

The Senate Committee on Veterans, Military, and Homeland Security offered the following substitute to SB 11 (LC 43 1719):

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 3 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,
2 relating to tax returns and furnishing of information, so as to authorize Georgia taxpayers to
3 make certain voluntary contributions through the income tax payment and refund process to
4 aid and assist service disabled veterans through a qualified service disabled veterans benefit
5 organization; to provide for definitions; to provide for conditions and limitations; to require
6 surety; to provide for the remittance of recovered funds to the general fund; to provide for
7 the promulgation of rules and regulations; to provide for a short title; to provide for related
8 matters; to provide for an effective date and applicability; to repeal conflicting laws; and for
9 other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 This Act shall be known and may be cited as the "Senator Jack Hill Veterans' Act."

13

SECTION 2.

14 Article 3 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to tax
15 returns and furnishing of information, is amended by adding a new Code section to read as
16 follows:

17 "48-7-64.

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

19 (1) 'Qualified service disabled veterans benefit organization' means an organization that
20 has been certified by the commissioner as having maintained tax exempt status pursuant
21 to Section 501(c)(3) or 501(c)(19) of the Internal Revenue Code for at least the five prior
22 years, and that in three of such five years, at least 90 percent of such organization's
23 expenses were spent on the programs or services it delivers, which shall not include
24 administrative or fund raising expenses.

25 (2) 'Service-connected disability' means a disability that is service-connected as such
26 term is defined in 38 U.S.C. Section 101(16).

27 (3) 'Service disabled veteran' means a veteran who is a permanent Georgia resident with
28 a service-connected disability of 10 percent or greater as determined by the United States
29 Department of Veterans Affairs or who has been terminated from military service by
30 reason of disability by the United States Department of Defense.

31 (4) 'Veteran' shall have the same meaning as such term is defined in 38 U.S.C. 101(2).

32 (b)(1) Provided that a qualified service disabled veterans benefit organization enters into
33 a contract with the Department of Revenue as specified in subsection (d) of this Code
34 section, each Georgia income tax return form for taxable years beginning on or after
35 January 1, 2022, shall contain appropriate language, to be determined by the state revenue
36 commissioner, offering the taxpayer the opportunity to contribute to service disabled
37 veterans through any qualified service disabled veterans benefit organization by donating
38 \$1.00 of any tax refund due, by authorizing a reduction in the refund check otherwise

39 payable, or by contributing any amount over and above the amount of tax owed by adding
40 that amount to the taxpayer's payment.

41 (2) The instructions accompanying the income tax return form shall contain a description
42 of the purposes for which each qualified service disabled veterans benefit organization
43 was established and the intended use of moneys received from the contributions, as well
44 as notice that any contributions that are recovered from such organization for any reason
45 shall be remitted to the general fund.

46 (3) Each taxpayer required to file a state income tax return that desires to contribute to
47 a qualified service disabled benefit organization may designate such contribution as
48 provided in this Code section on the appropriate income tax return form.

49 (c) The Department of Revenue shall determine annually the total amount that is
50 voluntarily contributed, shall withhold therefrom the full costs of administering such
51 voluntary contribution program, and shall transmit such remaining costs to a qualified
52 service disabled veterans benefit organization.

53 (d)(1) In order to participate in this voluntary contribution program, a qualified service
54 disabled benefit organization shall enter into a contract with the state, not later than
55 March 1 of each year, which provides that:

56 (A) If, in any tax year covered by the contract, the administrative costs of the
57 Department of Revenue for collecting contributions pursuant to this Code section
58 exceed the sum of such contributions, a qualified service disabled veterans benefit
59 organization shall be responsible for and promptly pay any outstanding costs of the
60 Department of Revenue not covered by the contributions;

61 (B) All contributions received by such qualified service disabled veterans benefit
62 organization pursuant to this Code section shall be expended for the sole purpose of
63 aiding or assisting service disabled veterans with their service-connected disabilities
64 which shall exclude, but such exclusion shall not be limited to, fund raising and
65 administrative and operating expenditures;

66 (C) Any breach of the contract shall permit the commissioner to cease disbursement
67 of funds and seek any remedy available at law to recover funds from the qualified
68 service disabled veterans benefit organization;

69 (D) The qualified service disabled veterans benefit organization shall execute and file
70 with the commissioner a good and valid bond with a surety company authorized to do
71 business in this state in the manner deemed proper by the commissioner and in the
72 amount of \$1,000.00; and

73 (E) The qualified service disabled veterans benefit organization shall be required to
74 reimburse the Department of Revenue for any department initiated audits relating to
75 this Code section; provided, however, that routine tax audits of a taxpayer of the
76 qualified service disabled veterans benefit organization shall not be included.

77 (2) Such contract shall be for the present tax year only, but may be renewed by a
78 qualified service disabled veterans benefit organization not earlier than July 1 or later
79 than September 1 in each subsequent year for that present tax year. In the event that a
80 qualified service disabled veterans benefit organization elects not to enter into or renew
81 such contract covering a tax year, no provision shall be made for contributions to the
82 organization in the income tax forms for such tax year. A qualified service disabled
83 veterans benefit organization that breaches a contract provided for by this Code section
84 shall not be eligible to renew or enter into a new contract for three taxable years.

85 (e) All funds recovered by the commissioner from a qualified service disabled veterans
86 benefit organization for any reason shall be remitted to the general fund.

87 (f) The commissioner shall require any information necessary from any applying,
88 renewing, or contracting organization and promulgate such rules and regulations as are
89 necessary to implement, administer, and enforce this Code section."

90

SECTION 3.

91 This Act shall become effective upon its approval by the Governor or upon its becoming law
92 without such approval and shall apply to all taxable years beginning on or after
93 January 1, 2021.

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SECTION 4.

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