

The Senate Committee on Finance offered the following substitute to HB 586:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and
2 taxation, so as to remove the prohibition of state revenue commissioners from being
3 candidates for certain elective offices; to exempt sales of tickets, fees, or charges for
4 admission to certain fine arts performances or exhibitions from sales and use taxes; to
5 provide for a definition; to provide for automatic repeal; to renew a sales tax exemption for
6 maintenance and replacement parts used in machinery or equipment that is used to mix,
7 agitate, and transport freshly mixed concrete; to extend the sunset provision for an exemption
8 for sales taxes on certain tangible personal property sold or used to maintain, refit, or repair
9 a boat during a single event; to provide tax credits for high-impact aerospace defense
10 projects; to allow such tax credits to be taken in conjunction with certain other tax credits and
11 allowed against payroll withholding obligations; to revise the job and investment
12 requirements for such tax credit; to require reporting and the recapture of tax credits under
13 certain conditions; to extend an income tax credit for expenditures on the maintenance of
14 railroad track owned or leased by Class III railroads; to provide for related matters; to repeal
15 conflicting laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17

SECTION 1.

18 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
19 amended by revising Code Section 48-2-4, relating to eligibility for state revenue
20 commissioners for certain elective offices, as follows:

21 "48-2-4.

22 ~~(a) No person serving as commissioner shall be eligible during his term of service and for~~
23 ~~a period of 12 months after the expiration or termination of his term of service to be a~~
24 ~~candidate in any primary, special, or general election for any state or federal elective office~~
25 ~~or to hold any such office.~~

26 ~~(b) Subsection (a) of this Code section shall not be construed to prevent any commissioner~~
27 ~~or former commissioner from being appointed to any elective office, to disqualify him from~~
28 ~~being a candidate in any election to succeed himself in any such office to which he has~~
29 ~~been appointed, or to disqualify him from holding any such office in the event he is elected~~
30 ~~to and otherwise qualifies for the office. Reserved."~~

31

SECTION 2.

32 Said title is further amended by revising paragraph (100) of Code Section 48-8-3, relating
33 to exemptions from sales and use taxes, as follows:

34 "(100)(A) Sales of tickets, fees, or charges for admission to a fine arts performance or
35 exhibition conducted within a facility in this state that is owned or operated by an
36 organization which is exempt from taxation under Section 501(c)(3) of the Internal
37 Revenue Code, or a museum of cultural significance, if such organization's or museum's
38 mission is to advance the arts in this state and to provide arts, educational, and
39 culturally significant programming and exhibits for the benefit and enrichment of the
40 citizens of this state.

41 (B) As used in this paragraph, the term 'fine arts' means music performed by a
42 symphony orchestra, poetry, photography, ballet, dance, opera, theater, dramatic arts,

43 painting, sculpture, ceramics, drawing, watercolor, graphics, printmaking, and
 44 architecture.

45 (C) This paragraph shall stand repealed and reserved on December 31, 2022 Reserved;"

46

SECTION 3.

47 Said title is further amended in Code Section 48-8-3.2, relating to sales tax exemptions for
 48 manufacturers, definitions, exemption, applicability, and examples, by revising paragraph
 49 (12) of subsection (e) as follows:

50 "(12) ~~Until July 1, 2020~~ For the period commencing on July 1, 2021, and ending on June
 51 30, 2026, maintenance and replacement parts for machinery or equipment, stationary or
 52 in transit, used to mix, agitate, and transport freshly mixed concrete in a plastic and
 53 unhardened state, including but not limited to mixers and components, engines and
 54 components, interior and exterior operational controls and components, hydraulics and
 55 components, all structural components, and all safety components, provided that sales and
 56 use taxes on motor fuel used as energy in a concrete mixer truck shall not be exempt or
 57 refundable; and"

58

SECTION 4.

59 Said title is further amended by revising Code Section 48-8-3.4, relating to maximum amount
 60 of sales and use tax on boats, annual reporting, and termination, as follows:

61 "48-8-3.4.

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

63 (1) 'Boat' means a vehicle used or capable of being used as a means of transportation on
 64 the water.

65 (2) 'Event' means an uninterrupted period of time beginning when a boat arrives at a
 66 maintenance, refit, or repair facility in this state and ending when such boat departs such
 67 facility.

68 (b) Notwithstanding any other provision of this article, the maximum amount of sales and
69 use tax imposed and collected to maintain, refit, or repair a boat in this state during a single
70 event shall not exceed \$35,000.00.

71 (c) The commissioner shall promulgate any rules and regulations necessary to implement
72 and administer this Code section, including, but not limited to, calling for an annual report
73 to be issued to the department and the chairpersons of the House Committee on Ways and
74 Means and the Senate Finance Committee that contains the following:

75 (1) The number of full-time and part-time positions created by the seller during the
76 preceding tax year;

77 (2) The average salary of individuals employed in the reported positions; and

78 (3) The total revenue generated and sales and use taxes collected from qualifying events
79 during the preceding year.

80 (d) This Code section shall be automatically repealed on June 30, ~~2025~~ 2026."

81

SECTION 5.

82 Said title is further amended by revising subsection (i) of Code Section 48-7-40.24, relating
83 to conditions for taking job tax credit by business enterprises and calculating credit, as
84 follows:

85 "(i)~~(1)~~ Except as provided in subsection (g) of this Code section and paragraph (2) of this
86 subsection, a taxpayer who is entitled to and takes credits provided by this Code section
87 for a qualified project shall not be allowed to take any of the credits authorized by Code
88 Section 48-7-40, 48-7-40.1, 48-7-40.2, 48-7-40.3, 48-7-40.4, 48-7-40.6, 48-7-40.7,
89 48-7-40.8, 48-7-40.9, 48-7-40.10, ~~48-7-40.11~~, 48-7-40.15, 48-7-40.17, or 48-7-40.18 for
90 jobs, investments, child care, or ground-water usage shifts created by, arising from,
91 related to, or connected in any way with the same project. Provided such taxpayer
92 otherwise qualifies, such taxpayer may take any credit authorized by Code Section
93 48-7-40.5 for the costs of retraining an employee located at the site or sites of such

94 project or the facility or facilities resulting therefrom, but only for costs incurred more
95 than five years after the date the facility or facilities first become operational.
96 (2) On and after July 1, 2021, a taxpayer who is entitled to and takes credits authorized
97 by this Code section for a high-impact aerospace defense project as such term is defined
98 in Code Section 48-7-40.25 may also take the credits authorized by Code Section
99 48-7-40.17 for such project; provided, however, that the taxpayer may not take the credits
100 authorized by this Code section and 48-7-40.17 with respect to such project in the same
101 taxable year."

102 **SECTION 6.**

103 Said title is further amended by revising Code Section 48-7-40.25, relating to conditions for
104 credit for business enterprises with existing manufacturing facilities and calculating credit,
105 as follows:

106 "48-7-40.25.

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

108 (1) 'Business enterprise' means any business or the headquarters of any such business
109 which is engaged in manufacturing. Such term shall not include retail businesses.

110 (2) 'Force majeure' means any:

111 (A) Explosions, implosions, fire, conflagrations, accidents, or contamination;

112 (B) Unusual and unforeseeable weather conditions such as floods, torrential rain, hail,
113 tornadoes, hurricanes, lightning, or other natural calamities or acts of God;

114 (C) Acts of war (whether or not declared), carnage, blockade, or embargo;

115 (D) Acts of public enemy, acts or threats of terrorism or threats from terrorists, riot,
116 public disorder, or violent demonstrations;

117 (E) Strikes or other labor disturbances; or

118 (F) Expropriation, requisition, confiscation, impoundment, seizure, nationalization, or
119 compulsory acquisition of the site of a qualified project or any part thereof;

120 but such term shall not include any event or circumstance that could have been prevented,
121 overcome, or remedied in whole or in part by the taxpayer through the exercise of
122 reasonable diligence and due care, nor shall such term include the unavailability of funds.

123 (3) 'Full-time employee' means an individual holding a full-time employee job.

124 (4) 'Full-time employee job' and 'full-time job' mean employment of an individual which:

125 (A)(i) With respect to a qualified project, is located in this state at the
126 manufacturing facility resulting from such a qualified project; and

127 (ii) With respect to a high-impact aerospace defense project certified pursuant to
128 paragraph (2) of subsection (b) on or after July 1, 2021, is located in this state and
129 results from such project.

130 (B) Involves a regular work week of 35 hours or more;

131 (C) Has no predetermined end date; and

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

135 For purposes of this paragraph, leased employees will be considered employees of the
136 company using their services, and such persons may be counted in determining the
137 company's credits under this Code section if their employment otherwise meets the
138 definition of full-time job contained herein. In addition, an individual's employment shall
139 not be deemed to have a predetermined end date solely by virtue of a mandatory
140 retirement age set forth in a company policy of general application. The employment of
141 any individual in a bona fide executive, administrative, or professional capacity, within
142 the meaning of Section 13 of the federal Fair Labor Standards Act of 1938, as amended,
143 29 U.S.C. Section 213(a)(1), as such act existed on January 1, 2002, shall not be deemed
144 to have a predetermined end date solely by virtue of the fact that such employment is
145 pursuant to a fixed-term contract, provided that such contract is for a term of not less than
146 one year.

147 (4.1) 'High-impact aerospace defense project' means a qualified project with the
148 additional limitations that it is:

149 (A) To be constructed by a business enterprise that is a prime aerospace defense
150 contractor with greater than 40 percent of its revenues derived from sales to the United
151 States government in its most recently completed tax year; and

152 (B) Certified by the commissioner of economic development as materially supportive
153 of the mission of the Georgia Joint Defense Commission and the Governor's Defense
154 Initiative. In making such a certification, the commissioner shall consider whether the
155 project will support the goals of the Georgia Joint Defense Commission set forth in
156 subsections (2), (3), and (4) of Code Section 20-4-121.

157 (5) 'Investment requirement' means the requirement that:

158 (A) With respect to a qualified project, a minimum of \$800 million in qualified
159 investment property shall have been purchased or acquired for use in such a qualified
160 project and be in service; or

161 (B) With respect to a high-impact aerospace defense project certified pursuant to
162 paragraph (2) of subsection (b) on or after July 1, 2021, a minimum of \$500 million in
163 qualified investment property shall have been purchased or acquired for use in such
164 project and be in service.

165 (6) 'Job maintenance requirement' means the requirement that the monthly average
166 number of full-time employees employed by the business enterprise during the first 60
167 months of the recapture period must equal or exceed 90 percent of the job requirement.

168 (7) 'Job requirement' means the requirement that:

169 (A) With respect to a qualified project, the number of full-time employees must equal
170 or exceed 1,800; or

171 (B) With respect to a high-impact aerospace defense project certified pursuant to
172 paragraph (2) of subsection (b) on or after July 1, 2021, the number of full-time
173 employees must equal or exceed 1,000.

174 (8) 'Qualified investment property' means all real and personal property purchased or
175 acquired by a taxpayer for use in a qualified project, including, but not limited to,
176 amounts expended on land acquisition, improvements, buildings, building improvements,
177 and machinery and equipment to be used in the manufacturing facility.

178 (9) 'Qualified project' means the construction of a new manufacturing facility in this
179 state. For purposes of this paragraph, the term 'manufacturing facility' means a single
180 facility, including contiguous parcels of land, improvements to such land, buildings,
181 building improvements, and any machinery or equipment that is used in the process of
182 making, fabricating, constructing, forming, or assembling a product from components or
183 from raw, unfinished, or semifinished materials, and any support facility. For purposes
184 of this paragraph, the term 'support facility' means any warehouses, distribution centers,
185 storage facilities, research and development facilities, laboratories, repair and
186 maintenance facilities, corporate offices, sales or marketing offices, computer operations
187 facilities, or administrative offices that are contiguous to the manufacturing facility that
188 results from a qualified project, constructed or expanded as part of the same such project,
189 and designed primarily for activities supporting the manufacturing operations at such
190 manufacturing facility.

191 (10) 'Recapture period' means the period of ten consecutive taxable years that
192 commences after the taxable year in which the taxpayer has met both the investment
193 requirement and the job requirement.

194 (b) A business enterprise that has operated an existing manufacturing facility in this state
195 for the immediately three preceding years and that is planning a qualified project shall be
196 allowed to take the credit provided by this Code section under the following conditions:

197 (1) An application is filed with the commissioner that:

198 (A) Describes the qualified project to be undertaken by the business enterprise,
199 including when such project will commence;

200 (B) Certifies that such project will meet the investment requirement and the job
201 requirement prescribed by this Code section, stating when the business enterprise
202 expects to meet such requirements; and

203 (C) With respect to a high-impact aerospace defense project, certifies that the taxpayer
204 will purchase or acquire a minimum of \$800 million in qualified investment property
205 and will employ at least 1,800 full-time employees, stating when the business enterprise
206 expects to meet such requirements; and

207 ~~(C)~~(D) Certifies that during the recapture period applicable to such project the business
208 enterprise will meet the job maintenance requirement prescribed by this Code section;
209 and

210 (2) Following the commissioner's referral of the application to a panel composed of the
211 commissioner of community affairs, the commissioner of economic development, and the
212 director of the Office of Planning and Budget, said panel, after reviewing the application,
213 certifies that the new facility will have a significant beneficial economic effect on the
214 region for which it is planned. The panel shall make its determination within 30 days
215 after receipt from the commissioner of the taxpayer's application and any necessary
216 supporting documentation. Although the panel's certification may be based upon other
217 criteria, a project that meets the minimum job and investment requirements specified in
218 paragraph (1) of this subsection will have a significant beneficial economic effect on the
219 region for which it is planned if one of the following additional criteria is met:

220 (A) The full-time employee jobs ~~that will be located at the manufacturing facility~~
221 resulting from such project will pay average wages that are, as determined by the
222 Georgia Department of Labor for all jobs, for the county in question:

223 (i) Twenty percent above such average wage for projects located in tier 1 counties;
224 (ii) Ten percent above such average wage for projects located in tier 2 counties; or
225 (iii) Five percent above such average wage for projects located in tier 3 or tier 4
226 counties; or

227 (B) The project demonstrates high growth potential based upon the prior year's Georgia
228 net taxable income growth of over 20 percent from the previous year, if the taxpayer's
229 Georgia net taxable income in each of the two preceding years also grew by 20 percent
230 or more.

231 (c) Any lease for a period of five years or longer of any real or personal property used in
232 a new manufacturing facility which would otherwise constitute qualified investment
233 property shall be treated as the purchase or acquisition thereof by the lessee. The taxpayer
234 may treat the full value of the leased property as qualified investment property in the year
235 in which the lease becomes binding on the lessor and the taxpayer.

236 (d) A business enterprise whose application is approved shall be allowed a credit against
237 the tax imposed under this article in an amount equal to 6 percent of the cost of all qualified
238 investment property purchased or acquired by the business enterprise in such year, subject
239 to the conditions and limitations set forth in this Code section. Where the amount of such
240 credit exceeds a business enterprise's liability for such taxes in a taxable year, the excess
241 may be taken as a credit against such business enterprise's quarterly or monthly payment
242 under Code Section 48-7-103. The taxpayer may file an election with the commissioner
243 to take such credit against quarterly or monthly payments under Code Section 48-7-103
244 that become due before the due date of the income tax return on which such credit may be
245 claimed. In the event of such an election, the commissioner shall confirm with the taxpayer
246 a date, which shall not be later than 30 days after receipt of the taxpayer's election, when
247 the taxpayer may begin to take the credit against such quarterly or monthly payments.
248 Each employee whose employer receives credit against such business enterprise's quarterly
249 or monthly payment under Code Section 48-7-103 shall receive credit against his or her
250 income tax liability under Code Section 48-7-20 for the corresponding taxable year for the
251 full amount which would be credited against such liability prior to the application of the
252 credit provided for in this subsection. Credits against quarterly or monthly payments under

253 Code Section 48-7-103 and credits against liability under Code Section 48-7-20 established
254 by this subsection shall not constitute income to the taxpayer.

255 (e) The credit granted under subsection (d) of this Code section shall be subject to the
256 following conditions and limitations:

257 (1) In order to qualify as a basis for the credit, the investment in qualified investment
258 property must occur no sooner than ~~April 1, 2003~~ the date of application by the taxpayer
259 for the qualified project pursuant to paragraph (1) of subsection (b) of this Code section.

260 The credit may be taken beginning with the taxable year in which the taxpayer has met
261 both the investment requirement and the job requirement, and for such first year the credit
262 may include qualified investment property purchased or acquired in prior years but after
263 ~~March 31, 2003~~ the date of application by the taxpayer for the qualified project pursuant
264 to paragraph (1) of subsection (b) of this Code section. For each year in which a taxpayer
265 claims the credit, the taxpayer shall attach a schedule to the taxpayer's Georgia income
266 tax return which will set forth the following information, as a minimum:

267 (A) A description of the qualified project;

268 (B) The amount of qualified investment property acquired during the taxable year;

269 (C) The amount of tax credit claimed for the taxable year;

270 (D) The amount of qualified investment property acquired in prior taxable years;

271 (E) Any tax credit previously taken by the taxpayer against Georgia income tax
272 liabilities or the taxpayer's quarterly or monthly payments under Code Section
273 48-7-103;

274 (F) The amount of tax credit carried over from prior years;

275 (G) The amount of tax credit utilized by the taxpayer in the current taxable year;

276 (H) The amount of tax credit to be carried over to subsequent tax years; and

277 (I) The monthly average number of full-time jobs during the taxable year;

278 (2) Any credit claimed under this Code section but not fully used in the manner
279 prescribed in subsection (d) of this Code section may be carried forward for 15 years
280 from the close of the later of:

281 (A) The taxable year in which the qualified investment property was acquired; or

282 (B) The taxable year in which both the job requirement and investment requirement are
283 satisfied.

284 The sale, merger, acquisition, or bankruptcy of any business enterprise shall not create
285 new eligibility in any succeeding business entity but any unused investment tax credit
286 may be transferred and continued by any transferee of the business enterprise;

287 (3) In the initial year in which the taxpayer claims the credit granted in subsection (d) of
288 this Code section, the taxpayer shall include in the description of the project required by
289 subparagraph (A) of paragraph (1) of this subsection information which demonstrates that
290 ~~the taxpayer has met both the investment requirement and project includes the acquisition~~
291 ~~of qualified investment property having an aggregate cost equal to or exceeding \$800~~
292 ~~million and that the job requirement was satisfied~~ during such year; and

293 (4) The utilization of the credit granted in subsection (d) of this Code section shall have
294 no effect on the taxpayer's ability to claim depreciation for tax purposes on the assets
295 acquired by the taxpayer, nor shall the credit have any effect on the taxpayer's basis in
296 such assets for the purpose of depreciation.

297 ~~(f)(1) Except as provided in paragraph (2) of this subsection, in~~ ~~in~~ no event may credits
298 exceeding \$50 million in the aggregate be claimed under this Code section with respect
299 to any one project.

300 (2) In no event shall a taxpayer claim credits exceeding \$100 million in the aggregate
301 under this Code section with respect to a high-impact aerospace defense project.

302 (g)(1) Except as provided in paragraph (2) of this subsection, a ~~A~~ taxpayer who is
303 entitled to and takes credits provided by this Code section with respect to a qualified
304 project shall not be allowed to take any of the credits authorized by Code Section

305 48-7-40, 48-7-40.1, 48-7-40.2, 48-7-40.3, 48-7-40.4, 48-7-40.6, 48-7-40.7, 48-7-40.8,
306 48-7-40.9, 48-7-40.10, ~~48-7-40.11~~, 48-7-40.15, 48-7-40.17, 48-7-40.18, or 48-7-40.24
307 with respect to jobs, investments, child care, or ground-water usage shifts created by,
308 arising from, related to, or connected in any way with the same project. Such taxpayer
309 may take any credit authorized by Code Section 48-7-40.5 for the cost of retraining an
310 employee located at the site of such project or the manufacturing facility resulting
311 therefrom, but only with respect to costs incurred more than five years after the date the
312 manufacturing facility first becomes operational.

313 (2) A taxpayer who is entitled to and takes credits authorized by this Code section for a
314 high-impact aerospace defense project certified pursuant to paragraph (2) of subsection
315 (b) on or after July 1, 2021, may also take the credits authorized by Code Sections
316 48-7-40.17 and 48-7-40.24 for such project.

317 (h)(1) Not more than 60 days after the close of the fifth taxable year within the recapture
318 period, the taxpayer shall file a report, using such form and providing such information
319 as the commissioner may reasonably require, concerning whether it met the job
320 maintenance requirement. If the taxpayer ~~has failed~~ fails to meet the job maintenance
321 requirement, ~~the such~~ taxpayer ~~will~~ shall forfeit ~~the its~~ right to all credits provided by this
322 Code section for such project.

323 (2) Within 60 days after the close of the tenth taxable year within the recapture period,
324 any taxpayer that takes a credit allowed under this Code section with respect to a
325 high-impact aerospace defense project shall file a report, using such form and providing
326 such information as the commissioner may reasonably require, which establishes that the
327 taxpayer purchased or acquired at least \$800 million in qualified investment property and
328 employs at least 1,800 full-time employees with respect to such high-impact aerospace
329 defense project. If the taxpayer fails to establish that such objectives were met by the
330 close of the tenth taxable year within the recapture period, such taxpayer shall forfeit its
331 right to all credits provided by this Code section for such project.

332 (3) A taxpayer that forfeits ~~such its right as provided in paragraph (1) or (2) of this~~
333 subsection is liable for all past taxes imposed by this article and all past payments under
334 Code Section 48-7-103 that were forgone by the state as a result of the credits provided
335 by this Code section, plus interest at the rate established by Code Section 48-2-40
336 computed from the date such taxes or payments would have been due if the credits had
337 not been taken. No later than 90 days after notification by the commissioner that the
338 taxpayer has failed to meet the job maintenance requirement or the objectives required
339 of a high-impact aerospace defense project, the taxpayer shall file amended income tax
340 and withholding tax returns for all affected periods that recalculate those liabilities
341 without regard to the forfeited credits and shall pay any additional amounts shown on
342 such returns, with interest as provided herein.

343 (i) A taxpayer who fails to meet the job maintenance requirement because of force majeure
344 may petition the commissioner for relief from such requirement. Such a petition must be
345 made with and at the same time as the report required by subsection (h) of this Code
346 section. If the commissioner determines that force majeure materially affected the
347 taxpayer's ability to meet the job maintenance requirement, but that the portion of any year
348 so affected was six months or less, the commissioner shall calculate the taxpayer's monthly
349 average number of full-time employees for purposes of subsection (h) of this Code section
350 by disregarding the affected months. If the commissioner determines that the affected
351 portion of any such year was more than six months, the taxable year shall be disregarded
352 in its entirety for purposes of the job maintenance requirement and the recapture period
353 applicable to the qualified project shall be extended for an additional year.

354 (j) If the manufacturing facility resulting from a qualified project is abandoned at any time
355 during the recapture period, the taxpayer will forfeit the right to all credits provided by this
356 Code section for such project. A taxpayer that forfeits such right is liable for all past taxes
357 imposed by this article and all past payments under Code Section 48-7-103 that were
358 forgone by the state as a result of the credits provided by this Code section, plus interest

359 at the rate established by Code Section 48-2-40 computed from the date such taxes or
360 payments would have been due if the credits had not been taken. For purposes of this
361 subsection, a manufacturing facility will be considered abandoned if there is, for any reason
362 other than force majeure, a complete cessation of manufacturing operations for a period of
363 12 consecutive months or more during the recapture period. Not more than 60 days after
364 the close of the recapture period, the taxpayer shall file a report, using such form and
365 providing such information as the commissioner may require, concerning whether such an
366 abandonment occurred. No later than 90 days after notification by the commissioner that
367 an abandonment occurred, the taxpayer shall file amended income tax and withholding tax
368 returns for all affected periods that recalculate those liabilities without regard to the
369 forfeited credits and shall pay any additional amounts shown on such returns, with interest
370 as provided herein.

371 (k) Unless more time is allowed therefor by Code Section 48-7-82 or 48-2-49, the
372 commissioner may make any assessment attributable to the forfeiture of credits claimed
373 under this Code section for the periods covered by any amended returns filed by a taxpayer
374 pursuant to subsections (h) and (j) of this Code section within one year from the date such
375 returns are filed. If the taxpayer fails to file the reports or any amended return required by
376 subsections (h) and (j) of this Code section, the commissioner may assess additional tax or
377 other amounts attributable to the forfeiture of credits claimed under this Code section at
378 any time.

379 (l) The commissioner shall promulgate any rules and regulations necessary to implement
380 and administer this Code section."

381

SECTION 7.

382 Said title is further amended in Code Section 48-7-40.34, relating to tax credit for Class III
383 railroads and reporting, by revising subsections (c) through (h) as follows:

384 "(c)(1) The credit given under this Code section shall only be allowed once for each mile
385 of railroad track in each taxable year.

386 (2) Such credit shall be given for each taxable year beginning on or after
387 January 1, 2019, and ending on or before December 30, ~~2023~~ 2026, in which the
388 conditions of this Code section have been met.

389 (d) If a credit is given under this Code section with respect to any railroad track, the basis
390 of such railroad track shall be reduced by the amount of the credit so allowed.

391 (e) The tax credits given to a Class III railroad by this Code section that are not used by
392 such Class III railroad shall be freely assignable one time between January 1, 2019, and
393 January 1, ~~2024~~ 2027, by written agreement to a taxpayer subject to the tax imposed by this
394 chapter.

395 (f) On or before September 1 of 2020 and annually thereafter until ~~2024~~ 2027, the
396 commissioner shall issue a report to the chairpersons of the Senate Finance Committee and
397 the House Committee on Ways and Means concerning the tax credit created by this Code
398 section, which shall include the following statistics for the preceding taxable year:

399 (1) The total number of taxpayers that claimed a credit provided by this Code section;
400 and

401 (2) The number and total value of all credits earned and all credits applied during such
402 tax year pursuant to this Code section.

403 (g) The commissioner shall promulgate such forms, rules, and regulations as are necessary
404 to implement and administer the provisions of this Code section.

405 (h) This Code section shall be automatically repealed on January 1, ~~2024~~ 2026."

406 **SECTION 8.**

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