trust, real estate
16 trust, or other form of organization, and its affiliates, which is registered and authorized

17 to use the federal employment verification system known as 'E-Verify' or any successor
18 federal employment verification system and is engaged in or carrying on any business
19 activities within this state.

20 (2) 'Full-time job' means employment which:

21 (A) Is located in this state;

22 (B) Involves a regular work week of 30 hours or more;

23 (C) Has no predetermined end date; and

24 (D) Pays at or above the average hourly wage of the county with the lowest average
25 hourly wage in the state, as reported in the most recently available annual issue of the
26 Georgia Employment and Wages Averages Report of the Department of Labor.

27 (b)(1) For the period beginning on July 1, 2021, and ending July 1, 2022, an employer
28 that retains at least 90 percent of its employees who worked for such employer between
29 July 1, 2020, and June 30, 2021, in full-time jobs for at least 40 weeks during the 12
30 month period shall be eligible for an income tax credit in the amount of \$3,500.00 for
31 each employee so employed against the tax imposed under this article during such 12
32 month period.

33 (2) An employer shall only be eligible to receive the credit provided by this subsection
34 once per individual.

35 (c) In no event shall the credit provided by subsection (b) of this Code section for a taxable
36 year exceed the employer's income tax liability. Any unused portion of the credit provided
37 by subsection (b) of this Code section shall be permitted to be carried forward and applied
38 to the employer's tax liability for the subsequent three years. The credit provided by
39 subsection (b) of this Code section shall not be applied against the employer's prior years'
40 tax liabilities.

41 (d) The commissioner shall promulgate rules and regulations and forms necessary to
42 implement and administer the provisions of this Code section."

43 **SECTION 2.**

44 This Act shall become effective on July 1, 2021, and shall be applicable to all taxable years
45 beginning on or after January 1, 2022.

46 **SECTION 3.**

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