

House Bill 671

By: Representatives Beverly of the 143rd, Mitchell of the 88th, Bruce of the 61st, Cannon of the 58th, Thomas of the 39th, 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, and computation of income tax, so as to increase the value
3 of a tax credit based on the federal tax credit for certain child and dependent care expenses
4 to 100 percent of such federal tax credit; to provide that such tax credit shall be refundable
5 to the taxpayer; to provide for related matters; to provide for an effective date and
6 applicability; to repeal 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 the
10 imposition, rate, and computation of income tax, is amended by revising Code
11 Section 48-7-29.10, relating to credit for qualified child and dependent care expenses, as
12 follows:

13 "48-7-29.10.

14 (a) A taxpayer shall be allowed a credit against the tax imposed by Code Section 48-7-20
15 for qualified child and dependent care expenses. Such credit shall be determined by
16 applying a percentage to the amount of the credit provided for in Section 21 of the Internal

17 Revenue Code which is claimed and allowed pursuant to the Internal Revenue Code. Such
18 percentage shall be:

19 (1) Ten percent for all taxable years beginning on or after January 1, 2006, and prior to
20 January 1, 2007;

21 (2) Twenty percent for all taxable years beginning on or after January 1, 2007, and prior
22 to January 1, 2008; ~~and~~

23 (3) Thirty percent for all taxable years beginning on or after January 1, 2008; and

24 (4) One hundred percent for all taxable years beginning on or after January 1, 2021.

25 (b) ~~In no event shall the total amount of the tax credit under this Code section for a taxable~~
26 ~~year exceed the taxpayer's income tax liability. Any unused tax credit shall not be allowed~~
27 ~~to be carried forward to apply to the taxpayer's succeeding years' tax liability~~ be refunded
28 to the taxpayer. No such tax credit shall be allowed the taxpayer against prior years' tax
29 liability.

30 (c) The commissioner shall be authorized to promulgate any rules and regulations
31 necessary to implement and administer this Code section."

32 **SECTION 2.**

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

35 **SECTION 3.**

36 All laws and parts of laws in conflict with this Act are repealed.