

House Bill 599

By: Representatives Clark of the 147th, Smith of the 134th, Hitchens of the 161st, Blackmon of the 146th, Kelley of the 16th, 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 the imposition, rate, computation, and exemptions from state income tax, so as to
3 provide an exemption for income received by a taxpayer as a retirement benefit from
4 noncivilian service in the armed forces of the United States or the reserve components
5 thereof; to provide for related matters; to provide for an effective date; to repeal conflicting
6 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 the
10 imposition, rate, computation, and exemptions from state income tax, is amended in
11 subsection (a) of Code Section 48-7-27, relating to the computation of taxable net income,
12 by revising paragraph (4) and adding a new paragraph to read as follows:

13 "(4)(A) Income received from public pension or retirement funds, programs, or systems
14 the income from which is exempted by federal law or treaty when the income is
15 otherwise included in the taxpayer's federal adjusted gross income.

16 (B) Except as specifically provided in subparagraph (A) of this paragraph, ~~paragraph~~
17 ~~(5) of this subsection, and paragraph and paragraphs (4.1), (5), and (7) of this~~
18 subsection, for taxable years beginning on or after January 1, 1989, no income from a
19 public pension or retirement fund, program, or system (including those pension or
20 retirement funds, programs, or systems provided for in Title 47) shall be exempt from
21 income taxation in this state, notwithstanding any provision of Title 47 or any other
22 provision of law to the contrary;

23 (4.1) Income received from public pension or retirement funds, programs, or systems the
24 income from which is derived from noncivilian service as a member of the armed forces
25 of the United States or the reserve components thereof;"

26 **SECTION 2.**

27 This Act shall become effective on January 1, 2018.

28 **SECTION 3.**

29 All laws and parts of laws in conflict with this Act are repealed.