

House Bill 740

By: Representatives Beskin of the 54th, Rakestraw of the 19th, Willard of the 51st, Wilkinson of the 52nd, Peake of the 141st, 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 imposition, rate, and composition of and exemptions from income taxes, so as to
3 create an annual tax credit for up to five years for taxpayers who purchase, own, and occupy
4 a dwelling that qualifies for a homestead exemption located within a school attendance zone
5 assigned to a public elementary school that is among the lowest 5 percent of academic
6 achievement public elementary schools in the state; to provide for procedures, conditions,
7 and limitations; to provide for definitions; to provide for related matters; to provide for an
8 effective date and applicability; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

11 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
12 imposition, rate, and composition of and exemptions from income taxes, is amended by
13 adding a new Code section to read as follows:

14 "48-7-29.20.

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

16 (1) 'Actually occupies' means physically resides in for a period of not less than 180 days
17 during a given tax year.

18 (2) 'Homestead exemption' means the ad valorem tax exemption provided for in Code
19 Section 48-5-44.

20 (3) 'Lowest-performing school' means a public elementary school that is among the
21 lowest 5 percent of academic achievement in this state.

22 (4) 'Qualifying homestead' means a dwelling that qualifies for a homestead exemption.

23 (b)(1) A taxpayer shall be allowed a credit of up to \$15,000.00 against the tax imposed
24 by Code Section 48-7-20 in the amount of \$3,000.00 per tax year for five consecutive tax
25 years beginning or immediately following the tax year in which such taxpayer purchases
26 a qualifying homestead that is assigned to a lowest-performing school, provided that such

27 taxpayer is an owner of record of and actually occupies such qualifying homestead during
 28 each tax year for which the taxpayer claims such credit.

29 (2) If, after the end of the tax year in which a qualifying homestead was purchased, such
 30 dwelling is no longer assigned to a lowest-performing school, a taxpayer shall not lose
 31 eligibility for the annual credit, so long as the taxpayer continues to meet all other
 32 conditions for such credit.

33 (3)(A) To receive the credit allowed by this Code section, a taxpayer shall claim such
 34 credit on his or her return for the tax year of or immediately following the year in which
 35 such taxpayer purchases a qualifying homestead that is assigned to a lowest-performing
 36 school and shall submit the following documentation with his or her return:

37 (i) A certified copy of the property tax assessment of the qualifying homestead for
 38 the taxable year for which such credit is sought;

39 (ii) A certified copy of the deed to the qualifying homestead; and

40 (iii) Proof that the qualifying homestead was assigned to a lowest-performing school
 41 on the date such qualifying homestead was purchased.

42 (B) Thereafter, to receive such credit, the taxpayer shall annually claim such credit on
 43 his or her tax return and shall submit with his or her return a certified copy of the
 44 property tax assessment of the qualifying homestead for the taxable year for which such
 45 credit is sought.

46 (c) On or before November 1, the Department of Education shall annually publish a list
 47 of public elementary schools that the Office of Student Achievement, or other division of
 48 the Department of Education, determines to be among the lowest 5 percent of academic
 49 achievement in this state during the preceding academic year. The Department of
 50 Education shall be authorized to promulgate any rules and regulations necessary to
 51 implement and administer the provisions of this subsection.

52 (d) In no event shall the total amount of the tax credit under this Code section for a taxable
 53 year exceed the taxpayer's income tax liability, be transferable, or be allowed the taxpayer
 54 against prior or succeeding years' tax liability.

55 (e) Except as otherwise provided in subsection (c) of this Code section, the commissioner
 56 shall be authorized to promulgate any rules and regulations necessary to implement and
 57 administer the provisions of this Code section."

58 **SECTION 2.**

59 This Act shall become effective upon its approval by the Governor or upon its becoming law
 60 without such approval and shall be applicable to all taxable years beginning on or after
 61 January 1, 2016.

62

SECTION 3.

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