# Georgia Tax Expenditure Report for FY 2021

Prepared by the Fiscal Research Center of the Andrew Young School of Policy Studies at Georgia State University

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# Introduction

Tax expenditures are provisions in the tax code that allow for special treatment of a source of income or a certain type of expense. Such treatment usually results in a reduction in tax liability for the taxpayer. In principle, these tax benefits could be provided by direct appropriation, thus these provisions are referred to as "expenditures". They represent tax revenues that would have been otherwise generated if not for this preferential treatment in the tax code.

Like direct government expenditures, tax expenditures are an allocation of government revenue that are intended to achieve a particular policy outcome or encourage some activity. The value of a tax expenditure can be thought of as representing the amount of money that would be necessary to provide the same level of financial support in the form of a government grant instead of through the tax code. Tax expenditures are received by businesses and individual taxpayers and are present in all of Georgia's major taxes, including the individual income tax, corporate income tax, and sales tax.

Tax expenditures, also referred to as tax preference items, can take several forms. Many are structured as tax credits and deductions, such as the corporate credit for hiring a new worker or the individual deduction for the mortgage interest paid on a primary residence. Other expenditures are in the form of exclusions of income. For example, at the state level, individuals in Georgia are allowed to exclude the value of Social Security benefits from the calculation of Georgia taxable income. Lastly, some tax expenditures may be provided in the form of reduced rates for selected items in the tax base, such as the partial sales tax exemption for jet fuel.

# **Tax Expenditure Report**

Preparation of a tax expenditure report is required by the Official Code of Georgia Annotated §45-12-75. The purpose of the report is to list all tax expenditures and their value. In this way, these items can be tracked over time in a fashion analogous to a budget of direct governmental expenditures.

While direct expenditures for such items as education or transportation are reviewed annually with every budget, tax expenditures are often not subject to such periodic review. It is important to monitor the value associated with these provisions as they are a reduction in tax revenue and their presence results in special treatment for some taxpayers relative to others. For example, the state government supports education through direct expenditure programs and through HOPE scholarships but also allows a tax deduction for certain educational expenses borne by the taxpayer or paid by an employer. Both the direct expenditure and the tax expenditure represent an allocation of government resources toward education, but only the direct expenditures are listed in an annual budget.

Leaving tax expenditures out of the annual budgetary review process creates two types of distortions. First, it under-represents the amount of government resources allocated for a given

purpose. Second, it incorrectly represents the distribution of the benefits of government expenditures. The benefits of tax expenditure provisions are usually targeted to higher income taxpayers compared to direct expenditure programs, so that the absence of tax expenditures in the overall analysis may lead to the conclusion that government resources are targeted toward less affluent taxpayers. In addition, not all tax expenditure programs have a direct budgetary counterpart, thus without a tax expenditure report, these provisions and their distributional effects escape notice.

The presence of tax expenditures is not necessarily bad tax policy. However, not recognizing or monitoring the resources allocated through the tax system is not good fiscal policy. Through this report, we hope to provide a consolidated listing of government resources provided through this means. This report does not, however, provide any information on how effective the provision may be in terms of fulfilling its purpose. For instance, while the value of the Research and Development (R&D) credit may be reported annually in the tax expenditure report, there is no accompanying analysis to determine the extent to which more research activities have been undertaken due to the presence of the special provision.

# **Identifying Tax Expenditures**

In most cases, identifying a tax expenditure is straightforward. Tax expenditures are deviations or special exceptions from the generally defined tax base, sometimes referred to as the normal tax base or the reference tax base. However, there may be disagreement as to what constitutes the normal or reference tax base. Even at the federal level, the list of tax expenditure items included by the Administration differs from the list estimated by Congress because each works from a different definition of the standard tax base. The appropriate norm against which tax expenditures are defined is somewhat subjective and may, in some cases, be driven by the intent of the policy underlying the legislation. For example, one would not consider the difference between the current top income tax rate of 6 percent and the tax rate of 1 percent a tax expenditure.

Tax credits and deductions for certain types of activities, such as the jobs tax credit or the lowincome housing credit, are always classified as tax expenditures. This is also the case for items that are taxed at a reduced rate. In addition, specific exclusions from the tax base are, in most cases, considered tax expenditures. Because the Georgia individual and corporate tax systems are both tied to the federal individual and corporate bases, exclusions or deductions at the federal level apply to the state tax base as well. In some cases, Georgia chooses not to conform to federal provisions, such as the Section 199 deduction for domestic production activities. In these cases, we do not include the provision as a tax expenditure. It is also important to note that tax expenditures are not computed for revenue that is due but not collected.

There are instances when it is unclear whether a given tax provision should be listed as a tax expenditure. This is because it is unclear what constitutes the general rule, and therefore, it is

sometimes difficult to determine which provisions are exceptions to that rule. Consider the individual income tax exemption. Individuals are allowed to exclude an amount of income for each taxpayer included on the return but this exemption of income is not considered a tax expenditure by all states. Another example is the provision allowing for the use of a single-factor apportionment formula in allocating income earned by corporations operating in more than one state. Because the general rule of the single-factor apportionment formula has been established at the state level, only deviations from that rule would be listed as a tax expenditure. Alternatively, if one considers the status-quo method of apportionment to be the equally weighted three-factor apportionment formula, any deviation from that rule, such as the double-weighted three-factor or single-factor apportionment formula, would be reported as a tax expenditure. This sort of problematic classification of tax expenditures also applies to the taxation of services under the state sales tax. Because state legislation refers to the purchase of tangible goods, the exclusion of services from the base may not be seen as a deviation from the general rule. On the other hand, if it is really the intent of the general rule to tax all consumption, then the exclusions provided to the consumption of services should be listed as a tax expenditure. In this report we attempt to incorporate as comprehensive a definition as possible.

Defining a tax expenditure in the case of the sales tax requires particular discussion. Because there is no federal sales tax, there is no list of federal sales tax expenditures to use as a starting point. For this report, we use the state tax statute as the basis for identifying sales tax expenditures. Therefore, if an exemption specifically exists in the state statute, it is listed as a sales tax expenditure. This has the advantage of being a very straightforward and non-subjective rule to apply. As a second advantage, this method provides a comprehensive list of all statutory exemptions allowing for comparison between provisions affecting taxpayers and industries.

This rule has the disadvantage of identifying many sales tax provisions as tax expenditures that would not be identified as tax expenditures under the rule of good tax policy. This is particularly true in the case of business inputs. There are several business inputs, such as the exemption for energy used in manufacturing, that are listed in this report as tax expenditures but are not activities that should be included in the tax base, if the base were defined using the best economic principles. When business inputs are included in the sales tax base, those inputs are taxed and the tax is included in the price when the input is sold to the next stage of production. The more these inputs are taxed at the intermediate stages of production, the more the tax is embedded in the price of the item. This embedded tax distorts prices and influences economic decisions. Therefore, it is important to understand that while some business exemptions are listed as tax expenditures that are provided for more societal reasons, such as the tax exemption for public school lunches or for the sale of food for off-premises consumption. To aid policy makers, this report identifies sales tax expenditure provisions that are considered business inputs.

#### **Tax Expenditures vs. Revenue Estimates**

The estimate associated with a tax expenditure provision does not necessarily represent the revenue that would be gained from the repeal of the enabling legislation. Instead, the cost of the tax expenditure represents the value of the deduction or credit taken via the particular provision by itself, without consideration of potential interactions with other provisions. Although the presence of one provision may interact with the use of another provision, tax expenditures are estimated as independent provisions. For instance, if the federal research and development tax credit were repealed, federal revenues would not increase by the amount of the federal tax expenditure estimate but by a smaller amount. This is because some of the research expenditures claimed through the federal tax credit would be shifted over to another tax deduction or credit so that the savings to the government would be less than the value of the tax expenditure estimate. In addition, tax expenditure estimates do not incorporate behavioral effects that may occur due to the elimination of a provision. For instance, the tax expenditure estimate associated with the deduction for charitable giving is based on a current level of charitable contributions. If the deduction for charitable contributions were eliminated, the revenue effect presented in the fiscal note would incorporate both the initial value of charitable contributions from the tax expenditure estimate and a timing effect that would result from people speeding up their level of contributions in response to the future loss of the deduction. Thus, tax expenditure estimates can only act as an indication of the revenue effect that would occur if the provision were eliminated or modified.

# **Data Sources and Reliability of Estimates**

To the extent possible, data from the Georgia Department of Revenue (DOR) is used to estimate the expenditures included in this report. Unfortunately, the required information is not always collected or available. When it is not, other data sources, such as information from the U.S. Census Bureau, the U.S. Bureau of Economic Analysis, or the U.S. Bureau of Labor Statistics, are used. Every effort is made to provide reliable, well supported estimates of the provisions. Because of the time lag in processing income tax returns, the most recent data available from the Georgia DOR was calendar year (CY) 2017. Therefore, even in cases in which the Georgia DOR data is used as the primary data source, the tax expenditure costs presented in this report are estimates.

Two subjective measures of reliability are provided in this report: the estimate reliability and the data reliability. The reliability of both the estimate and data are categorized into three classes: A, B, and C. Class A estimates and data sources are considered the most reliable. Data sources with a Class A status consist of data from the federal statistical agencies or from the Georgia DOR. Estimates with a Class A status are typically those estimates that are based on Class A data that is particularly applicable to the expenditure provision. For instance, most of the state business tax credit expenditures are listed as Class A estimates. They are based on tax credit data provided by the Georgia DOR that specifically addresses or measures the tax expenditure provision. On the

other hand, most sales tax estimates are given a Class B status. While these provisions may be based on Class A data sources, such as the Economic Census or the Consumer Expenditure Survey from the Bureau of Labor Statistics, the data may only be available at a national level, or the data may refer to more activities than is covered by the tax expenditure provision. In these cases, the data must be adjusted to represent the specific activity associated with the expenditure provision and scaled down to represent the value of the activity within Georgia. Class C estimates are believed to provide reasonable estimates and are based on the best data available. For some items, no reliable information is available. In these cases, no estimate for the expenditure is provided.

Class of Estimate/Class of	Description of Estimate	<b>Examples of Data Sources</b>
Data	Reliability	by Reliability Status
		Data from Department of
	Based on data specifically	Revenue, Bureau of Labor
Class A	related to the tax expenditure	Statistics Consumer
Class A	provision and to Georgia	Expenditure Survey, Bureau
	taxpayers	of Economic Analysis, U.S.
		Census Bureau datasets
	Based on national data which	
	has been modified to	Industry surveys and trade
Class B	represent Georgia and the	magazines, most proprietary
	specific tax activity covered	information
	by the expenditure	
Class C	Represents best available	Newspaper articles,
Class C	estimate at this time	secondary sources

# **Local Government Effects**

In addition to the state estimates, this report attempts, where possible, to estimate the effects on local government revenues. There are many state exemptions that have local ramifications, such as numerous exemptions from the sales tax base. The local estimates that are provided represent the aggregate value of the exemptions that would accrue to the counties, municipalities, school districts, and special service districts, including tax allocation and community improvement districts.

# **Consistency with prior estimates**

The current report, FY 2021, presents estimates for FY 2019-FY 2021. The report for FY 2020 provided estimates for FY 2018-FY 2020. In most cases, the estimates between the current and past reports are consistent, with the latest report continuing the same trend in the value of the estimates that was established in earlier reports. On the other hand, there are some cases in which

the estimate presented in the FY 2021 report differs significantly from that presented in the past reports. This usually occurs because new information has become available or because a new forecast of economic activity is relied upon to predict future values. The updated estimates are included in the current report and any major inconsistency with prior reports is noted in the discussion relating to the expenditure.

### **Outline of the Report**

The report continues with a summary table containing a title of each tax expenditure provision, the tax base it is associated with, the type of expenditure, and the estimated values for FY 2019-21 for all tax expenditures identified in the report. Provisions that are assigned a positive value denote an expenditure that is estimated to reduce state or local revenues. Provisions assigned a value of "(m)" denote a tax expenditure that is estimated to reduce state revenues by less than \$1 million. Provisions assigned a negative value denote a positive tax expenditure that is estimated to increase state revenues. Provisions assigned a value of "(-m)" denote a tax expenditure that is estimated to increase state revenues by less than \$1 million.

In addition to an identifying title, each expenditure provision is assigned an expenditure number, the first digit of which corresponds to the different sections of this report, such as 1 for the individual income tax and 5 for the insurance premium tax. The remaining portion of the numeric identifier is used to divide the expenditures into different subcategories such as federal and state expenditures, and deductions and credits. Only in the case of the sales tax exemptions does the expenditure number have any relationship to the state tax code section to which the expenditure item is associated. The numeric identifiers for each provision are consistent across tax expenditure reports and can be used to compare expenditure estimates from one report to the next.

Following the summary tables are detailed sections for each of the specific taxes covered in this report. These detailed sections begin with a brief description of the tax, latest figures on revenue collection and any information on recent modifications to the base. These detailed sections also include additional information for each of the expenditure items such as the statute number, the year in which the expenditure provision was enacted and the year in which it became effective, information on the data and estimate reliability and data source, a more detailed description of the tax expenditure provision, and the value of the expenditure provisions, sales and use tax expenditures by type, and distributional analysis for a selected number of income tax provisions.

		•	Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
Federal Incon	ne Tax Provisions <sup>1</sup>					
	Exclusion of	Federal				
	employee meals	Individual				
1.1.001	and lodging	Income Tax	Exclusion	20	21	21
	Exclusion of					
	housing	Federal				
	allowances for	Individual				
1.1.002	ministers	Income Tax	Exclusion	5	5	5
	Exclusion of					
	employer-	Federal				
	provided child	Individual				
1.1.003	care	Income Tax	Exclusion	15	15	16
	Exclusion of	Federal				
	employee	Individual				
1.1.004	awards	Income Tax	Exclusion	3	3	3
	Exclusion of					
	employer					
	contributions					
	and earnings to					
	pension plans					
	includes					
	Keoghs, defined					
	benefit and					
	defined	Federal				
	contribution	Individual				
1.1.005	plans	Income Tax	Exclusion	1,527	1,601	1,742
	Exclusion of					
	employer					
	contributions for					
	health care,					
	health insurance					
	premiums and					
	long-term care	Federal				
	insurance	Individual				
1.1.006	premiums	Income Tax	Exclusion	1,067	1,163	1,235
	Exclusion of			,	· · ·	,
	employer-paid					
	accident and	Federal				
	disability	Individual				
1.1.007	premiums	Income Tax	Exclusion	29	30	31

<sup>&</sup>lt;sup>1</sup> These are Internal Revenue Code provisions (IRC) adopted by Georgia as part of its personal and corporate income tax.

			tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
	Exclusion of					
	employer					
	contributions for					
	premiums on	Federal				
	group long-term	Individual				
1.1.008	life insurance	Income Tax	Exclusion	24	25	25
	Exclusion of					
	employer-paid					
	transportation					
	benefits and					
	employer-					
	provided transit	Federal				
	and vanpool	Individual				
1.1.009	benefits	Income Tax	Exclusion	37	38	39
	Exclusion of					
	benefits					
	provided	Federal				
	through cafeteria	Individual				
1.1.010	plans	Income Tax	Exclusion	230	247	270
	Exclusion of					
	employer-					
	provided	Federal				
	adoption	Individual				
1.1.011	assistance	Income Tax	Exclusion	1	1	1
	Exclusion of					
	employer-					
	provided					
	education					
	benefits					
	(including					
	education	<b>F</b> 1 1				
	assistance and	Federal				
1 1 0 1 2	tuition reduction	Individual	E1-	0	0	0
1.1.012	benefits)	Income Tax	Exclusion	8	8	8
	Exclusion of	Federal				
1 1 012	miscellaneous	Individual	Evolution	40	50	50
1.1.013	fringe benefits	Income Tax	Exclusion	48	50	52
	Exclusion of					
	foreign earned					
	income	Federal				
	(including	Individual				
	housing and	murvidual			1	

	Sun	nmary of S	tate Tax Ex			T
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
•	Exclusion of		•			
	certain					
	allowances for					
	federal	Federal				
	employees	Individual				
1.1.015	abroad	Income Tax	Exclusion	8	8	8
	Exclusion of					
	benefits and					
	allowances to					
	armed forces					
	personnel					
	(includes					
	expenditure for					
	military	Federal				
	disability	Individual				
1.1.016	benefits)	Income Tax	Exclusion	53	56	58
	Exclusion of					
	medical care and					
	Tricare medical					
	insurance for					
	military					
	dependents,					
	retirees, and	Federal				
	retiree	Individual				
1.1.017	dependents	Income Tax	Exclusion	30	33	35
	Exclusion of					
	veterans'					
	benefits					
	(includes					
	veterans					
	disability					
	compensation,					
	pensions, and	Federal				
	readjustment	Individual				
1.1.018	benefits)	Income Tax	Exclusion	62	63	67
	Exclusion of					
	income					
	attributable to					
	the discharge of					
	certain student					
	loan debt and					
	National Health					
	Service Corp					
	and certain state	Federal				
	educational loan	Individual				
1.1.019	repayments	Income Tax	Exclusion	1	1	1

			tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
	Exclusion of		<b>1</b>			
	workers'					
	compensation					
	benefits					
	(includes					
	disability and					
	survivor benefits					
	and medical					
	benefits, and					
	exclusion of					
	damages on					
	account of					
	personal					
	physical injuries	Federal				
	or physical	Individual		10	10	10
1.1.020	sickness)	Income Tax	Exclusion	48	49	49
	Exclusion of	<b>F</b> 1 1				
	special benefits	Federal				
1 1 001	for disabled coal	Individual	F 1 '			
1.1.021	miners Exclusion of	Income Tax	Exclusion	(m)	(m)	(m)
	untaxed Social					
	Security and railroad	Federal				
	retirement	Individual				
1.1.022	benefits	Income Tax	Exclusion	188	193	205
1.1.044	Exclusion of	Federal	LACIUSIOII	100	175	203
	certain foster	Individual				
1.1.024	care payments	Income Tax	Exclusion	2	2	2
1.1.021	Exclusion of	Income Tux	Exclusion		2	2
	scholarship and	Federal				
	fellowship	Individual				
1.1.026	income	Income Tax	Exclusion	17	18	19
	Exclusion of					
	earnings of					
	Coverdell					
	education					
	savings accounts					
	and interest on	Federal				
	educational	Individual				
1.1.027	savings bonds	Income Tax	Exclusion	1	1	1

		~	tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
	Exclusion of					
	earnings of					
	qualified tuition					
	programs					
	(including					
	prepaid tuition					
	programs and	Federal				
	savings account	Individual		2		
1.1.028	programs)	Income Tax	Exclusion	8	9	10
	Exclusion for					
	certain					
	agricultural cost-	Federal				
1 1 0 2 0	sharing	Individual	F 1 '			
1.1.029	payments	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	cancellation of indebtedness	Federal				
	income for	Individual				
1.1.030	farmers	Income Tax	Exclusion	1	1	1
1.1.030	Exclusion of	Income Tax	Exclusion	1	1	1
	interest on state					
	and local					
	government	Federal				
	private activity	Individual				
1.1.031	bonds	Income Tax	Exclusion	2	2	2
	Exclusion of					
	capital gains on	Federal				
	sales of principal	Individual				
1.1.032	residences	Income Tax	Exclusion	259	268	278
	Exclusion of	Federal				
	capital gains at	Individual				
1.1.033	death	Income Tax	Exclusion	188	193	198
	Carryover basis	Federal				
	of capital gains	Individual			-	
1.1.034	on gifts	Income Tax	Exclusion	4	9	13
	Permanent	<b>F</b> 1 1				
	Exemption from	Federal				
1 1 025	imputed interest	Individual	<b>F</b> 1	2	2	2
1.1.035	rules	Income Tax	Exclusion	3	3	3
	Englagion of	Federal				
1 1 026	Exclusion of	Individual	Evolution	10	0	0
1.1.036	combat pay	Income Tax	Exclusion	10	9	9

Summary of State Tax Expenditures           Type of         State         State								
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021		
	Exclusion of		<b>1</b>					
	energy							
	conservation							
	subsidies	Federal						
	provided by	Individual						
1.1.037	public utilities	Income Tax	Exclusion	(m)	(m)	(m)		
	Exclusion of							
	interest on							
	public purpose							
	state and local	Federal						
	government	Individual						
1.1.040	bonds	Income Tax	Exclusion	1	1	1		
	Exclusion of							
	income earned							
	by voluntary							
	employees'	Federal						
	beneficiary	Individual						
1.1.041	associations	Income Tax	Exclusion	10	10	10		
	Exclusion of			-				
	survivor							
	annuities paid to							
	families of							
	public safety	Federal						
	officers killed in	Individual						
1.1.042	the line of duty	Income Tax	Exclusion	(m)	(m)	(m)		
	Exclusion of		2	(111)	(111)	(111)		
	disaster	Federal						
	mitigation	Individual						
1.1.043	payments	Income Tax	Exclusion	(m)	(m)	(m)		
	Accelerated	Federal	Linenasion	(111)	()	(111)		
	depreciation	Individual						
1.2.001	(MACRS)	Income Tax	Deduction	20	17	12		
1.2.001	Expensing of		2000000	_0	17			
	exploration and							
	development	Federal						
	costs: nonfuel	Individual						
1.2.003	minerals	Income Tax	Deduction	(m)	(m)	(m)		
	Amortization of	Federal		</td <td>(<i>)</i></td> <td>()</td>	( <i>)</i>	()		
	business start-up	Individual						
1.2.004	costs	Income Tax	Deduction	(m)	1	1		
	Expensing of			()	-	-		
	research and	Federal						
	experimental	Individual						
1.2.005	expenses	Income Tax	Deduction	0	0	0		

	Sun	nmary of S	tate Tax Ex	penditure		
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
•	Expensing of		•			
	magazine	Federal				
	circulation	Individual				
1.2.006	expenditures	Income Tax	Deduction	(m)	(m)	(m)
	Deductions of					
	oil and gas					
	exploration and	Federal				
	development	Individual				
1.2.007	costs	Income Tax	Deduction	0	0	0
	Special					
	treatment for					
	expenses related	Federal				
	to timber	Individual				
1.2.008	production	Income Tax	Deduction	2	2	2
	Expensing under					
	IRC section 179					
	of depreciable	Federal				
	business	Individual				
1.2.009	property	Income Tax	Deduction	63	48	37
	Exceptions for					
	publicly traded					
	partnerships					
	with qualified					
	income derived					
	from certain	Federal				
	energy-related	Individual				
1.2.010	activities	Income Tax	Deduction	2	2	3
	Treatment of					
	income from					
	exploration and					
	mining of					
	natural resources					
	as qualifying					
	income under					
	the publicly					
	traded	Federal				
1 0 0 1 1	partnerships	Individual		~	_	~
1.2.011	rules	Income Tax	Deduction	0	0	0
	Various					
	agricultural	Federal				
1 0 0 1 0	expensing	Individual				
1.2.012	provisions	Income Tax	Deduction	1	1	1
	Community and	<b>F</b> 1 1				
	regional	Federal				
1 0 012	development	Individual				
1.2.013	incentives	Income Tax	Deduction	(m)	(m)	(m)

	Sun	nmary of S	tate Tax Ex			1
E	<b>C</b>	Tax	Type of	State FY 2019	State FY 2020	State FY 2021
Expenditure	Summary Expensing to	Tax	Expenditure	FY 2019	F Y 2020	F Y 2021
	remove					
	architectural and					
	transportation					
	barriers to the	Federal				
	handicapped and	Individual				
1.2.014	elderly	Income Tax	Deduction	(m)	0	0
	Inventory					
	methods and					
	valuation,					
	(including last-in					
	first-out, lower					
	of cost or					
	market, specific					
	identification for	Federal				
	homogenous	Individual				
1.2.015	products)	Income Tax	Deduction	2	2	2
		Federal				
	Health Savings	Individual				
1.2.017	Accounts	Income Tax	Deduction	35	37	38
	Deduction of	Federal				
	property taxes	Individual				
1.2.018	on real property	Income Tax	Deduction	128	97	103
	Deduction of					
	mortgage					
	interest on	Federal				
1 2 0 2 0	owner-occupied	Individual	Deduction	106	105	216
1.2.020	residences Deduction of	Income Tax	Deduction	196	195	216
	charitable					
	contributions					
	(includes					
	deductions for					
	health,					
	education, and					
	for purposes	Federal				
	other than health	Individual				
1.2.021	and education)	Income Tax	Deduction	475	431	387
	Deduction of	Federal				
	casualty and	Individual				
1.2.022	theft losses	Income Tax	Deduction	1	1	1
	Deduction of					
	overnight					
	expenses for					
	National Guard	Federal				
	and Reserve	Individual				
1.2.023	members	Income Tax	Deduction	1	1	1

	Sui	illiar y or S	tate Tax Ex			<u><u> </u></u>
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
	Deduction of	Federal				
	interest on	Individual				
1.2.025	student loans	Income Tax	Deduction	12	13	13
	Deduction of					
	health insurance					
	premiums and					
	long-term care					
	insurance	Federal				
	premiums by the	Individual				
1.2.028	self-employed	Income Tax	Deduction	39	44	48
	Deduction of					
	medical and					
	dental expenses	Federal				
	and long-term	Individual				
1.2.029	care expenses	Income Tax	Deduction	47	45	49
	Net exclusion of					
	pension					
	contributions					
	and earnings:	Federal				
	traditional and	Individual				
1.2.030	Roth IRAs	Income Tax	Deduction	144	151	160
		Federal				
	Limit on NOL	Individual				
1.2.031	deduction <sup>2</sup>	Income Tax	Deduction	-1	-1	-1
	Deferral of gain	Federal				
	on like-kind	Individual				
1.3.001	exchanges	Income Tax	Deferral	34	34	33
	Special rules for					
	magazine,					
	paperback book,	Federal				
1 2 002	and record	Individual	a . 15 .	<i>/</i> ×		
1.3.002	returns	Income Tax	Special Rule	(m)	(m)	(m)
	Two-year					
	carryback for net	<b>F</b> 1 1				
	operating losses	Federal				
1 2 002	attributable to	Individual	Caralal D 1			1
1.3.003	farming	Income Tax	Special Rule	(m)	(m)	1
	Special rules for	IZ - 1 1				
	mining	Federal				
1 2 004	reclamation	Individual Income Tax	Special Dyla	(m)	(m)	()
1.3.004	reserves	meome Tax	Special Rule	(m)	(m)	(m)
	Cash	Endoral				
	accounting, for	Federal Individual				
1.3.005	certain businesses	Individual Income Tax	Special Dula	28	22	17
1.3.003	ousinesses	meome rax	Special Rule	20	22	1/

<sup>&</sup>lt;sup>2</sup> Negative values denote a tax expenditure that is estimated to increase state revenues.

	Sun	imary of S	tate Tax Ex			<i>a</i>
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
•	Deferral of gain	Federal	•			
	on non-dealer	Individual				
1.3.006	installment sales	Income Tax	Special Rule	6	6	6
		Federal				
	Completed	Individual				
1.3.007	contract rules	Income Tax	Special Rule	3	3	1
	Special					
	treatment of					
	employee stock					
	ownership plans					
	(ESOPs)					
	(includes					
	deferral of tax					
	on certain	Federal				
	employee stock	Individual				
1.3.008	plans)	Income Tax	Deferral	10	11	12
	Income					
	averaging for	Federal				
	farmers and	Individual				
1.3.009	fishermen	Income Tax	Special Rule	1	1	1
	Qualified	Federal				
	opportunity	Individual				
1.3.010	zones	Income Tax	Special Rule	5	5	4
Georgia Indiv	idual Income Tax I	Provisions				
		State				
	Personal	Individual				
1.4.001	Exemption	Income Tax	Exemption	1,079	1,095	1,114
		State				
	Retirement	Individual				
1.4.002	Income	Income Tax	Exemption	980	975	998
	Exclusion of					
	federally taxable	State				
	Social Security	Individual				
1.4.003	benefits	Income Tax	Exemption	199	211	223
	Georgia Higher					
	Education	State				
	Savings Plan	Individual				
1.4.004	Contributions	Income Tax	Exemption	13	16	19
		State				
	Interest on U.S.	Individual				
1.4.005	obligations	Income Tax	Exemption	15	13	13
		State			Estimate not	
	Certain military	Individual			available at	
1.4.006	income	Income Tax	Exemption		this time	

Summary of State Tax Expenditures           Type of         State         State								
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021		
		State	1					
	Organ donation	Individual						
1.4.007	expenses	Income Tax	Exemption	(m)	(m)	(m)		
		State						
	Aged 65/Blind	Individual						
1.4.008	deduction	Income Tax	Exemption	8	8	9		
	Certain	State			Estimate not			
	dependent's	Individual			available at			
1.4.009	unearned income	Income Tax	Exemption		this time			
	Premiums for	State						
	high-deductible	Individual						
1.4.010	health plans	Income Tax	Exemption	6	7	7		
	Exclusion of		<b>^</b>					
	qualified							
	insurance	State			Estimate not			
	benefits for	Individual			available at			
1.4.011	firefighters	Income Tax	Exemption		this time			
	Individual		1					
	retirement							
	account, Keogh,							
	SEP and Sub-S							
	plan withdrawals							
	where tax has							
	been paid to							
	Georgia because							
	of the difference							
	between Georgia							
	and Federal law							
	for tax years	State			Estimate not			
	1981 through	Individual			available at			
1.4.012	1986.	Income Tax	Exemption		this time			
	Depreciation		F					
	because of							
	differences in							
	Georgia and							
	Federal law							
	during tax years	State			Estimate not			
	1981 through	Individual			available at			
1.4.013	1986.	Income Tax	Exemption		this time			
-	Income from		. <b>F</b>					
	any fund,							
	program or							
	system which is							
	exempted by	State			Estimate not			
	federal law or	Individual			available at			
1.4.014	treaty.	Income Tax	Exemption		this time			

Summary of State Tax Expenditures           Type of         State         State								
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021		
-	Certain income		•					
	in which the							
	Sub-S election is							
	not recognized							
	by Georgia or							
	another state in	State			Estimate not			
	order to avoid	Individual			available at			
1.4.015	double taxation.	Income Tax	Exemption		this time			
	Adjustment for		<b>1</b>					
	certain teachers							
	retired from the							
	Teachers							
	Retirement	State			Estimate not			
	System of	Individual			available at			
1.4.016	Georgia	Income Tax	Exemption		this time			
	Amount claimed		<u> </u>					
	by certain							
	employers in							
	food and	State			Estimate not			
	beverage	Individual			available at			
1.4.017	establishments	Income Tax	Exemption		this time			
	Adjustment of		<b>1</b>					
	certain payments	State			Estimate not			
	to minority	Individual			available at			
1.4.018	subcontractors	Income Tax	Exemption		this time			
	Adjustments to							
	federal AGI for	State			Estimate not			
	certain Georgia	Individual			available at			
1.4.019	resident partners	Income Tax	Exemption		this time			
	Exemption for	State			Estimate not			
	certain disaster	Individual			available at			
1.4.020	relief firms	Income Tax	Exemption		this time			
	Exclusion of	State						
	Military	Individual						
1.4.021	Survivor Benefit	Income Tax	Exclusion	5	5	5		
	Exclusion from							
	the income tax							
	for disability							
	payments for	State						
	disabled first	Individual						
1.4.022	responders	Income Tax	Exclusion	(m)	(m)	(m)		
	<u> </u>	State		~ /		~ /		
	Standard	Individual						
1.5.001	Deduction	Income Tax	Deduction	575	750	748		

Summary of State Tax Expenditures           Type of         State         State								
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021		
•	Deduction of		•					
	qualified							
	insurance							
	premiums for	State			Estimate not			
	former	Individual			available at			
1.5.002	firefighters	Income Tax	Deduction		this time			
		State						
	Rural Physician	Individual						
1.6.001	Credit	Income Tax	Credit	(m)	(m)	(m)		
	Disabled							
	person's home	State						
	purchase or	Individual						
1.6.002	retrofit credit	Income Tax	Credit	(m)	(m)	(m)		
		State						
	Driver	Individual						
1.6.003	Education Credit	Income Tax	Credit	1	0	0		
	Disaster	State						
	Assistance	Individual						
1.6.004	Credit	Income Tax	Credit	4	1	(m)		
	Qualified	State						
	Caregiving	Individual						
1.6.005	Expense Credit	Income Tax	Credit	(m)	(m)	(m)		
	Tax credit for							
	life insurance for							
	Georgia							
	National Guard	State						
	and Air National	Individual						
1.6.006	Guard	Income Tax	Credit	(m)	(m)	(m)		
	Child and	State						
	Dependent Care	Individual						
1.6.007	Credit	Income Tax	Credit	41	42	43		
	Adoption of	State						
	Foster Child	Individual						
1.6.008	Credit	Income Tax	Credit	5	6	6		
		State						
	Low-Income	Individual						
1.6.009	Credit	Income Tax	Credit	8	8	9		
	Credit for taxes	State	-					
	paid to another	Individual						
1.6.010	state	Income Tax	Credit	304	317	316		
	Credit for			-				
	Community-	State						
	Based Faculty	Individual						
1.6.011	Preceptors	Income Tax	Credit	(m)	1	2		
	Georgia Job Tax	Total State		()	-			
1.6.012	Credit	Credit	Credit	118	121	122		

	Summary of State Tax Expenditures								
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021			
Expenditure	Quality Jobs Tax	Total State	Expenditure	F 1 2019	F I 2020	Г 1 2021			
1.6.013	Credit	Credit	Credit	77	79	81			
1.0.015	Cicuit	create	Croun	, ,	Estimate	01			
	New Facilities	Total State			combined				
1.6.014	Jobs Credit	Credit	Credit		with 1.6.012				
1.0.01	New								
	Manufacturing				Estimate not				
	Facilities	Total State			available at				
1.6.015	Property Credit	Credit	Credit		this time				
	Manufacturer's								
	Investment Tax	Total State							
1.6.016	Credit	Credit	Credit	17	18	19			
	Optional					-/			
	Investment Tax	Total State							
1.6.017	Credit	Credit	Credit	1	1	1			
	Port Activity	Total State		-		-			
1.6.018	Tax Credit	Credit	Credit	1	1	1			
	Alternate Port				Estimate				
	Activity Tax	Total State			combined				
1.6.019	Credit	Credit	Credit		with 1.6.018				
1101012		Total State							
1.6.020	Film Tax Credit	Credit	Credit	451	496	545			
	Research Tax	Total State							
1.6.021	Credit	Credit	Credit	87	92	97			
	Seed-Capital	Total State							
1.6.022	Fund Credit	Credit	Credit	(m)	(m)	(m)			
	Qualified Health				, , , , , , , , , , , , , , , , , , ,				
	Insurance	Total State							
1.6.023	Expense Credit	Credit	Credit	(m)	(m)	(m)			
	Qualified								
	Transportation	Total State							
1.6.025	Credit	Credit	Credit	(m)	0	0			
	Business								
	Enterprise	Total State							
1.6.026	Vehicle Credit	Credit	Credit	(m)	(m)	(m)			
	Employer's								
	credit for								
	providing or								
	sponsoring child								
	care for								
	employees and								
	employer's credit								
	for purchasing								
	child care	Total State							
1.6.027	property	Credit	Credit	16	16	16			
	Low-Income	Total State							
1.6.028	Housing Credit	Credit	Credit	254	268	282			

		V	tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
	Historic					
	Rehabilitation	Total State				
1.6.029	Credit	Credit	Credit	28	30	32
	Diesel					
	Particulate					
	Emission					
	Reduction					
	Technology					
	Equipment	Total State				
1.6.030	Credit	Credit	Credit	0	0	0
	Low/Zero-					
	Emission					
	Vehicle Charger	Total State				
1.6.031	Credit	Credit	Credit	(m)	(m)	(m)
	Land					
	Conservation	Total State				
1.6.032	Credit	Credit	Credit	8	7	6
	Georgia					
	Employer GED					
	Tax Credit					
	(previously					
	known as the					
	Employer's					
	Credit for Basic					
	Skills	Total State				
1.6.034	Education)	Credit	Credit	(m)	(m)	(m)
	Employer's			. /		
	Credit for					
	Approved					
	Employee	Total State				
1.6.035	Retraining	Credit	Credit	39	41	45
	Qualified					
	Education	Total State				
1.6.036	Expense Credit	Credit	Credit	57	77	84
	Qualified					
	Investor Tax	Total State				
1.6.037	Credit	Credit	Credit	(m)	(m)	0
	Energy-efficient			. /		
	or water-					
	efficient	Total State				
1.6.038	equipment credit	Credit	Credit	0	0	0

	Summary of State Tax Expenditures								
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021			
-	Tax credit for		•						
	existing business								
	enterprises								
	undergoing								
	qualified				Estimate				
	business	Total State			combined				
1.6.041	expansion	Credit	Credit		with 1.6.013				
		Total State							
1.6.043	Bank Tax Credit	Credit	Credit	26	29	30			
	Employer tax								
	credit for hiring								
	qualified	Total State							
1.6.044	parolees	Credit	Credit	3	3	0			
	Income Tax								
	Credit for								
	Contributions to								
	Rural Health								
	Care	Total State							
1.6.045	Organizations	Credit	Credit	54	45	54			
	Revitalization	Total State							
1.6.046	Zone Tax Credit	Credit	Credit	1	2	4			
	Georgia Musical								
	Investment Tax	Total State							
1.6.047	Credit	Credit	Credit	4	11	16			
	Public Education								
	Innovation Fund	Total State							
1.6.048	Tax Credit	Credit	Credit	5	5	5			
	Agribusiness	Total State							
1.6.049	Tax Credit	Credit	Credit	0	2	6			
	Railroad Track								
	Maintenance	Total State							
1.6.050	Tax Credit	Credit	Credit	0	2	4			
	Reforestation								
	credit for losses								
	incurred on								
	commercial								
	timberland due								
	to hurricane	Total State							
1.6.051	damage	Credit	Credit	0	80	95			
Federal Corp	orate Income Tax P	rovisions							
•	Permanent								
	exemption from	Federal							
	imputed interest	Corporate							
2.1.001	rules	Income Tax	Exclusion	(m)	(m)	(m)			

	Sun	nmary of S	tate Tax Ex			
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
-	Exclusion of		•			
	contributions in					
	aid of					
	construction for	Federal				
	water and sewer	Corporate				
2.1.003	utilities	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	earnings of					
	certain	Federal				
	environmental	Corporate				
2.1.004	settlement funds	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	certain					
	agricultural cost-	Federal				
	sharing	Corporate				
2.1.005	payments	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	gain or loss on					
	sale or exchange	Federal				
	for brownfield	Corporate				
2.1.006	property	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	disaster	Federal				
	mitigation	Corporate				
2.1.008	payments	Income Tax	Exclusion	(m)	(m)	(m)
	Exclusion of					
	interest on					
	public purpose					
	state and local	Federal				
	government	Corporate				
2.1.009	bonds	Income Tax	Exclusion	(m)	(m)	(m)

	Summary of State Tax Expenditures								
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021			
-	Various foreign								
	provisions								
	including								
	inventory								
	property sales								
	source rule								
	exception,								
	interest expense								
	allocation,								
	deferral of active								
	income of								
	controlled								
	foreign								
	corporations,								
	deferral of active	Federal							
	financing	Corporate							
2.1.010	income	Income Tax	Exclusion	204	211	227			
	Exclusion of	Federal							
<b>0</b> 1 0 1 1	employee meals	Corporate		2	2	2			
2.1.011	and lodging	Income Tax	Deduction	-3	-3	-3			
	Exclusion of								
	employer-paid								
	transportation								
	benefits and								
	employer-	Federal							
	provided transit								
2.1.012	and vanpool benefits	Corporate Income Tax	Exclusion	-7	-7	-7			
2.1.012	Accelerated	Federal	Exclusion	- /	- /	- /			
	depreciation	Corporate							
2.2.001	(MACRS)	Income Tax	Deduction	3	2	2			
2.2.001	Deduction of	пеоте тах	Deduction	5	2				
	expenditures on								
	energy-efficient								
	commercial	Federal							
	building	Corporate							
2.2.002	property	Income Tax	Deduction	(m)	0	0			
	Expensing of			</td <td></td> <td></td>					
	exploration and								
	development	Federal							
	costs: nonfuel	Corporate							
2.2.003	minerals	Income Tax	Deduction	(m)	(m)	(m)			
	Amortization of	Federal							
	business start-up	Corporate							
2.2.004	costs	Income Tax	Deduction	(m)	(m)	(m)			

Summary of State Tax Expenditures           Type of         State         State								
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	FY 2021		
	Expensing of		1					
	research and	Federal						
	experimental	Corporate						
2.2.005	expenses	Income Tax	Deduction	2	2	2		
	Expensing of							
	magazine	Federal						
	circulation	Corporate						
2.2.006	expenditures	Income Tax	Deduction	(m)	(m)	(m)		
	Deductions of							
	oil and gas							
	exploration and	Federal						
	development	Corporate						
2.2.007	costs	Income Tax	Deduction	0	0	0		
	Special							
	treatment of							
	expenses related	Federal						
	to timber	Corporate						
2.2.008	production	Income Tax	Deduction	3	3	3		
	Deduction of							
	charitable							
	contributions							
	(includes							
	deductions for							
	health,							
	education, and							
	for purposes	Federal						
	other than health	Corporate						
2.2.009	and education)	Income Tax	Deduction	22	23	24		
	Expensing under							
	IRC section 179							
	of depreciable	Federal						
	business	Corporate						
2.2.011	property	Income Tax	Deduction	21	16	12		
	Amortization of	Federal						
	air pollution	Corporate						
2.2.012	control facilities	Income Tax	Deduction	1	1	1		
	Various							
	agricultural	Federal						
	expensing	Corporate						
2.2.014	provisions	Income Tax	Deduction	(m)	(m)	(m)		
	Community and			. /	. /			
	regional	Federal						
	development	Corporate						
2.2.015	incentives	Income Tax	Deduction	(m)	(m)	(m)		

	Sun	nmary of S	tate Tax Ex	penditure	5	
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
<b>1</b>	Expensing to					
	remove					
	architectural and					
	transportation					
	barriers to the	Federal				
	handicapped and	Corporate				
2.2.016	elderly	Income Tax	Deduction	(m)	0	0
	Inventory	Federal				
	methods and	Corporate		2		
2.2.017	valuation	Income Tax	Deduction	3	3	3
	Limits on					
	deductible					
	compensation					
	and					
	disallowance of	Federal				
	deduction for	Federal				
2.2.018	excess parachute	Corporate Income Tax	Exemption	-5	-6	-6
2.2.018	payments Deduction for	Income Tax	Exemption	-3	-0	-0
	foreign-derived	Federal				
	intangible	Corporate				
2.2.019	income	Income Tax	Deduction	19	25	30
2.2.019	Limitation on	Federal	Deduction	19	23	50
	deduction of	Corporate				
2.2.020	FDIC premium	Income Tax	Deduction	-4	-5	-5
2.2.020		Federal	Deddenon		5	5
	Limitation on	Corporate				
2.2.021	NOL deduction	Income Tax	Deduction	-3	-3	-3
	Deferral of gain	Federal	2000000	6		
	on like-kind	Corporate				
2.3.001	exchanges	Income Tax	Deferral	6	7	7
	Special rules for					
	magazine,					
	paperback book,	Federal				
	and record	Corporate				
2.3.002	returns	Income Tax	Special Rule	(m)	(m)	(m)
	Two-year					
	carryback for net					
	operating losses	Federal				
	attributable to	Corporate				
2.3.003	farming	Income Tax	Special Rule	(m)	(m)	(m)
	Special rules for					
	mining	Federal				
	reclamation	Corporate				
2.3.004	reserves	Income Tax	Special Rule	(m)	(m)	(m)

	Sun	nmary of S	tate Tax Ex	penditure	S	
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
-	Cash					
	accounting, for	Federal				
	certain	Corporate				
2.3.005	businesses	Income Tax	Special Rule	4	3	2
	Deferral of gain	Federal				
	on non-dealer	Corporate				
2.3.006	installment sales	Income Tax	Special Rule	11	10	10
		Federal				
	Completed	Corporate				
2.3.007	contract rules	Income Tax	Special Rule	3	3	2
	Special					
	treatment of					
	employee stock					
	ownership plans					
	(ESOPs)					
	(includes					
	deferral of tax					
	on certain	Federal				
	employee stock	Corporate				
2.3.008	plans)	Income Tax	Deferral	(-m)	(-m)	(m)
	Deferral of					
	capital					
	construction	Federal				
	costs of shipping	Corporate				
2.3.009	companies	Income Tax	Deferral	(m)	(m)	(m)
	Qualified	Federal				
	opportunity	Corporate				
2.3.010	zones	Income Tax	Special Rule	5	5	5
Georgia Corp	orate Income Tax I	Provisions				
					Estimate not	
	Single-Factor	Corporate			available at	
2.4.001	Apportionment	Income Tax	Apportionment		this time	
					Estimate not	
		Corporate			available at	
2.4.002	Throwback Rule	Income Tax	Apportionment		this time	
	Corporate				Estimate not	
	Receipts	Corporate			available at	
2.4.003	Sourcing	Income Tax	Apportionment		this time	
	Interest on				Estimate not	
	obligations of	Corporate			available at	
2.5.001	United States	Income Tax	Deduction		this time	
	Exception to					
	intangible					
	expenses and				Estimate not	
	related interest	Corporate			available at	
2.5.002	cost	Income Tax	Deduction		this time	

Summary of State Tax Expenditures           Type of         State         State         State									
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021			
•	Exclusion of		•						
	global intangible								
	low-taxed	Corporate							
2.5.003	income (GILTI)	Income Tax	Exclusion	19	25	30			
	Georgia Job Tax	Total State							
2.6.001	Credit	Credit	Credit	118	121	122			
	Quality Jobs Tax	Total State							
2.6.002	Credit	Credit	Credit	77	79	81			
					Estimate				
	New Facilities	Total State			combined				
2.6.003	Jobs Credit	Credit	Credit		with 2.6.001				
	New								
	Manufacturing				Estimate not				
	Facilities	Total State			available at				
2.6.004	Property Credit	Credit	Credit		this time				
	Manufacturer's								
	Investment Tax	Total State							
2.6.005	Credit	Credit	Credit	18	18	19			
	Optional								
	Investment Tax	Total State							
2.6.006	Credit	Credit	Credit	1	1	1			
	Port Activity	Total State							
2.6.007	Tax Credit	Credit	Credit	1	1	1			
	Alternative Port				Estimate				
	Activity Tax	Total State			combined				
2.6.008	Credit	Credit	Credit		with 2.6.007				
		Total State							
2.6.009	Film Tax Credit	Credit	Credit	451	496	545			
	Research Tax	Total State							
2.6.010	Credit	Credit	Credit	87	92	97			
	Seed-Capital	Total State		2,		2.			
2.6.011	Fund Credit	Credit	Credit	(m)	(m)	(m)			
2.0.011	Qualified Health	creat	croan	(111)	(111)	(111)			
	Insurance	Total State							
2.6.012	Expense Credit	Credit	Credit	(m)	(m)	(m)			
	Qualified	crount	Crouit	(***)	()	(111)			
	Transportation	Total State							
2.6.014	Credit	Credit	Credit	(m)	0	0			
2.0.017	Business	Cituit		(111)		0			
	Enterprise	Total State							
2.6.015	Vehicle Credit	Credit	Credit	(m)	(m)	(m)			

Summary of State Tax Expenditures						
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
Expenditure	Employer's	lax	Expenditure	F 1 2019	F I 2020	<b>F 1 2021</b>
	Credit for					
	providing or					
	sponsoring child					
	care for					
	employees and					
	employer's					
	credit for					
	purchasing child	Total State				
2.6.016	care property	Credit	Credit	16	16	16
	Low-Income	Total State				
2.6.017	Housing Credit	Credit	Credit	254	268	282
	Historic					
	Rehabilitation	Total State	~	• •		
2.6.018	Credit	Credit	Credit	28	30	32
	Diesel					
	Particulate					
	Emission					
	Reduction					
	Technology Equipment	Total State				
2.6.019	Credit	Credit	Credit	0	0	0
2.0.019	Low - and Zero-	Clean	Credit	0	0	0
	emission					
	Vehicle Charger	Total State				
2.6.020	Credit	Credit	Credit	(m)	(m)	(m)
	Land					
	Conservation	Total State				
2.6.021	Credit	Credit	Credit	8	7	6
	Clean Energy					
	Property and					
	Wood Residuals	Total State				
2.6.022	Credit	Credit	Credit	(m)	0	0
	Georgia					
	Employer GED					
	Tax Credit					
	(previously					
	known as the					
	Employer's					
	Credit for Basic	Total State				
2.6.023	Skills Education)	Total State Credit	Credit	(m)	(m)	(m)
2.0.023	Education) Employer's	Crean	Credit	(m)	(m)	(m)
	Credit for					
	Approved					
	Employee	Total State				
2.6.024	Retraining	Credit	Credit	39	41	45

Summary of State Tax Expenditures						
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
-	Qualified					
	Education	Total State				
2.6.025	Expense Credit	Credit	Credit	57	77	84
	Qualified					
	Investor Tax	Total State				
2.6.026	Credit	Credit	Credit	(m)	(m)	0
	Energy-Efficient or Water- Efficient Equipment	Total State		_		
2.6.027	Credit	Credit	Credit	0	0	0
2.6.030	Tax credit for existing business enterprises undergoing qualified business expansion	Total State Credit	Credit		Estimate combined with 2.6.002	
2.6.032	Bank Tax Credit	Total State Credit	Credit	26	29	30
2.6.033	Employer tax credit for hiring qualified parolees	Total State Credit	Credit	3	3	0
2.6.034	Income Tax Credit for Contributions to Rural Health Care Organizations	Total State Credit	Credit	54	45	54
2.0.034	Revitalization	Total State	Clean		43	54
2.6.035	Zone Tax Credit	Credit	Credit	1	2	4
<u>~</u> .0.0 <i>33</i>	Georgia Musical Investment Tax	Total State	Crouit	1		т
2.6.036	Credit	Credit	Credit	4	11	16
	Public Education					
2.6.037	Innovation Fund Tax Credit	Total State Credit	Credit	5	5	5
2.6.038	Agribusiness Tax Credit	Total State Credit	Credit	0	2	6
2.6.039	Railroad Track Maintenance Tax Credit	Total State Credit	Credit	0	2	4

Summary of State Tax Expenditures           Type of State State State							
Expenditure	Summary	Tax	Expenditure	State FY 2019	FY 2020	FY 2021	
•	Reforestation		•				
	credit for losses						
	incurred on						
	commercial						
	timberland due						
	to hurricane	Total State					
2.6.040	damage	Credit	Credit	0	80	95	
	Exemption for				Estimate not		
	nonprofit	Net Worth			available at		
3.001	corporations	Tax	Exemption		this time		
	Exemption for		1				
	insurance				Estimate not		
	companies	Net Worth			available at		
3.002	separately taxed	Tax	Exemption		this time		
	Exemption for		<b>I</b> · · ·				
	corporations						
	with net worth						
	of \$100,000 or	Net Worth					
3.003	less	Tax	Exemption	4	4	5	
Sales and Use			2			U	
buies und ese	Sales to Federal						
	Government,						
	State of Georgia						
	or a county or						
	municipality in						
	Georgia or any				Estimate not		
	agency of such	Sales and			available at		
4.00100	governments	Use Tax	Exemption		this time		
	Tangible		Enemption				
	personal						
	property						
	furnished by the						
	Federal						
	Government or						
	any county or						
	municipality						
	used by a						
	contractor in the						
	installation,						
	repair, or						
	extension of any						
	public water,				Estimate not		
	-	Sales and			available at		
4.00200	gas, or sewer		Examplian		this time		
4.00200	system	Use Tax	Exemption		uns ume		

Summary of State Tax Expenditures						
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
	Federal retailer's					
	excise tax if					
	separately					
	itemized to the					
	consumer and					
	Georgia motor					
	fuel tax imposed	C - 1 1			Estimate not	
4.00300	on the sale of	Sales and	Exercise		available at	
4.00300	motor fuel Sales of	Use Tax	Exemption		this time	
	transportation furnished by a					
	county or					
	municipal public					
	transit system or					
	public transit	Sales and				
4.00400	authorities	Use Tax	Exemption	8	8	8
	Sales of		1			
	transportation					
	furnished by an					
	approved and				Estimate	
	authorized urban	Sales and			combined	
4.00500	transit system	Use Tax	Exemption		with 4.00400	
	Sales to any					
	Hospital					
	Authority	~			Estimate	
4 00 000	created by	Sales and			combined	
4.00600	Georgia law	Use Tax	Exemption		with 4.00700	
	Sales to any					
	Housing					
	Authority created by	Sales and				
4.00610	Georgia law	Use Tax	Exemption	3	3	3
4.00010	Sales to local	Use Tax	Exemption	5	5	5
	government					
	authorities					
	created on or					
	after January 1,					
	1980 for the					
	principal					
	purpose of					
	constructing,					
	owning, or					
	operating a					
	coliseum and	Sales and				
4.00620	related facilities	Use Tax	Exemption	(m)	(m)	(m)

Summary of State Tax Expenditures           Type of         State         State							
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021	
	Sales to any						
	agricultural						
	commission						
	created by the						
	Department of	Sales and					
4.00630	Agriculture	Use Tax	Exemption	(m)	(m)	(m)	
	Sales of tangible						
	personal						
	property and						
	services to an						
	approved						
	nursing home,						
	inpatient hospice, general						
	hospital or						
	mental hospital						
	when used						
	specifically in						
	the treatment	Sales and					
4.00700	function	Use Tax	Exemption	117	124	131	
	Sales of tangible	0.00 1.001	2			101	
	personal						
	property to a						
	non-profit health						
	center						
	established and						
	receiving funds						
	pursuant to the						
	U.S. Public						
	Health Service	Sales and					
4.00705	Act	Use Tax	Exemption	1	1	1	
	Sales of tangible						
	personal						
	property and						
	services to a						
	nonprofit						
	organization						
	whose primary						
	function is to						
	provide services						
	to persons with	Color 1					
4 00710	intellectual	Sales and	Exemption	1	1	1	
4.00710	disabilities	Use Tax	Exemption	1	1	1	

	Sun	unary of S	tate Tax Ex			~
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
	Sales to Georgia					
	Society of the					
	Daughters of the					
	American	Sales and				
4.00720	Revolution	Use Tax	Exemption	(m)	(m)	(m)
	Sales of tangible					
	property and					
	services to a					
	nonprofit					
	volunteer health					
	clinic primarily					
	treating patients					
	with incomes					
	below 200					
	percent of the	Sales and				
4.00730	poverty level	Use Tax	Exemption	1	0	0
	Sales of tangible					
	personal					
	property and					
	services to the					
	University					
	System of					
	Georgia and its	Sales and				
4.00800	educational units	Use Tax	Exemption	48	51	54
	Sale of tangible					
	personal					
	property and					
	services used					
	exclusively in					
	the educational					
	function of an					
	approved private					
	college or					
	university					
	located in					
	Georgia in					
	which the credits					
	are accepted by					
	the University				Estimate	
	System of	Sales and			combined	
4.00900	Georgia	Use Tax	Exemption		with 4.00800	

	Sun	nmary of S	tate Tax Ex	penditures	5	
E		•	Type of	State	State	State
Expenditure	SummarySales of tangible	Tax	Expenditure	FY 2019	FY 2020	FY 2021
	personal					
	<b>^</b>					
	property and services used					
	exclusively in the educational					
	function of an					
	approved private					
	elementary or	0 1 1				
4.01000	secondary	Sales and	E	C C		-
4.01000	school	Use Tax	Exemption	6	6	6
	Sale of tangible					
	personal					
	property or					
	services to, and					
	the purchase of					
	tangible personal					
	property or					
	services by, any					
	educational or	Sales and				
4.01100	cultural institute	Use Tax	Exemption	(m)	(m)	(m)
	School lunches					
	sold and served					
	to pupils and					
	employees of	Sales and				
4.01200	public schools	Use Tax	Exemption	6	6	6
	School lunches					
	sold and served					
	to pupils and					
	employees of					
	approved private	Sales and				
4.01300	schools	Use Tax	Exemption	1	1	1
	Sales of art and		<b>^</b>			
	other artifacts					
	for display or					
	exhibition to	Sales and				
4.01400	museums	Use Tax	Exemption	1	1	1

Summary of State Tax Expenditures							
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021	
•	Specific						
	fundraising sales						
	by any religious						
	institution						
	lasting no more						
	than 30 days in a						
	calendar year						
	and sales of						
	religious paper						
	when the paper is owned and						
	operated by the religious	Sales and					
4.01500	institution	Use Tax	Exemption	(m)	(m)	(m)	
4.01500	Sales of pipe	0.50 Tux	Exemption	(III)	(111)	(III)	
	organs or steeple						
	bells to any						
	church						
	qualifying as a	Sales and					
4.01510	nonprofit	Use Tax	Exemption	(m)	(m)	(m)	
	Sales of fuel or						
	consumable						
	supplies used by						
	ships engaged in						
	inter-coastal or						
4.01700	foreign	Sales and		_		_	
4.01700	commerce	Use Tax	Exemption	7	7	7	
	Charges for						
	transportation of						
	tangible personal						
	property made in connection with						
	interstate or				Estimate not		
	intrastate	Sales and			available at		
4 01800			Exemption				
4.01800	transportation	Use Tax	Exemption		this time		

	Sum	imary of S	tate Tax Ex		1	
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
Expenditure	All tangible	1 ax	Experiantare	FT 2017	<b>FI 2020</b>	<b>F I 2021</b>
	personal					
	property					
	purchased					
	outside this state					
	by a nonresident					
	when the					
	property is					
	brought into					
	Georgia upon					
	the nonresident				Estimate not	
		Sales and			available at	
4 01000	becoming a		Examplian		this time	
4.01900	resident	Use Tax	Exemption		this time	
	Water delivered					
	through water	C - 1 - 1				
4.02000	mains, lines, or	Sales and	Essent (	<u> </u>	71	74
4.02000	pipes	Use Tax	Exemption	67	71	74
	Sales, transfers					
	or exchanges of					
	tangible personal					
	property					
	resulting from					
	business					
	reorganization					
	when the					
	owners, partners,					
	or stockholders					
	maintain the					
	same					
	proportionate					
	interest or share				Estimate not	
4 00100	in the newly	Sales and			available at	
4.02100	formed business	Use Tax	Exemption		this time	
	Professional,					
	insurance or					
	personal service					
	transactions					
	which involve				See	
	sales as				expenditure	
	inconsequential				estimates for	
	elements for				services	
	which no				4.50003,	
	separate charge	Sales and			450007, and	
4.02200	is made	Use Tax	Exemption		4.50011	

Summary of State Tax Expenditures								
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021		
-			-		See			
	Repair services				expenditure			
	when a separate				estimates for			
	charge is made	Sales and			services			
4.02300	to the customer	Use Tax	Exemption		4.50006			
	Rental of							
	videotape or							
	film to persons							
	charging							
	admission to							
	view the tape or	Sales and	_	_		_		
4.02400	film	Use Tax	Exemption	7	7	7		
	Vehicles							
	purchased by							
	service-							
	connected							
	disabled							
	veterans when							
	the U.S. Dept. of							
	Veterans Affairs							
	supplies a grant							
	to purchase and							
	specially	Colos and						
4.03000	adapted the vehicle	Sales and Use Tax	Examption	(m)	(m)	(m)		
4.03000	Sale of tangible	Use Tax	Exemption	(m)	(m)	(m)		
	personal							
	property							
	manufactured or							
	assembled in							
	Georgia for							
	export when							
	delivery is taken				Estimate not			
	outside of	Sales and			available at			
4.03100	Georgia	Use Tax	Exemption		this time			
	Aircraft,							
	watercraft,							
	motor vehicles,							
	and other							
	transportation							
	equipment							
	manufactured or							
	assembled in							
	this State for				Estimate not			
	exclusive use	Sales and			available at			
4.03200	outside Georgia	Use Tax	Exemption		this time			

	Juli	linar y Or D	Type of	State	Summary of State Tax Expenditures           Type of         State         State								
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021							
•	Common or		•		Estimate not								
	common and	Sales and			available at								
4.03300	contract carriers	Use Tax	Exemption		this time								
	Machinery and												
	equipment used												
	to handle, move,												
	or store tangible												
	personal												
	property in												
	certain	~			Estimate not								
4 0 2 4 1 0	distribution	Sales and			available at								
4.03410	facilities	Use Tax	Exemption		this time								
	Machinery and												
	equipment used												
	directly to remanufacture												
	certain aircraft												
	engines or												
	aircraft engine	Sales and											
4.03420	parts	Use Tax	Exemption	(m)	(m)	(m)							
1.03420	Machinery and	0.50 Tux	Exemption	(III)	(111)	(111)							
	equipment used												
	in a facility for												
	the primary												
	purpose of												
	reducing or												
	eliminating air												
	and water	Sales and											
4.03600	pollution	Use Tax	Exemption	(m)	(m)	(m)							
	Machinery and												
	equipment used												
	for water												
	conservation and												
	incorporated into												
	a qualified water	G - 1 1			Estimate not								
4.02610	conservation	Sales and	Energy		available at								
4.03610	facility.	Use Tax	Exemption		this time								
	Sale of tangible												
	personal property and												
	fees and charges												
	for services by												
	the Rock Eagle	Sales and											
4.03800	4-H Center	Use Tax	Exemption	(m)	(m)	(m)							

	Sun	nmary of S	tate Tax Ex	penditure	S	
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
Expenditure	Certain sales by	1 82	Expenditure	F 1 2017	F 1 2020	F 1 2021
	a public or					
	private school of					
	tangible personal					
	property,					
	concessions, and					
	tickets for					
	admission to	Sales and				
4.03900	school functions	Use Tax	Exemption	2	2	2
	Cargo containers					
	and related					
	chassis used for					
	storage or					
	shipping by					
	persons engaged					
	in international					
	shipment of				Estimate not	
	tangible personal	Sales and			available at	
4.03910	property	Use Tax	Exemption		this time	
	Sale of major					
	components or					
	repair parts					
	installed in					
	military aircraft,	0 1 1				
4.04000	vehicles, or missiles	Sales and Use Tax	Examption	17	16	15
4.04000	Sale of tangible	Use Tax	Exemption	17	10	13
	personal					
	property and					
	services to a					
	nonprofit child-					
	caring					
	institution,					
	child-placing					
	agency, or	Sales and				
4.04100	maternity home	Use Tax	Exemption	1	1	1

Summary of State Tax Expenditures           Type of         State         State								
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021		
•	Use or lease of		•					
	tangible personal							
	property when							
	the lessor and							
	lessee are under							
	100 percent							
	common							
	ownership and							
	where the person							
	who furnishes,							
	leases, or rents							
	the property has							
	paid sales or use	~			Estimate not			
4 0 40 0 0	tax on the	Sales and	- ·		available at			
4.04200	property	Use Tax	Exemption		this time			
	Revenues from							
	coin-operated							
	amusement							
	machines for							
	which individual	C - 1 1						
4.04300	permits are	Sales and Use Tax	Examption	29	31	32		
4.04300	required Sale of motor	Use Tax	Exemption	29	51	52		
	vehicles to							
	nonresident							
	purchasers when							
	vehicles are							
	immediately							
	removed from							
	Georgia and				Estimate not			
	titled in another	Sales and			available at			
4.04400	state	Use Tax	Exemption		this time			
	The sale or use							
	of paper stock							
	when used to							
	print catalogs for				Estimate not			
	distribution	Sales and			available at			
4.04500	outside Georgia	Use Tax	Exemption		this time			
	Sale of tangible							
	personal							
	property or							
	taxable services							
1.0.1.500	to nonprofit	Sales and		-		-		
4.04600	blood banks	Use Tax	Exemption	2	2	2		

Summary of State Tax Expenditures							
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021	
p	Sale of drugs						
	dispensed by						
	prescription,						
	prescription						
	glasses, contact						
	lenses, contact						
	lens samples and						
	sales or use of						
	certain						
	controlled						
	substances or	Sales and					
4.04700	dangerous drugs	Use Tax	Exemption	418	438	462	
	Sale of crab bait						
	to licensed						
	commercial	Sales and					
4.04800	fishermen	Use Tax	Exemption	(m)	(m)	(m)	
	Sales of insulin						
	syringes and						
	blood glucose						
	level measuring						
	strips dispensed						
	without a	Sales and					
4.05000	prescription	Use Tax	Exemption	24	26	27	
	Sale of oxygen						
	when prescribed						
	by a licensed	Sales and					
4.05100	physician	Use Tax	Exemption	(m)	(m)	(m)	
	Sale or use of	Sales and					
4.05200	hearing aids	Use Tax	Exemption	6	6	7	
	Transactions						
	where food						
	stamps or WIC						
	coupons are						
	used as the						
	method of	Sales and					
4.05300	payment	Use Tax	Exemption	82	74	67	
	Sale or use of						
	any durable						
	medical						
	equipment or						
	prosthetic device						
	prescribed by a	Sales and					
4.05400	physician	Use Tax	Exemption	38	41	46	
4.05500	Sale of Georgia	Sales and		100	105	101	
4.05500	lottery tickets	Use Tax	Exemption	180	185	191	

			State Tax Ex			Stata
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
	Sale by any					
	qualified					
	nonprofit parent-					
	teacher	Sales and				
4.05600	organization	Use Tax	Exemption	(m)	(m)	(m)
	Food purchased					
	for off-premises	Sales and				
4.05700	consumption	Use Tax	Exemption	636	665	700
	Sales of food					
	and beverages to					
	a qualified food					
4.05710	bank (expires	Sales and				
4.05710	June 30, 2021)	Use Tax	Exemption	1	1	1
	Exemption for					
	prepared food					
	and food					
	ingredients that					
	are donated to a					
	qualified					
	nonprofit agency					
	and used for	~				
4.05500	hunger relief	Sales and		2		2
4.05720	purposes	Use Tax	Exemption	3	3	3
	Exemption for					
	food and food					
	ingredients that					
	are donated					
	following a					
	natural disaster					
4.05520	and used for	Sales and		<i>/ \</i>		0
4.05730	disaster relief	Use Tax	Exemption	(m)	(m)	0
	Sale of eligible					
	food and					
	beverages by					
4.05000	any Girl or Boy	Sales and				
4.05900	Scout council	Use Tax	Exemption	1	1	1
	Sale of certain					
	machinery and					
	equipment used					
	to improve air					
	quality in a clean	<b>a</b> 1 .				
1.0.0000	room of Class	Sales and				
4.06000	100,000 or less	Use Tax	Exemption	(m)	(m)	(m)

Summary of State Tax Expenditures								
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021		
Expenditure	Advertising	1 82	Expenditure	F 1 2019	F 1 2020	F 1 2021		
	inserts that are							
	used in				Estimate not			
	newspapers for	Sales and			available at			
4.06100	resale	Use Tax	Exemption		this time			
	Sod grass sold in		2					
	the original state							
	of production by							
	the sod							
	producer,							
	employee of the							
	producer, or							
	family member	Sales and						
4.06200	of the producer	Use Tax	Exemption	3	3	4		
	Funeral							
	merchandise							
	when paid with							
	funds from the							
	Georgia Crime							
	Victims	Sales and						
4.06300	Emergency Fund	Use Tax	Exemption	(m)	(m)	(m)		
	Sale of dyed							
	diesel fuel used							
	exclusively for							
	operations of							
	vessels or boats							
	by licensed	0 1 1						
1.06500	commercial	Sales and		1	1	1		
4.06500	fishermen	Use Tax	Exemption	1	1	1		
	Sale of gold,	C - 1 1						
4.06600	silver, or	Sales and	Examplian	1	1	1		
4.00000	platinum bullion Sale of coins or	Use Tax	Exemption	1	1	1		
4.06700		Sales and Use Tax	Examplian	1	1	1		
4.00700	currency Sale of certain	Use Tax	Exemption	1	1	1		
	computer							
	equipment when							
	the total							
	qualifying							
	purchases by a							
	high technology				Estimate not			
	company exceed	Sales and			available at			
4.06800	\$15 million	Use Tax	Exemption		this time			
	High-Tech Data							
	Center							
	Equipment	Sales and						
4.06810	Exemption	Use Tax	Exemption	8	15	15		

			tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
•	Sales of					
	machinery and					
	equipment and					
	material					
	incorporated and					
	used in a clean				Estimate	
	room of Class	Sales and			Combined	
4.06900	100 or less	Use Tax	Exemption		with 4.06000	
	Sale of natural					
	gas used directly					
	in the					
	manufacture of	Sales and				
4.07000	electricity	Use Tax	Exemption	65	76	89
	Sale to or by an					
	organization					
	whose primary					
	purpose is to					
	raise funds for					
	books, materials,					
	and programs					
	for public	Sales and				
4.07100	libraries	Use Tax	Exemption	(m)	(m)	(m)
	Sale of					
	prescribed					
	mobility					
	enhancing	Sales and				
4.07200	equipment	Use Tax	Exemption	2	2	2
	Exemption for					
	personal					
	property used in					
	the renovation or					
	expansion of an	Sales and	_			
4.07600	aquarium	Use Tax	Exemption	1	1	1
	The purchase of					
	food and					
	nonalcoholic					
	beverages					
	provided at no					
	charge aboard a	Sales and				-
4.08100	qualified airline	Use Tax	Exemption	4	4	5
	Sale of biomass					
	materials used to					
	produce					
	electricity or	<b>0</b> 1 1				
4 00200	steam intended	Sales and	<b>F</b> ('	2	2	2
4.08300	for sale	Use Tax	Exemption	2	2	2

	Sull	mary of S	tate Tax Ex			<b>C</b> 4 4
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
Expenditure	Sales of engines,	Iax	Experiature	F I 2017	112020	112021
	parts, equipment					
	and other					
	tangible personal					
	property used in					
	the maintenance					
	or repair of	Sales and				
4.08600	certain aircraft	Use Tax	Exemption	21	21	22
	The sale of		F			
	prewritten					
	software which					
	has been					
	delivered to the					
	purchaser					
	electronically or				Estimate not	
	by means of load	Sales and			available at	
4.09100	and leave	Use Tax	Exemption		this time	
	Sale of tangible					
	personal					
	property used					
	for and in the					
	construction of a					
	competitive					
	project of					
	regional					
	significance, for					
	the period					
	commencing					
	January 1, 2012,					
	until June 30,	Sales and				
4.09300	2019	Use Tax	Exemption	9	9	9
	The sale, use,		- <b>T</b>	-	-	-
	consumption, or					
	storage of					
	materials,					
	containers,					
	labels, sacks, or					
	bags used for					
	packaging					
	tangible personal				Estimate	
	property for	Sales and			Combined	
4.09400	shipment or sale	Use Tax	Exemption		with 4.3.3	
	Sales of					
	admission to a					
	nonrecurring					
	major sporting	Sales and				
4.09700	event	Use Tax	Exemption	1	3	1

	Sun	mary of S	State Tax Ex	penditure	5	
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
	Sales of tangible					
	personal					
	property and					
	services to a					
	qualified job					
	training	Sales and				
4.09800	organization	Use Tax	Exemption	1	1	0
	Exemption for		<b>^</b>			
	expenses related					
	to the renovation					
	or expansion of					
	qualified	Sales and				
4.09900	theatres	Use Tax	Exemption	(m)	0	0
	Exemption for					
	sales of tickets					
	to a qualified					
	fine arts					
	performance or	Sales and				
4.10000	exhibition	Use Tax	Exemption	4	4	0
	The sale of					
	certain written					
	material by a	Sales and				
4.10100	nonprofit	Use Tax	Exemption	7	8	8
	Partial					
	exemption for					
	qualified					
	manufactured	Sales and				
4.10200	homes	Use Tax	Exemption	3	3	4
	Exemption for					
	construction					
	materials used in					
	construction of					
	an automobile	Sales and				
4.10300	museum	Use Tax	Exemption	(m)	(m)	(m)
	Exemption for					
	poultry					
	diagnostic and					
	disease					
	monitoring					
	service nonprofit	Sales and				
4.10400	organization	Use Tax	Exemption	(m)	(m)	(m)

	Sun	nmary of S	tate Tax Ex	penditure	S	
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
-	Exemptions for		•			
	energy,					
	machinery or					
	equipment,					
	industrial					
	material, and					
	consumable					
	supplies used in	Sales and	- ·		2.205	
4.3.2	manufacturing	Use Tax	Exemption	3,232	3,397	3,540
	Sale and use by					
	a qualified					
	agriculture					
	producer of					
	agricultural					
	production					
	inputs, energy used in					
	agriculture, and					
	agricultural					
	machinery and	Sales and				
4.3.3	equipment	Use Tax	Exemption	166	175	182
4.3.3	Exemption for		Exemption	100	175	102
	qualified boat	Sales and				
4.3.4	repairs	Use Tax	Exemption	(m)	(m)	(m)
	Exemption for		2	(111)	()	(111)
	the sale and use	Sales and				
4.3.5	of jet fuel	Use Tax	Exemption	47	0	0
	Exemption for		1		Estimate not	
	sales within an	Sales and			available at	
4.3.6	enterprise zone	Use Tax	Exemption		this time	
		Sales and				
	Admissions and	Use Tax for				
4.50000	Amusements	Services	Exemption	141	148	154
		Sales and				
	Agricultural	Use Tax for				
4.50001	Services	Services	Exemption	165	173	180
		Sales and				
	Automotive	Use Tax for				. –
4.50002	Services	Services	Exemption	152	160	167
		Sales and				
4 50000	Business	Use Tax for			710	<b></b>
4.50003	Services	Services	Exemption	678	713	743
		Sales and				
1 50004	Computer and	Use Tax for	Ensuration	051	1.000	1.040
4.50004	Online Services	Services	Exemption	951	1,000	1,042

		•	tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
•		Sales and				
	Construction	Use Tax for				
4.50005	Labor	Services	Exemption	1,994	2,095	2,184
	Fabrication,	Sales and				
	Installation, and	Use Tax for				
4.50006	Repair Services	Services	Exemption	237	249	260
	Finance,	Sales and				
	Insurance, and	Use Tax for				
4.50007	Real Estate	Services	Exemption	1,343	1,412	1,471
		Sales and				
	Industrial and	Use Tax for				
4.50008	Mining Services	Services	Exemption	9	9	10
		Sales and				
	Residential	Use Tax for				
4.50009	Utility Service	Services	Exemption	20	21	22
		Sales and				
	Personal	Use Tax for				
4.50010	Services	Services	Exemption	312	328	342
		Sales and				
	Professional	Use Tax for				
4.50011	Services	Services	Exemption	2,308	2,426	2,528
		Sales and				
		Use Tax for				
4.50012	Storage	Services	Exemption	87	92	96
		Sales and				
	Transportation	Use Tax for				
4.50013	Services	Services	Exemption	(m)	(m)	(m)
	Compensation of					
	dealers for					
	reporting and	Sales and				
4.70000	paying tax	Use Tax	Exemption	73	77	80
	Sales tax					
	exemption for	Sales and				
4.90000	casual sales	Use Tax	Exemption	2	2	2
<b>Insurance Pre</b>	mium Tax					
	Deduction of					
	retaliatory taxes					
	paid to other	Insurance				
5.00100	states	Premium Tax	Deduction	2	2	2
	Insurance					
	premium tax					
	credit - Georgia	Total State				
5.00200	Job Tax Credit	Credit	Credit	118	121	122

	Sun	nmary of S	tate Tax Ex			~
Expenditure	Summary	Tax	Type of Expenditure	State FY 2019	State FY 2020	State FY 2021
•	Exemption for					
	premiums of					
	high-deductible	Insurance				
5.00300	health plans	Premium Tax	Exemption	1	1	1
	Exemption for					
	insurance					
	companies that					
	only insure					
	places of	Insurance				
5.00400	worship	Premium Tax	Exemption	(m)	(m)	(m)
	Insurance	Insurance				
5.00500	abatements	Premium Tax	Rate Reduction	191	194	196
	Special					
	deductions for					
	life insurance	Insurance				
5.00600	companies	Premium Tax	Deduction	197	201	202
	Insurance					
	premium tax					
	credit - Low					
	Income Housing	Total State				
5.00700	Credit	Credit	Credit	254	268	282
	Insurance					
	Premium Tax					
	Exemption for					
	multiple					
	employer self-	-				
	insured health	Insurance	- ·	0		0
5.00800	plans	Premium Tax	Exemption	0	0	0
Motor Fuel Ta		•	,		· · · · ·	
	Motor fuel tax					
	exemption for	Motor Fuel				
6.00400	aviation fuel	Tax	Exemption	2	2	2
	Motor fuel tax					
< 00 <b>5</b> 00	vendor	Motor Fuel		10		
6.00500	compensation	Tax	Exemption	18	18	18
Alcoholic Bev			. <u></u>			
	Sales to persons					
	outside the state					
	for resale or	Alcoholic			Estimate not	
	consumption	Beverage			available at	
7.00100	outside the state	Tax	Exemption		this time	
	Sales to stores or					
	canteens in U.S.	Alcoholic			Estimate not	
	military	Beverage			available at	
7.00200	reservations	Tax	Exemption		this time	

		~	tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
	200 gallons					
	annually of	Alcoholic				
	homebrew per	Beverage				
7.00300	household	Tax	Exemption	(m)	(m)	1
	Sales to and use					
	by religious					
	organizations for	Alcoholic				
	sacramental	Beverage				
7.00400	purposes	Tax	Exemption	(m)	(m)	(m)
	Exemption for					
	ethyl alcohol	Alcoholic			Estimate not	
	used for certain	Beverage			available at	
7.00500	purposes	Tax	Exemption		this time	
	Malt beverages					
	containing less					
	than one-half of					
	0.5 percent	Alcoholic				
	alcohol by	Beverage				
7.00600	volume	Tax	Exemption	1	1	1
Tobacco Prod	ucts Excise Tax					
	Exemption for					
	purchases for					
	use exclusively					
	by patients at the					
	Georgia War					
	Veterans Home					
	and the Georgia	Cigar and				
	War Veterans	Cigarette				
8.00100	Nursing Home	Excise Tax	Exemption	(m)	(m)	(m)
	De minimis					
	amount brought	Cigar and			Estimate not	
	into the state by	Cigarette			available at	
8.00200	one person	Excise Tax	Exemption		this time	
	Cigars and					
	cigarettes stored	Cigar and			Estimate not	
	in a public	Cigarette			available at	
8.00300	warehouse	Excise Tax	Exemption		this time	
	Certain cigars					
	and cigarettes	Cigar and			Estimate not	
	held by licensed	Cigarette			available at	
8.00400	dealers	Excise Tax	Exemption		this time	
Financial Inst	itutions Special Sta	te Occupation I	Гах			
		Financial				
		Institutions				
	Deduction for	Business				
9.00100	interest paid	License Tax	Deduction	12	16	18

	Jun		tate Tax Ex Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	State FY 2019	State FY 2020	State FY 2021
<b>F</b>	Deductions for					
	income from					
	authorized					
	activities of a	Financial				
	domestic	Institutions			Estimate not	
	international	Business			available at	
9.00200	banking facility	License Tax	Deduction		this time	
	Deduction for					
	income from					
	banking business	Financial				
	with persons or	Institutions			Estimate not	
	entities outside	Business			available at	
9.00300	the U.S.	License Tax	Deduction		this time	
Special Assess	ment of Forest Lan	d Conservation	n Use Property		· · · · ·	
	Special					
	assessment of					
	forest land					
	conservation use					
10.00000	property	State Grant	Credit	24	39	41
Alternative A	d Valorem Tax on I	Motor Vehicles				
	Reduced rate for					
	related family					
11.001	transfers	Title Fee	Rate Reduction	10	8	8
	Disabled veteran					
11.002	exemption	Title Fee	Exemption	(m)	(m)	(m)
	Reduced rate for					
11.003	rental vehicles	Title Fee	Rate Reduction	63	56	54
	Reduced rate for					
	vehicles					
	manufactured in					
	years before					
11.004	1985	Title Fee	Rate Reduction	(m)	(m)	(m)
	Reduced rate for					
11.005	salvage vehicles	Title Fee	Rate Reduction	25	19	19
	Dealer loaner					
	vehicle					-
11.006	exemption	Title Fee	Deferral	4	3	3
	Reduced rate for			<i>.</i>		
11.007	donated vehicles	Title Fee	Rate Reduction	(m)	(m)	(m)
	Extended					
	payment period					
	for out-of-state			_		-
11.008	vehicles	Title Fee	Rate Reduction	-2	7	8

		Ū.	Type of	State	State	State
Expenditure	Summary	Tax	Expenditure	FY 2019	FY 2020	FY 2021
	Trade-in					
	exemption					
	(including					
11.000	rebates and cash		- ·		100	110
11.009	discounts)	Title Fee	Exemption	157	123	119
	Special					
11.010	assessment for		G 1 D 1	10	0	7
11.010	used vehicles	Title Fee	Special Rule	10	8	7
	Special					
11 011	assessment for	Title Fee	Creasial Dula	29	11	0
11.011	new vehicles	Title Fee	Special Rule	-28	-11	0
11.012	Buy here pay here transactions	Title Fee	Rate Reduction	6	4	4
11.012		The Fee	Rate Reduction	0	4	4
	Exemption from TAVT for leased					
	vehicles					
	qualifying for					
	Manufacturing					
11.013	Headquarters	Title Fee	Exemption	1	1	1
11.015	Treatment of	Thie Tee	Exemption	1	1	1
11.014	Leased Vehicles	Title Fee	Special Rule	24	17	15
11.011	Treatment of	11110 1 00	Special Raie	21	17	10
	vehicles					
	involved in					
	divorce					
	settlement or					
	business					
11.015	reorganization	Title Fee	Rate Reduction	(m)	(m)	(m)
	Treatment of					
11.016	non-IRP Buses	Title Fee	Deferral	(m)	(m)	(m)
	Exemption from					
	TAVT for					
	vehicles					
	purchased by					
	disabled first					
11.017	responders	Title Fee	Exemption	(m)	(m)	(m)
	Treatment of kit					
11.018	cars	Title Fee	Special Rule	(m)	(m)	(m)
	Tax on Consumer I		· •			

# **1. Individual Income Tax**

The individual income tax was first levied in Georgia in 1929 at a rate equal to one-third the federal rate of income taxation. The rate structure effective January 1, 2019 includes six brackets ranging from 1 percent to 5.75 percent, prior to which the rate structure had a top rate of 6 percent and had remained unchanged since 1955 when the 7 percent rate on taxable incomes over \$20,000 was eliminated. The threshold for each bracket depends on the filing status of the taxpayer, i.e. single, head of household, and married filing separate or joint.

The initial base of the Georgia individual income tax is the taxpayer's federal adjusted gross income (AGI). Several adjustments are made to this starting point to arrive at the version of AGI adopted by Georgia. After computing the Georgia version of AGI, taxpayers deduct an amount representing either the value of their Georgia itemized deductions or the Georgia standard deduction, the latter of which was increased effective January 1, 2018 from \$3,000 to \$6,000 for married filers and from \$2,300 to \$4,600 for single and head of household filers. In addition, for tax year 2012 and before, filers were allowed a personal exemption of \$5,400 for joint filers, \$2,700 for other filers, and \$3,000 for each dependent. For tax years after 2012, the personal exemption for married filers was increased to \$7,400 for joint filers and \$3,700 each if filing separately.

The tax is administered by the Georgia DOR. Individual income tax collections equaled \$11.6 billion in FY 2018 and accounted for 51.3 percent of Georgia's revenues from taxation. In CY 2018, 4.8 million individual state returns were processed. While predominately paid by individuals, a significant number of business entities are organized so that income associated with these enterprises is reported through the individual income tax. All revenue collected from the individual income tax is deposited in the State General Fund.

It is important to keep in mind that tax expenditure estimates may differ from revenue estimates presented in fiscal notes. Estimates included in fiscal notes incorporate behavioral effects that are not considered when estimating tax expenditure provisions. The purpose of a tax expenditure estimate is to convey the cost that would be necessary if the item were offered as a direct budgetary expenditure instead of a reduction in the tax liability. A second caveat concerns the estimates associated with the state individual income tax credit provisions. Forecasting the value of the revenue loss stemming from the use of these credits is problematic because of the presence of extensive carryforwards in the case of some credits. Because of past credit carryforwards, taxpayers may claim credits on current or future year tax returns that were created in prior years. In some cases, the credit may have expired such that taxpayers are no longer able to create new credits, but the revenue loss to the state continues for several years until all carryforward liabilities have been exhausted. Therefore, the estimates provided in this report should be interpreted as the expected revenue loss stemming from the use of currently created or previously created credits and not an estimate of the value of credits created in a given year.

The Tax Expenditure Report includes the expenditures associated with both state and federal tax provisions. Because the Georgia individual income tax is based on the federal system, expenditures that are present at the federal level have revenue implications at the state level. For example, changes to itemized deductions by the federal government have repercussions on state tax revenues. The value of the expenditure as it relates to state taxes paid by those filing a Georgia return is presented in section 1.1 on federal exclusions. In some cases, Georgia might not adopt a federal provision. In that case, the expenditure is not listed because there is no loss of revenue to the state. In general, the value of the federal tax expenditure to the state of Georgia is determined by allocating a portion of the federal tax base associated with the expenditure estimate as estimated by the Joint Committee on Taxation for the U.S. Congress. The data and estimate reliability for the conformity provisions are considered class A. In some cases, however, the values of the Georgia estimates are highly sensitive to the assumptions made concerning the appropriate tax rate for a given expenditure provision and the allocation factor that is used to determine the amount of federal activity associated with Georgia. The estimates associated with the federal conformity provisions are based on current law as it existed on July 31, 2018; any changes to provisions that may occur because of federal legislative action after that date are not reflected in the estimates.

The explanations of the federal conformity provisions are taken from *Tax Expenditures: Compendium of Background Material in Individual Provisions*, prepared by the Congressional Research Service for the U.S. Senate Committee on the Budget, December 2018.

## **1.1 Federal Exclusions**

<u>1.1.001</u>	Exclusion of employee meals and lodging Federal Statute IRC section 119 and 1320 <b>Description:</b> Employees are allowed to ex lodging furnished by employ for the convenience of the em	clude the fa ers if provid nployer.	ded on the	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	20	21	21
<u>1.1.002</u>	Exclusion of housing allowances for minis Federal Statute IRC Section 107 and 265 Description: In general, this provision allo related expenditures from the State Tax Expenditure (m) Denotes a value of less than \$1 million	ows ministe eir gross inc	ome.	ct certain housing in Millions) 2021 5
<u>1.1.003</u>	Exclusion of employer-provided child care Federal Statute IRC Section 129 <b>Description:</b> Payments by an employer, un for qualified dependent care excluded from the employee	nder a deper assistance p 's income.	provided to	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	15	15	16
<u>1.1.004</u>	Exclusion of employee awards Federal Statute IRC Section 74(c) and 27 <b>Description:</b> This provision provides an expersonal property given to enachievement.	xclusion for nployees fo	r length of	5
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2019</u> 3	<u>2020</u> 3	-
<u>1.1.005</u>	Exclusion of employer contributions and edined benefit and defined contribution pre- Federal Statute IRC Sections 401-407, 41 Description: Employer contributions to que bonus, and annuity plans on the employee. Furthermore, benefits when they are distributed and the section of the section o	lans 10-418E, an nalified pen- behalf of an the employ buted. State Fisca <u>2019</u>	d 457 sion, profin employee ee is gener l Years (\$ <u>2020</u>	t-sharing, stock- e are not taxable to rally not taxed on the in Millions) <u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1,527	1,601	1,742

<u>1.1.006</u>	Exclusion of employer contributions for h long-term care insurance premiums Federal Statute IRC Sections 105,106, an		nealth insu	rance premiums and
	<b>Description:</b> Employees are allowed to ex		ributions b	y their employers for
	health care coverage for the			
				in Millions)
		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1,067	1,163	1,235
<u>1.1.007</u>	Exclusion of employer-paid accident and		<u>emiums</u>	
	Federal Statute IRC Sections 105 and 10 <b>Description:</b> Premiums paid by employer		voo occido	nt and disability
	insurance plans are excluded			
	insurance plans are excluded			in Millions)
		2019	2020	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	29	30	31
1.1.008	Exclusion of employer contributions for p	remiums or	n group lon	g-term life insurance
	Federal Statute IRC Section 79			-
	<b>Description:</b> Premiums paid by the employed			
	plans for the employee are e			
				in Millions)
	State Tax Expenditure	$\frac{2019}{24}$	$\frac{2020}{25}$	$\frac{2021}{25}$
	(m) Denotes a value of less than \$1 million	24	23	25
1.1.009	Exclusion of employer-paid transportation	n benefits ar	nd employe	er-provided transit
	and vanpool benefits			
	Federal Statute IRC Section 132(f)			
	<b>Description:</b> Employer provided qualified employee taxable income.	l transporta	tion benefi	ts are excluded from
		State Fisca	al Years (\$	in Millions)
		<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure	37	38	39
	(m) Denotes a value of less than \$1 million			
<u>1.1.010</u>	Exclusion of benefits provided through ca	feteria plan	<u>s</u>	
	Federal Statute IRC Section 125 <b>Description:</b> Qualified benefits offered th	rough an ar	nnlover's o	afataria plan ara not
	included as taxable income t			areteria plan are not
		-	•	in Millions)
		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	230	247	270
1 1 011	Evolution of annalassa annalist de de di	o o o i oto		
<u>1.1.011</u>	Exclusion of employer-provided adoption Federal Statute IRC Section 137	assistance		
	<b>Description:</b> Benefits received from a qua	alified empl	over-spons	sored adoption
	assistance program are exclu			
	employee.			

	State Fiscal Years (\$ in Millions)				
	<u>2019</u>	2020	2021		
State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1		

1.1.012Exclusion of employer-provided education benefits (including education assistance<br/>and tuition reduction benefits)<br/>Federal Statute IRC Section 117(d) and Section 127

**Description:** Tuition reductions for employees of educational institutions may be excluded from taxable income. In addition, an employee may exclude amounts paid by the employer for qualified educational assistance programs.

r og andre	State Fiscal Years (\$ in Millions				
	<u>2019</u>	<u>2020</u>	2021		
State Tax Expenditure	8	8	8		
(m) Denotes a value of less than \$1 million					

**<u>1.1.013</u>** Exclusion of miscellaneous fringe benefits

Federal Statute IRC Section 132 and 117(D)

**Description:** Certain miscellaneous fringe benefits provided by employers, including services provided at no additional costs, employee discounts, working condition fringes, de minimis fringes and certain tuition reductions, can be excluded from the employee's taxable income.

	State Fisca	al Years (	\$ in Millic	ns)
	<u>2019</u>	2020	2021	
State Tax Expenditure	48	50	52	
(m) Denotes a value of less than \$1 million				

1.1.014Exclusion of foreign earned income (including housing and salary)Federal StatuteIRC Section 911

**Description:** U.S. taxpayers who live and work abroad are allowed a capped exclusion of their wage and salary income. In addition, qualified individuals can also exclude certain excess foreign housing costs. This provision does not apply to federal employees working abroad.

	State Fisc	al Years (	\$ in Millio	ns)
	<u>2019</u>	2020	2021	
State Tax Expenditure	46	48	51	
(m) Denotes a value of less than \$1 million				

# 1.1.015 Exclusion of certain allowances for federal employees abroad Federal Statute IRC Section 912 Description: U.S. federal civilian employees who work abroad are allowed to exclude from taxable income certain special allowances they receive that are generally linked to the cost of living. State Fiscal Years (\$ in Millions) 2019 2020 2021 State Tax Expenditure 8 8 8

**1.1.016**Exclusion of benefits and allowances to armed forces personnel (includes expenditure<br/>for military disability benefits)<br/>Federal Statute IRC Section 112, 134, 104(a)(4) or (5) and 104(b)

	Description:	Military personnel are provid cash payments in lieu of such certain members of the arme disability pay.	h benefits) t	that are no	t taxed. In addition,
			State Fisca	al Years (\$	in Millions)
	~		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Exp (m) Denotes a valu	penditure the of less than \$1 million	53	56	58
<u>1.1.017</u>	retirees, and	medical care and Tricare medical care and Tricare medical care and Tricare medicates the IRC Section 112 and 134		nce for mi	litary dependents,
		Military personnel are provid		variety of i	n-kind benefits (or
		cash payments in lieu of such certain members of the arme disability pay.			
		disubility puy.	State Fisca	al Years (\$	in Millions)
			2019	2020	<u>2021</u>
	State Tax Exp (m) Denotes a value	penditure le of less than \$1 million	30	33	35
1.1.018	Exclusion of	veterans' benefits (includes v	veterans dis	ability con	nnensation nensions
1.1.010		nent benefits)			npensation, pensions,
		te 38 U.S.C. Section 5301			
	<b>Description:</b>	All benefits administered by	the U.S. De	epartment	of Veterans Affairs
		are exempt from income.	0 F.	1.57 (ф	· · · · · · · · · · · · · · · · · · ·
			State Fisca 2019	2020	5 in Millions) 2021
	State Tax Exp	oenditure	<u>2017</u> 62	<u>2020</u> 63	<u>2021</u> 67
		ne of less than \$1 million	-		
<u>1.1.019</u>	National Hea	income attributable to the dis	-		
		te IRC Section 108(f)			
	Description:	This section provides that in and student loan repayment income.			
		meonie.	State Fisca	al Years (\$	in Millions)
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Exp (m) Denotes a value	penditure le of less than \$1 million	1	1	1
<u>1.1.020</u>	<u>and medical</u> injuries or ph Federal Statu	workers' compensation benefits, and exclusion of danysical sickness) te IRC Section 104(a)(1)-(5) Employees are not taxed on workers' compensation median	mages on ac ) the value of cal benefits	ccount of j	personal physical e contributions for their behalf by
		employers, or on the medica receive. Workers' compensat related injury and to survivo taxable. Damages paid, throu	tion benefits	s to emplo of work-re	yees in cases of work- lated death are not

compensate for physical injury or sickness are not included in income of the recipient.

		State Fisca 2019	l Years (\$ 2020	in Millions) 2021
	State Tax Expenditure (m) Denotes a value of less than \$1 million	48	<u>2020</u> 49	<u>49</u>
<u>1.1.021</u>	Exclusion of special benefits for disabled Federal Statute IRC Section 104(a)(1) <b>Description:</b> Cash and medical benefits to total disability or death resul (black lung disease) paid un not taxable.	o coal mine v lting from co der the Blacl	al workers k Lung Be	s' pneumoconiosis nefits Act generally are
		State Fisca		in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2019</u> (m)	<u>2020</u> (m)	<u>2021</u> (m)
<u>1.1.022</u>	Exclusion of untaxed Social Security and Federal Statute IRC Section 86 <b>Description:</b> In general, Social Security a subject to tax.			
		State Fisca	l Years (\$	in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2019</u> 188	<u>2020</u> 193	<u>2021</u> 205
<u>1.1.024</u>	Exclusion of certain foster care payments Federal Statute IRC Section 131 <b>Description:</b> Qualified payments are excl income.	uded from th	ne foster ca	are provider's gross
		State Fisca	l Years (\$	in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2019</u> 2	<u>2020</u> 2	<u>2021</u> 2
<u>1.1.026</u>	Exclusion of scholarship and fellowship in Federal Statute IRC Section 117	ncome		
	<b>Description:</b> Scholarships and fellowship students and their families p degrees and (2) the amounts enrollment or for books, sup a qualified institution. Amou expenses are not excluded fr	rovided: (1) are used for plies, and eq ints used for com gross inc	the studen tuition an uipment r room, boa come.	ts are pursuing d fees required for equired for courses at
	State Tax Expenditure (m) Denotes a value of less than \$1 million	17	18	19
<u>1.1.027</u>	Exclusion of earnings of Coverdell educat educational savings bonds Federal Statute IRC Section 530	tion savings	accounts a	nd interest on

	<b>Description:</b> Contributions to a Coverdell		•	
	deductible but the earnings g			a basis. \$ in Millions)
		<u>2019</u>		<u>2021</u>
	State Tax Expenditure	1	1	1
	(m) Denotes a value of less than \$1 million			
<u>1.1.028</u>	Exclusion of earnings of qualified tuition programs and savings account programs)	programs (i	ncluding	prepaid tuition
	Federal Statute IRC Section 529			
	<b>Description:</b> Contributions to qualified tu			
	federal level but earnings acc			
		<u>2019</u>	<u>2020</u>	\$ in Millions) <u>2021</u>
	State Tax Expenditure	<u>2019</u> 8	<u>2020</u> 9	$\frac{2021}{10}$
	(m) Denotes a value of less than \$1 million	0		10
<u>1.1.029</u>	Exclusion for certain agricultural cost-sha Federal Statute IRC Section 126	ring payme	<u>nts</u>	
	<b>Description:</b> Grants made for the purpose	of conserv	ing soil ar	nd water resources or
	protecting the environment a		U U	
	income.	ie enerade.		
		State Fisca	al Years (	\$ in Millions)
		2019	2020	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
1.1.030	Exclusion of cancellation of indebtedness	income for	farmers	
	Federal Statute Sections 108 and 1070(b)			
	Description: The provision allows farmer	s who are s	olvent to	treat the income
	arising from the cancellation			
	insolvent taxpayers. As such			• •
	tax would be excluded from			
			-	\$ in Millions)
		<u>2019</u>		<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1
<u>1.1.031</u>	Exclusion of interest on state and local go Federal Statute Various	vernment p	rivate acti	<u>vity bonds</u>
	<b>Description:</b> Interest earned on qualified p			
			al Years (S	\$ in Millions)
		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	2	2	2
<u>1.1.032</u>	Exclusion of capital gains on sales of princ	cipal reside	nces	
	Federal Statute IRC Section 121			
	Description: A taxpayer may exclude from			-
	capital gain (\$500,000 in the			
	returns) from the sale or excl	hange of the	eır princip	bal residence.

	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u>2019</u> 259	l Years (\$ <u>2020</u> 268	in Millions) <u>2021</u> 278
<u>1.1.033</u>	Exclusion of capital gains at death Federal Statute IRC Sections 1001,1002, <b>Description:</b> Capital gains tax is not impo asset when ownership of the death of the owner.	osed on the i	ncreased v	value of an
	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u>2019</u> 188	l Years (\$ <u>2020</u> 193	in Millions) <u>2021</u> 198
<u>1.1.034</u>	Carryover basis of capital gains on gifts Federal Statute IRC Sections 1001,1014, <b>Description:</b> Capital gains tax is not impo ownership of the property is lifetime.	sed on the i transferred	ncreased v as a gift du	alue of an asset when aring the owner's
	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u>2019</u> 4	1 Years (\$ <u>2020</u> 9	in Millions) <u>2021</u> 13
<u>1.1.035</u>	Permanent Exemption from imputed interest Federal Statute IRC Sections 163(e), 483 <b>Description:</b> Debt instruments for amount maximum, given in exchange to them an interest rate greate	, 1274, and s not exceed e for real pr er than 9 pe State Fisca	ding an inf operty, ma rcent. 1 Years (\$	y not have imputed in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	$\frac{2019}{3}$	$\frac{2020}{3}$	$\frac{2021}{3}$
<u>1.1.036</u>	Exclusion of combat pay Federal Statute IRC Section 112 Description: Compensation received by ad excluded from gross income in a combat zone or was hosp incurred while serving in a co	for any mon pitalized as ombat zone State Fisca	nth the ser a result of 1 Years (\$	vice member served an injury or illness in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	$\frac{2019}{10}$	<u>2020</u> 9	<u>2021</u> 9
<u>1.1.037</u>	Exclusion of energy conservation subsidie Federal Statute IRC Section 136 <b>Description:</b> In general, this provision allo income the value of any subs purchase or installation of an	ows custom sidy provide ay energy co	ers to exclue d by a pub onservatior	ude from their gross blic utility for the

<u>1.1.040</u>	State Tax Expenditure (m) Denotes a value of less than \$1 million <u>Exclusion of interest on public purpose state</u> Federal Statute IRC Sections 103, 141 and <b>Description:</b> Interest income of qualifying g taxable income (expenditure e	l 146 governme stimate h	ental bonds as been ad	s is excluded from justed to reflect GA
	law that only interest on GA b	onds is e	xcluded fro	om income).
	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisc <u>2019</u> 1		\$ in Millions) <u>2021</u> 1
<u>1.1.041</u>	Exclusion of income earned by voluntary er Federal Statute IRC Sections 501(a) and 50 <b>Description:</b> Provided certain requirements voluntary employee benefician federal income taxes.	01(c)(9) are met,	the incom	e earned by a
	S			§ in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2019</u> 10	<u>2020</u> 10	$\frac{2021}{10}$
<u>1.1.042</u>	Exclusion of survivor annuities paid to familine of duty Federal Statute IRC Section 101(h) Description: The surviving spouse of a pub can exclude from gross incom governmental pension plan.	lic safety	officer kil	lled in the line of duty
	State Tax Expenditure	State Fisc 2019 (m)	al Years (S <u>2020</u> (m)	\$ in Millions) <u>2021</u> (m)
<u>1.1.043</u>	<ul> <li>(m) Denotes a value of less than \$1 million</li> <li><u>Exclusion of disaster mitigation payments</u></li> <li>Federal Statute IRC Section 139</li> <li><b>Description:</b> Payments made for disaster m Disaster Relief and Emergency Insurance Act is excluded from</li> </ul>	y Insuran	ce Act or t	
	S			5 in Millions)
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2019</u> (m)	<u>2020</u> (m)	<u>2021</u> (m)

## **1.2 Federal Deductions**

<u>1.2.001</u>	Accelerated depreciation (MACRS) Federal Statute IRC Sections 167 and 16 <b>Description:</b> Under the Modified Acceler cost of tangible depreciation allowed a shorter depreciate depreciate the costs of new p and equipment on an acceler	ated Cost R property of on period. rental housi rated schedu	f certain er Taxpayers ng and cer ule.	hergy property is are allowed to
	State Tax Expenditure (m) Denotes a value of less than \$1 million	20	<u>2020</u> 17	12
<u>1.2.003</u>	Expensing of exploration and developmen Federal Statute IRC Sections 263, 291, 6 <b>Description:</b> Firms engaged in mining are and development costs.	516-617,56, e permitted	1254 to expense	
		2019	2020	2021
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>1.2.004</u>	Amortization of business start-up costs Federal Statute IRC Section 195 <b>Description:</b> This provision allows a busin qualified start-up expenditure (m) Denotes a value of less than \$1 million	res.		ct up to \$10,000 in 6 in Millions) 2021 1
<u>1.2.005</u>	Expensing of research and experimental e Federal Statute IRC Section 174 and 59( <b>Description:</b> This provision allows a busi expenditures that are paid or trade or business.	e) ness taxpay		
		State Fisca	al Years (\$	5 in Millions)
		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	0	0	0
<u>1.2.006</u>	Expensing of magazine circulation expense Federal Statute IRC Section 173 <b>Description:</b> In general, current federal ta magazines, and other period maintain, establish, or increa- made.	x law allow icals to ded	uct their ex	xpenditures to

	State Fisc	al Years (	\$ in Millio	ns)
	2019	2020	2021	
State Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of less than \$1 million				

<u>1.2.007</u>	Deductions of oil and gas exploration and Federal Statute IRC Sections 611, 612, 6	-		53(c), 616-617,
	57(a)(2), 59(e) and 1254			
	<b>Description:</b> Firms that extract oil, gas or		-	
	to recover their capital inves			
	depreciates due to the physic			
	the mineral is recovered. Fin			
	development of oil, gas or ge	eothermal p	roperties l	have the option of
	expensing certain intangible	drilling and	l developn	nent costs.
		State Fisca	al Years (\$	5 in Millions)
		<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure	0	0	0
	(m) Denotes a value of less than \$1 million			
<u>1.2.008</u>	Special treatment for expenses related to t		<u>uction</u>	
	Federal Statute IRC Sections 194, 263A			
	<b>Description:</b> This provision allows expen	•		<b>U</b>
	Taxpayers are also allowed o	different de	preciation	practices for qualified
	reforestation expenses.			
		State Fisca	al Years (\$	5 in Millions)
		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure	2	2	2
	(m) Denotes a value of less than \$1 million			
1 2 000				
<u>1.2.009</u>	Expensing under IRC section 179 of depre	ectable busi	ness prope	<u>erty</u>
	Federal Statute IRC Section 179			
	<b>Description:</b> Within certain limits, a taxpa	• •		
	expense the cost of qualifying	ig property	in the tax	year when it is placed
	in service.		1 8 7 / ()	
				S in Millions)
		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure	63	48	37
	(m) Denotes a value of less than \$1 million			
1.2.010	Exceptions for publicly traded partnership	s with quali	ified incon	ne derived from
1.2.010	certain energy-related activities	s with quan		
	Federal Statute IRC Section 7704			
		light trade	Inorthorab	ving to be treated as a
	<b>Description:</b> This code section allows put	-	-	-
	corporation for the purposes situations.	of the feder	rai income	tax under most
	situations.	State Elect	1 Vacra (d	in Milliona)
				5 in Millions)
		<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure	2	2	3
	(m) Denotes a value of less than \$1 million			

<u>1.2.011</u>	<ul> <li><u>Treatment of income from exploration and mining of natural resources as qualifying income under the publicly traded partnerships rules</u></li> <li>Federal Statute IRC Section 7704</li> <li><b>Description:</b> This code section allows publicly traded partnerships to be treated as a corporation for the purposes of the federal income tax under most situations.</li> </ul>
	State Fiscal Years (\$ in Millions)
	State Tax Expenditure $\frac{2019}{0}$ $\frac{2020}{0}$ $\frac{2021}{0}$ (m) Denotes a value of less than \$1 million000
<u>1.2.012</u>	Various agricultural expensing provisionsFederal StatuteIRC Sections 162, 175, 180, 446, 448, 461, 464Description:Taxpayers in the business of farming may choose to expense costs associated with soil and water conservation, soil conditioning and the costs associated with raising dairy cattle and breeding cattle. State Fiscal Years (\$ in Millions) 2019201920202021
	State Tax Expenditure111(m) Denotes a value of less than \$1 million111
<u>1.2.013</u>	<u>Community and regional development incentives</u> Federal Statute IRC Sections 38(b), 39(d), 45A, 280C(a), 1391-1397D <b>Description:</b> Communities designated as empowerment zones and renewable communities are eligible for special development incentives. State Fiscal Years (\$ in Millions) 2019 2020 2021
	State Tax Expenditure201920202021(m) Denotes a value of less than \$1 million(m)(m)(m)
<u>1.2.014</u>	<ul> <li>Expensing to remove architectural and transportation barriers to the handicapped and elderly</li> <li>Federal Statute IRC Section 190</li> <li>Description: This provision allows taxpayers to deduct up to \$15,000 of expenses incurred in a single year for removing physical barriers to handicap or elderly individuals in qualified facilities or public transportation vehicles owned or leased by the taxpayer.</li> </ul>
	State Fiscal Years (\$ in Millions)
	State Tax Expenditure $2019$ $2020$ $2021$ (m) Denotes a value of less than \$1 million(m)00
<u>1.2.015</u>	<ul> <li><u>Inventory methods and valuation, (including last-in first-out, lower of cost or market, specific identification for homogenous products)</u></li> <li>Federal Statute IRC Sections 475, 491-492</li> <li><b>Description:</b> This provision allows taxpayers to use alternative inventory systems to determine cost of goods sold.</li> <li>State Fiscal Years (\$ in Millions)</li> </ul>
	State Tax Expenditure $\frac{2019}{2}$ $\frac{2020}{2}$ $\frac{2021}{2}$ (m) Denotes a value of less than \$1 million

<u>1.2.017</u>	<u>Health Savings Accounts</u> Federal Statute IRC Section 223 <b>Description:</b> This provision allows taxpayers to exclude their health savings account contributions from their gross income in determining their taxable
	income. State Fiscal Years (\$ in Millions) $\frac{2019}{35}$ $\frac{2020}{37}$ $\frac{2021}{38}$ (m) Denotes a value of less than \$1 million
<u>1.2.018</u>	Deduction of property taxes on real property         Federal Statute       IRC Section 164         Description:       Taxpayers may claim an itemized deduction for property taxes paid on owner-occupied residences. The deduction for property and state income or sales taxes in total cannot exceed \$10,000.         State Fiscal Years (\$ in Millions)         2019       2020       2021         State Tax Expenditure       128       97       103
<u>1.2.020</u>	<ul> <li>(m) Denotes a value of less than \$1 million</li> <li><u>Deduction of mortgage interest on owner-occupied residences</u></li> <li>Federal Statute IRC Section 163(h)</li> <li><b>Description:</b> A taxpayer may claim an itemized deduction for "qualified residence interest" which includes interest paid on a mortgage secured by a principal residence and a second residence.</li> </ul>
	State Tax Expenditure (m) Denotes a value of less than \$1 millionState Fiscal Years (\$ in Millions) 2019 1962020 2021 216
<u>1.2.021</u>	Deduction of charitable contributions (includes deductions for health, education, and for purposes other than health and education) Federal Statute IRC Sections 170 and 642(c) Description: Subject to certain limitations, charitable contributions may be deducted by individuals. State Fiscal Years (\$ in Millions)
	State Tax Expenditure $\frac{2019}{475}$ $\frac{2020}{431}$ $\frac{2021}{387}$ (m) Denotes a value of less than \$1 million
<u>1.2.022</u>	<ul> <li><u>Deduction of casualty and theft losses</u></li> <li>Federal Statute IRC Sections 165(c)(3), 165(e), 165(h)-165(k)</li> <li><b>Description:</b> An individual may claim an itemized deduction for unreimbursed personal casualty or theft losses up to a specified limit. State Fiscal Years (\$ in Millions)</li> </ul>
	State Tax Expenditure $\frac{2019}{1}$ $\frac{2020}{1}$ $\frac{2021}{1}$ (m) Denotes a value of less than \$1 million111

<u>1.2.023</u>	<ul> <li><u>Deduction of overnight expenses for National Guard and Reserve members</u></li> <li>Federal Statute IRC Sections 162(p) and 62(a)(2)(E)</li> <li><b>Description:</b> An above-the-line deduction is available for unreimbursed overnight travel, meals, and lodging expenses of National Guard and Reserve members.</li> </ul>					
	State Tax Expenditure (m) Denotes a value of less than \$1 million	State Fisca <u>2019</u> 1		\$ in Millions) <u>2021</u> 1		
<u>1.2.025</u>	<ul> <li><u>Deduction of interest on student loans</u></li> <li>Federal Statute IRC Section 221</li> <li><b>Description:</b> Taxpayers may deduct interest paid on qualified education loans in determining their adjusted gross income.</li> <li>State Fiscal Years (\$ in Millions)</li> </ul>					
		<u>2019</u>	2020	<u>2021</u>		
	State Tax Expenditure (m) Denotes a value of less than \$1 million	12	13	13		
<u>1.2.028</u>	<ul> <li><u>Deduction of health insurance premiums and long-term care insurance premiums by</u> <u>the self-employed</u></li> <li>Federal Statute IRC Section 162(1)</li> <li><b>Description:</b> Generally, a self-employed individual may deduct the entire amount paid for health insurance or long-term care insurance.</li> </ul>					
				in Millions)		
		2019	<u>2020</u>	<u>2021</u>		
	State Tax Expenditure (m) Denotes a value of less than \$1 million	39	44	48		
<u>1.2.029</u>	<ul> <li>Deduction of medical and dental expenses and long-term care expenses</li> <li>Federal Statute IRC Section 213</li> <li>Description: Most medical expenses that are paid by an individual but not reimbursed by an employer or insurance company may be deducted from taxable income to the extent they exceed 10 percent of adjusted gross income. State Fiscal Years (\$ in Millions)</li> </ul>					
	State Tax Expenditure (m) Denotes a value of less than \$1 million	<u>2019</u> 47	$\frac{2020}{45}$	<u>2021</u> 49		
<u>1.2.030</u>	Net exclusion of pension contributions and earnings: traditional and Roth IRAsFederal StatuteSection 219 and 408 and 408ADescription:Individuals participating in a traditional or Roth IRA are allowed to deduct contributions in the case of traditional IRAs and distributions in the case of Roth IRAs. Both exemptions are phased out for higher- income individuals.State Fiscal Years (\$ in Millions) 2019201920202021					
	State Tax Expenditure	<u>2019</u> 144	<u>2020</u> 151	<u>2021</u> 160		
	(m) Denotes a value of less than \$1 million		101			

### <u>1.2.031</u>

Limit on NOL deduction Federal Statute Pub. L. No. 115-63

**Description:** The deduction for net operating losses is limited to 80 percent of taxable income.

taxable income.					
	State Fiscal Years (\$ in Millions)				
	<u>2019</u>	2020	2021		
State Tax Expenditure	-1	-1	-1		
(m) Denotes a value of less than \$1 million					

# **1.3 Special Federal Conformity Provisions**

<u>1.3.001</u>	Deferral of gain on like-kind exchanges Federal Statute IRC Section 1031 <b>Description:</b> When business or investment like kind, no gain or loss is re tax is paid at the time of the	cognized of exchange.	on the excl	
		2019	2020	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	34	34	33
<u>1.3.002</u>	Special rules for magazine, paperback bool Federal Statute IRC Section 458	k, and reco	rd returns	
	Description: Publishers and distributors of	magazines	s, paperba	cks, and records may
	elect to exclude from gross in			
	sale of goods that are returned			
			-	in Millions)
		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>1.3.003</u>	Two-year carryback for net operating losse	s attributal	ole to farm	ing
	Federal Statute IRC Section 172			
	<b>Description:</b> Current law provides a two-y	•		
	farming. The normal carryba	-		÷
			-	in Millions)
	State Tax Expenditure	<u>2019</u> (m)	<u>2020</u> (m)	<u>2021</u> 1
	(m) Denotes a value of less than \$1 million	(III)	(III)	1
1 2 00 4				
<u>1.3.004</u>	Special rules for mining reclamation reserv Federal Statute IRC Section 468 and 1274			
	<b>Description:</b> Electing taxpayers may deduce		nt volue e	auivalent of certain
	estimated future reclamation waste disposal sites.			
	*	State Fisca	al Years (\$	in Millions)
			2020	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)
<u>1.3.005</u>	Cash accounting, for certain businesses Federal Statute IRC Sections 446 and 448 <b>Description:</b> The cash method of accounting that is not a tax shelter and fa categories. These are farming corporations, and entities that	ng may be lls into at l businesse t meet a gro	east one o s, qualified oss receipt	f three specified d personal service
	State Tax Expenditure	28	22	17
	(m) Denotes a value of less than \$1 million			

<u>1.3.006</u>		b) eport so the gross paymen	s profit fro ts are rece	m the sale is prorated
<u>1.3.007</u>	Completed contract rules Federal Statute IRC Section 460 <b>Description:</b> Some taxpayers with construction for more than one tax year are a profit on the contracts under spe normal rules of tax accounting. State State Tax Expenditure (m) Denotes a value of less than \$1 million	allowed t cial acco	to report so ounting ru	ome or all of the les rather than the in Millions)
<u>1.3.008</u>		4(a)(9), 4 9A deducted subject benefit are not ta d.	404(k), 41 d as a busi to less res plans. Tax axed when	5(c)(6), 512(e), ness expense. In trictive limits than on qualified
<u>1.3.009</u>	Income averaging for farmers and fishermen Federal Statute IRC Section 1301 <b>Description:</b> Beginning with tax years after 1 calculate their current year incomyear period, all or a portion of the fishing.	me tax b neir inco	y averagir me from f	ng over a prior three-
	State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1
<u>1.3.010</u>	<u>Qualified opportunity zones</u> Federal Statute PL 115-97; IRS 1400Z-1 <b>Description:</b> The inclusion in gross income of opportunity fund may be tempor gains reinvested may be exclude years. Capital gains from the sal	carily de d if the	ferred and investmen	15 percent of capital t is held for seven

qualified opportunity fund held for at least 10 years are excluded from gross income. A qualified opportunity fund is an investment vehicle organized as a corporation or a partnership for the purpose of investing in qualified opportunity zone property that holds at least 90 percent of its assets in qualified opportunity zone property. Qualified opportunity zone property includes any qualified opportunity zone stock, any qualified opportunity zone partnership interest, and any qualified opportunity zone business property. Certain low-income community population census tracts may be designated as qualified opportunity zones by the chief executive officer of the State (which includes the District of Columbia).

	State Fisca	al Years (	\$ in Millic	ons)
	<u>2019</u>	2020	2021	
ax Expenditure	5	5	4	
tos a valua of loss than \$1 million				

State Ta (m) Denotes a value of less than \$1 million

# 1.4 Georgia Exemptions

<u>1.4.001</u>	Personal Exemption Statute	§48-7-26			
	Year Enacted	1987			
	Year Effective	1987			
	Data Source	DOR data for 2	017		
	Estimate Reliability	Class A	017		
	Data Reliability	Class A			
	Note		al analysis	s, see Table	e 3 in Appendix.
	<b>Description:</b> For tax years		•		
			-	-	ately, and \$2,700 for
					n income for each
		imed on the tax i			
	•			Years (\$ in	n Millions)
			2019	2020	2021
	State Tax Expenditure		1,079	1,095	1,114
	(m) Denotes a value of less than \$1 m	nillion			
1.4.002	Retirement Income				
	Statute	§48-7-27			
	Year Enacted	1971			
	Year Effective	1971			
	Data Source	DOR data for 2	017		
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note		al analysis	s, see Table	e 4 in Appendix.
	<b>Description:</b> For tax years				
		ximum of \$65,00			
		y include a maxii			
		•		Years (\$ in	
			<u>2019</u>	2020	2021
	State Tax Expenditure		980	975	998
	(m) Denotes a value of less than \$1 m	nillion			
1.4.003	Exclusion of federally taxa	ble Social Securi	tv benefit	8	
	Statute	<u></u> §48-7-27		_	
	Year Enacted	1971			
	Year Effective	1971			
	Data Source	DOR data for 2	017		
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	<b>Description:</b> Social Securit	ty and tier 1 railro	oad retire	nent benefi	its are excluded from
	state taxable i	•			
			ate Fiscal	Years (\$ in	Millions)
			2019	2020	2021
	State Tax Expenditure		199	211	223
	(m) Denotes a value of less than \$1 m	nillion			

<u>1.4.004</u>	Georgia Higher Education Statute	Savings Plan Co §48-7-27	ontributions	<u>s</u>	
	Year Enacted	NA			
	Year Effective		heginning	on or after	January 1, 2002
	Data Source	DOR data for 2			January 1, 2002
	Estimate Reliability	Class A	2017		
	Data Reliability	Class A			
	Note		on limits w	ere increas	ed from \$2,000 to
			ve January 000, effectiv	1, 2016 and ve January	d again in 2019 from 1, 2020. For
	Description: An exemption	n from income is	s allowed f	or contribu	tions to a qualified
	higher educat	ion savings plar	. The exen	nption is li	mited to \$8,000 per
	qualified plar	beneficiary star	rting in 202	20.	
		S	tate Fiscal	Years (\$ in	n Millions)
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		13	16	19
	(m) Denotes a value of less than \$1 n	nillion			
<u>1.4.005</u>	Interest on U.S. obligations	<u>}</u>			
	Statute	§48-7-27			
	Year Enacted	1971			
	Year Effective	1971			
	Data Source	DOR data for 2	2017		
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				6 in Appendix
	<b>Description:</b> Interest earne	-	nment bon	ds and othe	er obligations are not
	included as ta	axable income.			
		S		Years (\$ in	
	~ ~		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 n	nillion	15	13	13
1.4.007	Organ donation expenses				
	Statute	§48-7-27			
	Year Enacted	1981			
	Year Effective	Taxable years	beginning	on or after	January 1, 2005
	Data Source	U.S. Dept. of I			
		Procurement a			
	Estimate Reliability	Class B	•		
	Data Reliability	Class A			
	Note				
	Description: Certain unrei	mbursed expens	es associat	ed with the	donation of organs
					t Act are deductible
	from federal		-		am value of \$10,000.
		S		Years (\$ in	
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure	- 111	(m)	(m)	(m)
	(m) Denotes a value of less than \$1 n	nillion			

<u>1.4.008</u>	income of \$1	<pre>§48-7-27 1971 1971 DOR data for 2017 Class A Class A For distributional analysis see, Table 7 in Appendix. ged 65 or older are allowed an annual deduction from 1,300 per taxpayer. Taxpayers who are blind are allowed an ction from income of \$1,300 per taxpayer. State Fiscal Years (\$ in Millions) 2019 2020 2021</pre>
	State Tax Expenditure (m) Denotes a value of less than \$1 r	8 8 9
<u>1.4.010</u>	Premiums for high-deducti Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	ible health plans §48-7-27 2008 Taxable years beginning on or after January 1, 2009 DOR data as of 2017 Class B Class A
		e allowed to exclude 100 percent of premiums paid for deductible health plans.
		State Fiscal Years (\$ in Millions) <u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 m	6 7 7
<u>1.4.021</u>	Exclusion of Military Surv Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	vivor Benefit §48-7-27(5) 2018 2018 Fiscal Note for HB 749 (2018) Class A Class B
	Description: Income recei	ived by a surviving family member based on the service eceased service member is exempt from state income tax.
		State Fiscal Years (\$ in Millions) 2019 2020 2021
	State Tax Expenditure (m) Denotes a value of less than \$1 r	5 5 5
<u>1.4.022</u>	Exclusion from the income disabled first responders Statute Year Enacted Year Effective Data Source	e tax for disability payments for § 48-7-27(12.4)(A) 2019 2019 Fiscal Note SB 138 LC 43 1258 (2019)

Estimate Reli	ability	Class A			
Data Reliabili	ity	Class A			
Note					
<b>Description:</b>	An income ta	x exclusion is al	llowed for f	irst respor	ders equal to 100
	percent of the	payments made	e to and reco	eived by a	that disabled first
	responder pur	suant to O.C.G.	A 45-9-85.	This exclu	usion requires that
	such amounts	are included in	the taxpaye	er's federal	adjusted gross
	income and an	re not otherwise	exempt fro	m the tax	imposed by this
	article under a	any other provis	ion of law.		
		S	tate Fiscal	Years (\$ ir	n Millions)
			2019	2020	<u>2021</u>
State Tax Ex	penditure		(m)	(m)	(m)

(m) Denotes a value of less than \$1 million

Expenditure	Statute	Summary
1.4.006	§48-7-27	Certain military income
1.4.009	§48-7-27	Certain dependent's unearned income
1.4.011	§48-7-27	Exclusion of qualified insurance benefits for firefighters
1 4 012	849 7 27	Individual retirement account, Keogh, SEP and Sub-S plan withdrawals where tax has been paid to Georgia because of the difference between Georgia and Federal law for tax years 1981 through 1086
1.4.012	§48-7-27	through 1986.
1.4.013	§48-7-27	Depreciation because of differences in Georgia and Federal law during tax years 1981 through 1986.
1.4.014	§48-7-27	Income from any fund, program or system which is exempted by federal law or treaty.
1.4.015	§48-7-27	Certain income in which the Sub-S election is not recognized by Georgia or another state in order to avoid double taxation.
1.4.016	§48-7-27	Adjustment for certain teachers retired from the Teachers Retirement System of Georgia
1.4.017	§48-7-27	Amount claimed by certain employers in food and beverage establishments
1.4.018	§48-7-27	Adjustment of certain payments to minority subcontractors
1.4.019	§48-7-27	Adjustments to federal AGI for certain Georgia resident partners
1.4.020	§48-2-100	Exemption for certain disaster relief firms

# Georgia individual income tax expenditures for which an estimate is not currently available

### **1.5 Georgia Deductions**

<u>1.5.001</u>	Standard Deduction	
	Statute	§48-7-27
	Year Enacted	1971
	Year Effective	1971
	Data Source	DOR data for 2017, Fiscal Note for HB 918 (2018)
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	For distributional analysis see, Table 8 in Appendix. The
		allowable standard deduction amounts were increased
		effective January 1, 2018.
	allowed a sta	ho do not itemize expenses on their federal return are indard deduction of \$4,600 for single and head of household ) for married joint filers, and \$3,000 for married separate
		State Fiscal Years (\$ in Millions)
		2019 2020 2021
	State Tax Expenditure	575 750 748
	(m) Denotes a value of less than \$1 m	million

# Georgia individual income tax credit expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
1.5.002	§48-7-27	Deduction of qualified insurance premiums for former firefighters

# 1.6 Georgia Credits

<u>1.6.001</u>		DOR data as o Class A Class A for certain phys redit is equal to ability and may	of 2017 sicians prace the lessor be claimed	cticing in ru of \$5,000 d l for five ye	or the taxpayer's
	State Tax Expenditure (m) Denotes a value of less than \$1 n	nillion	(m)	(m)	(m)
<u>1.6.002</u>	Disabled person's home pur Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: This credit pr family home existing home	§48-7-29.1 1998 Taxable years DOR data as o Class A Class A ovides a \$500 o containing acce	beginning of 2017 credit for th essibility fea	e purchase atures or fo	or the retrofit of an
			State Fiscal 2019	2020 Years (\$ 11	1000000000000000000000000000000000000
	State Tax Expenditure (m) Denotes a value of less than \$1 m	nillion	(m)	(m)	(m)
<u>1.6.003</u>		DOR data as o Class A Class A This credit wi ovides a credit a qualified driv	of 2017 Il expire on against incover education State Fiscal <u>2019</u>	December ome tax for on class. Years (\$ in <u>2020</u>	r the lesser of \$150 n Millions) <u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 m	nillion	1	0	0

1.6.004	Disaster Assistance Credit				
	Statute	§48-7-29.4			
	Year Enacted	2000			
	Year Effective		eginning	on or afte	er January 1, 2000
	Data Source	DOR data as of 2			-
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	Emergency M	rgency Manageme Ianagement Agen e disaster relief ass	ent Agen cy. The sistance te Fiscal	cy or from credit amo or \$500, w Years (\$	m the Federal ount is the actual whichever is less. in Millions)
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1 n		4	1	(m)
	(m) Denotes a value of less than \$1 h	1111011			
<u>1.6.005</u>	Qualified Caregiving Expe	nse Credit			
	Statute	§48-7-29.2			
	Year Enacted	1998			
	Year Effective	Taxable years be	eginning	on or afte	er January 1, 1999
	Data Source	DOR data as of 2	2017		
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	<b>D</b>				
	<b>Description:</b> This credit is		-		
	qualifying far	nily member. The	e value of	f the cred	it is equal to no more
	qualifying fai than 10 perce	nily member. The nt of the total amo	e value of ount exp	f the cred ended for	it is equal to no more qualifying caregiving
	qualifying far than 10 perce expenses. In 1	nily member. The nt of the total amono event shall the	e value of ount expo credit ex	f the cred ended for	it is equal to no more
	qualifying far than 10 perce expenses. In 1	nily member. The nt of the total amo no event shall the ability, whichever	e value o ount expo credit ex is less.	f the cred ended for ceed \$15	it is equal to no more qualifying caregiving 0 or the taxpayer's
	qualifying far than 10 perce expenses. In 1	nily member. The nt of the total amo no event shall the ability, whichever	e value of ount expo credit ex is less. te Fiscal	f the cred ended for cceed \$15 Years (\$	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions)
	qualifying far than 10 perce expenses. In r income tax lia	nily member. The nt of the total amo no event shall the ability, whichever	value o ount expo credit ex is less. te Fiscal <u>2019</u>	f the cred ended for ceed \$15 Years (\$ 2020	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u>
	qualifying far than 10 perce expenses. In 1	nily member. The nt of the total amo no event shall the ability, whichever Sta	e value of ount expo credit ex is less. te Fiscal	f the cred ended for cceed \$15 Years (\$	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions)
1 < 00 <	qualifying far than 10 perce expenses. In r income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 m	nily member. The nt of the total amo no event shall the ability, whichever Sta	e value of ount expo credit ex- is less. te Fiscal $\frac{2019}{(m)}$	f the cred ended for cceed \$15 Years (\$ $\frac{2020}{(m)}$	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u>	nily member. The nt of the total amo no event shall the ability, whichever Sta	e value of ount expo credit ex- is less. te Fiscal $\frac{2019}{(m)}$	f the cred ended for cceed \$15 Years (\$ $\frac{2020}{(m)}$	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u> <u>National Guard</u>	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion e for Georgia Nati	e value of ount expo credit ex- is less. te Fiscal $\frac{2019}{(m)}$	f the cred ended for cceed \$15 Years (\$ $\frac{2020}{(m)}$	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u> <u>National Guard</u> Statute	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9	e value of ount expo credit ex- is less. te Fiscal $\frac{2019}{(m)}$	f the cred ended for cceed \$15 Years (\$ $\frac{2020}{(m)}$	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 m <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9 2005	e value o ount expo credit ex is less. te Fiscal <u>2019</u> (m)	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) ard and A	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In r income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9 2005 Taxable years be	e value o ount expo credit ex is less. te Fiscal <u>2019</u> (m) <u>ional Gu</u>	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) ard and A	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9 2005 Taxable years be DOR data as of 2	e value o ount expo credit ex is less. te Fiscal <u>2019</u> (m) <u>ional Gu</u>	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) ard and A	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source Estimate Reliability	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9 2005 Taxable years be	e value o ount expo credit ex is less. te Fiscal <u>2019</u> (m) <u>ional Gu</u>	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) ard and A	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9 2005 Taxable years be DOR data as of 2 Class A	e value o ount expo credit ex is less. te Fiscal <u>2019</u> (m) <u>ional Gu</u>	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) ard and A	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m)
<u>1.6.006</u>	qualifying far than 10 perce expenses. In 1 income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 m <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9 2005 Taxable years be DOR data as of 2 Class A Class A	e value o ount expo credit ex is less. te Fiscal <u>2019</u> (m) <u>ional Gu</u> eginning 2017	f the cred ended for cceed \$15 Years (\$ <u>2020</u> (m) ard and A	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m) <u>dir</u> er January 1, 2005
<u>1.6.006</u>	qualifying fai than 10 perce expenses. In r income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 n <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> This credit is Guard and Ai	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> §48-7-29.9 2005 Taxable years be DOR data as of 2 Class A Class A available for activ r National Guard	e value of ount expe- credit ex- is less. te Fiscal <u>2019</u> (m) ional Gu eginning 2017	f the cred ended for cceed \$15 . Years (\$ 2020 (m) ard and A on or afte nembers c	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m) <u>ir</u> er January 1, 2005
<u>1.6.006</u>	qualifying far than 10 perce expenses. In t income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 m <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> This credit is Guard and Ai consecutive d	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> <u>§48-7-29.9</u> 2005 Taxable years be DOR data as of 2 Class A Class A available for active r National Guard lays and who purc	e value o ount expe- credit ex- is less. te Fiscal <u>2019</u> (m) <u>ional Gu</u> eginning 2017 ve duty n on active hase qua	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) <u>ard and A</u> on or afte nembers of e duty for ilified life	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m) <u>2021</u> (m) <u>2021</u> (m) <u>205</u> er January 1, 2005
<u>1.6.006</u>	qualifying fai than 10 perce expenses. In r income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 m <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> This credit is Guard and Ai consecutive d Services' Gro	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> <u>§48-7-29.9</u> 2005 Taxable years be DOR data as of 2 Class A Class A available for active r National Guard lays and who purc oup Life Insurance	e value o ount expe- credit ex- is less. te Fiscal <u>2019</u> (m) ional Gu eginning 2017 ve duty n on active hase qua program	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) ard and A on or afte nembers of e duty for ilified life n adminis	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m) <u>dir</u> er January 1, 2005 of the Georgia National more than 90 e insurance through the tered by the U.S.
<u>1.6.006</u>	qualifying fai than 10 perce expenses. In r income tax lia State Tax Expenditure (m) Denotes a value of less than \$1 m <u>Tax credit for life insurance</u> <u>National Guard</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> This credit is Guard and Ai consecutive d Services' Gre	nily member. The nt of the total amo no event shall the ability, whichever Sta nillion <u>e for Georgia Nati</u> <u>§48-7-29.9</u> 2005 Taxable years be DOR data as of 2 Class A Class A available for active r National Guard lays and who purc oup Life Insurance	e value of ount expe- credit ex- is less. te Fiscal <u>2019</u> (m) <u>ional Gu</u> eginning 2017 ve duty n on active hase qua e program s. The cr	f the cred ended for cceed \$15 . Years (\$ <u>2020</u> (m) ard and A on or afte nembers of e duty for alified life n adminis edit amou	it is equal to no more qualifying caregiving 0 or the taxpayer's in Millions) <u>2021</u> (m) <u>2021</u> (m) <u>2021</u> (m) <u>205</u> er January 1, 2005

	State Tax Expenditure (m) Denotes a value of less than \$1		State Fiscal <u>2019</u> (m)	Years (\$ i <u>2020</u> (m)	n Millions) 2021 (m)
<u>1.6.007</u>	<u>Child and Dependent Care</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> This credit is qualified exp State Tax Expenditure (m) Denotes a value of less than \$1	§48-7-29.10 2006 Taxable year DOR data as Class A Class A s equal to 30 pe	of 2017 rcent of the 1	federal cre children a	nd dependents.
<u>1.6.008</u>	annually unti occurring in	<ul> <li>§48-7-29.15</li> <li>2008</li> <li>Tax years beg</li> <li>DOR data as</li> <li>Class A</li> <li>Class A</li> <li>rovides an annuter children. The child attait</li> <li>taxable years b</li> </ul>	of 2017 nal tax credit he value of the ns the age of eginning on State Fiscal <u>2019</u>	for taxpay he credit is f 18 and ay or after Ja Years (\$ i <u>2020</u>	yers adopting s \$2,000 per child pplies to adoptions nuary 1, 2008. n Millions) <u>2021</u>
<u>1.6.009</u>	per depender	§48-7A -3 1991 Taxable year DOR data as Class A Class A class A rovides a tax cr taxpayer's AG	of 2017 edit to low-i I. The maxin	ncome inc	6 January 1, 1992 lividuals. The credit is of the credit is \$26 1, 2010 and after,

			State Fiscal		
	State Tax Expenditure (m) Denotes a value of less than \$1 n	nillion	$\frac{2019}{8}$	<u>2020</u> 8	<u>2021</u> 9
<u>1.6.010</u>	amount that v State Tax Expenditure	§48-7-28 1931 DOR data as Class A Class A dividual with h tax. The ma would be due	income taxed	of this creater of this creater of the second secon	dit is equal to the l by Georgia.
<u>1.6.011</u>	(m) Denotes a value of less than \$1 n Credit for Community-Bas	ed Faculty Pr	·		
	Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	Not Applica Class C Effective for 2019, the de by a tax crea qualifies cha physicians to	For HB 287 LG ble r tax years beg eduction under dit and definit anged from co o community	ginning on O.C.G.A. ion of the j mmunity b based facu	or after January 1, 48-7-27 was replaced physician that based faculty ilty preceptors.
	second and the through tenthe faculty precephysician ass first through	s defined by C nird preceptor preceptorship ptors that are istants, as def	D.C.G.A 43-34 rotation and \$ p rotation. Tax advanced prace ined by O.C.C pr rotations an	4-21, of \$5 \$1,000 for x credits for ctice regist G.A 43-34- ad \$750 for	00 for their first, each of their fourth or community based ered nurses or -21, are \$375 for their r their fourth
	State Tax Expenditure (m) Denotes a value of less than \$1 n	nillion	(m)	1	2
<u>1.6.012</u>	<u>Georgia Job Tax Credit</u> Statute Year Enacted Year Effective	§48-7-40: 19 §48-7-40: Т	-40.1: Taxable	beginning	on or after January 1, ginning on or after

Data Source		DOR data as of 2017 and Office of Insurance and Safety			
		Fire Commissioner			
Estimate Relia	ability	Class A			
Data Reliabili	ty	Class A			
Note		The same estimate is provided in the corporate income			
		tax section and the insurance premium tax section, see			
		2.6.001 and 5.00200. In 2018, the qualifying areas were			
		expanded to include counties with military bases and			
industrial parks that are owned and operated by a					
<b>Description:</b>	The credit pr	ovides a statewide job tax credit to any business or			
headquarters engaged in manufacturing, warehousing and distribution					
	processing, t	elecommunications, broadcasting, tourism, or research and			
	develonment	Retail establishments are only allowed the credit if			

development. Retail establishments are only allowed the credit if located in one of the 40 least-developed counties of the state. Average wages must be greater than the average wage of the county in the state with the lowest average wage. To be eligible, employers must offer health insurance to all new employees. It also provides a tax credit for businesses enterprises designated as operating in less-developed areas. These include areas with ten or more contiguous census tracts with higher than 15 percent poverty and counties with both a military base and a government owned and operated industrial park.

and a government owned and operated maastral park.							
	State Fiscal Years (\$ in Millions						
	<u>2019</u>	2020	<u>2021</u>				
Income Tax Expenditure	15	16	16				
Corporate Income Tax Expenditure	94	96	97				
Insurance Premium Tax Expenditure	9	9	9				
State Tax Expenditure	118	121	122				
(m) Denotes a value of less than \$1 million							

1.6.013 Quality Jobs Tax Credit

 Quality JOBS	I as Cicuit	
Statute		§48-7-40.17
Year Enacted		2009
Year Effective	e	Taxable years beginning on or after January 1, 2009
Data Source		DOR data as of 2017
Estimate Relia	ability	Class A
Data Reliabili	ty	Class A
Note	-	This provision was modified to allow consideration of
		jobs in disregarded entities for purposes of qualifying for the credit. This statute was modified in 2017 allowing taxpayers to establish subsequent job creation periods for a qualified project. The same estimate is provided in the corporate income tax section, see 2.6.002.
Description:	high-wage jo hours a week	s for employers creating new high-wage jobs or relocating obs into the state. A quality job or high-wage job has 30 c of regular work; is not already located in Georgia; and ove 110 percent of the average wage of the county in ocated.

	Income Tax Expenditure Corporate Income Tax Ex State Tax Expenditure (m) Denotes a value of less than \$1	penditure	tate Fiscal <u>2019</u> 1 <u>76</u> 77	Years (\$ in <u>2020</u> 1 <u>78</u> 79	n Millions) <u>2021</u> 1 <u>80</u> 81
<u>1.6.014</u>	must be pu manufactur six-year pe jobs. For b beginning o	\$48-7-40.24 2003 Latest modifie beginning on DOR data as of Class A Class A The same estit tax section, see ss enterprises that ary 1, 2009, \$45 rchased for the p rer must also created with the section of the p rer must also created with the section of the p rest of the p	or after Jan of 2016 mate is pro- te 2.6.003. t first quali 0 million in roject with the at a min sive credit f es that first ry 1, 2009,	wided in the fied in a tan qualified in a six-yea imum 1,80 for up to a qualify in the busine	ne corporate income exable year beginning investment property ar period. The 00 new jobs within a maximum of 4,500 a taxable year ss enterprise must
	and either t qualified ir	the qualified investment proper total annual Geor l.	stment req ty, or the pa gia W-2 rep tate Fiscal <u>2019</u>	uirement o ayroll requ ported pay Years (\$ in <u>2020</u>	roll within the six-
	(m) Denotes a value of less than \$1			omonieu w	III 1.0.012
<u>1.6.016</u>	<u>Manufacturer's Investme</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	§§48-7-40.2, 4 1994 Taxable years DOR data as 6 Class B Class A	beginning of 2017 mate is pro	on or after	0.4 r January 1, 1994 ne corporate income
	during the operation f	nust invest a min tax year to receiv	imum of \$5 e credit. E ly precedin	ligible tax	project per location payers must be in ars. Leased property the credit.

	State Fiscal Years (\$ in Millions			
	<u>2019</u>	2020	2021	
Income Tax Expenditure	2	2	2	
Corporate Income Tax Expenditure	<u>15</u>	16	17	
State Tax Expenditure	17	18	19	
(m) Denotes a value of less than \$1 million				

#### <u>**1.6.017**</u> Optional Investment Tax Credit

Statute	§§48-7-40.7, 48-7-40.8, and 48-7-40.9
Year Enacted	1995
Year Effective	Taxable years beginning on or after January 1, 1996.
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section, see 2.6.006.

**Description:** An alternative investment tax credit is available for taxpayers based on their investments in manufacturing or telecommunications facilities or support facilities where the these facilities have been operating for the three immediately preceding years. The credit is available for investments in excess of \$5 million and placed in service no earlier than January 1, 1996 for tier 1 counties. The investment threshold is \$10 million for tier 2 counties and is \$20 million for tier 3 and 4 counties.

	State Fiscal Years (\$ in Million			
	<u>2019</u>	<u>2020</u>	<u>2021</u>	
Income Tax Expenditure	(m)	(m)	(m)	
Corporate Income Tax Expenditure	1	1	1	
State Tax Expenditure (m) Denotes a value of less than \$1 million	1	1	1	

#### **1.6.018** Port Activity Tax Credit

	<u>I OIT METIVITY</u>	Tax Cicuit					
	Statute		§48-7-40.15				
	Year Enacted		1998				
	Year Effective	e	Latest modifications apply to taxable years beginning on				
			or after January 1, 2010				
	Data Source		DOR data as of 2017				
	Estimate Relia	ability	Class A				
	Data Reliabili	ty	Class A				
	Note	-	The same estimate is provided in the corporate income				
			tax section, see 2.6.007.				
	<b>Description:</b>	For taxable y	ears beginning before January 1, 2010, businesses or the				
	headquarters		of any such businesses engaged in manufacturing,				
-			and distribution, processing, telecommunications,				
		broadcasting	, tourism, or research and development that have increased				
		shipments or	ut of Georgia ports during the previous 12-month period				
		by more than	10 percent over their 1997 base year port traffic, or by				
more than 10			percent over 75 net tons, five containers or 10 20-foot				
equivalent u			hits (TEU's) during the previous 12-month period are				
			increased job tax credits or investment tax credits. For				
		-	beginning on or after January 1, 2010, the increase is				
		2					

based on a comparison of the previous 12-month period to the second preceding 12-month period.

		preceding 12	-monui periou.		<b>V</b> (¢.	N (°11'	
			S			n Millions)	
				<u>2019</u>	<u>2020</u>	<u>2021</u>	
	Income Tax E	Expenditure		(m)	(m)	(m)	
	Corporate Inc	ome Tax Expe	enditure	1	1	1	
	State Tax Expenditure			1	1	1	
	(m) Denotes a valu		illion				
1.6.019	Alternate Por	t Activity Tax	c Credit				
	Statute		§48-7-40.15A				
	Year Enacted		2009				
	Year Effective		2009				
		0		£ 2016			
	Data Source	1	DOR data as c	01 2016			
	Estimate Relia	•	Class A				
	Data Reliabili	ty	Class A				
	Note		The same estin	nate is pro	vided in th	ne corporate ir	ncome
			tax section, se	e 2.6.008.			
	<b>Description:</b>	Credit is allo	wed to any busi	iness enter	orise locat	ed in a tier 2 c	or 3
	•		a less developed	-	•		
		-	edit and which:		1		
			of a distribution	facility of	areater the	n 650 000 sai	iare feet
			in this state pric				
		•	·				
			s product to reta			ie same legal (	entity or
			es as such distri				
			imum of eight r	etail stores	in this sta	te in the first	year of
		operations.					
			S	tate Fiscal	Years (\$ i	n Millions)	
			2019	2020	<u>2021</u>		
	State Tax Expenditure			Estimate co	mbined w	ith 1.6.018	
	(m) Denotes a value of less than \$1 million						
<u>1.6.020</u>	<u>Film Tax Cre</u>	edit [					
	Statute		§48-7-40.26				
	Year Enacted		2005				
	Year Effective	e	Taxable years	beginning	on or afte	r January 1, 20	005
	Data Source		DOR data for	<b>U U</b>			
	Estimate Relia	ability	Class A				
	Data Reliabili	•	Class A				
	Note	it y		noto is pro	vidad in th	o corporato ir	noomo
	Note		The same estin				
			tax section, se			<b>I I</b>	plicable
			to qualified in			nt production	
			companies we				
	Description:		ompanies which			-	
		expenditures	in a state-certif	fied produc	tion may o	claim this cred	lit.
		Certification	must be approv	ed through	the Geor	gia Departmei	nt of
		Economic D	evelopment. Th	ere are spe	cial provis	sions relating	to the
			warded to intera		<b>.</b>	Ų	
			cations to this st			·	
			ntertainment pro			-	
		eliminated.	nortunniont pro		inpuny la	s create thas be	~11
		ciminateu.					

	State Fiscal	Years (\$ i	in Millions)
	<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditure	285	313	345
Corporate Income Tax Expenditure	<u>166</u>	182	201
State Tax Expenditure (m) Denotes a value of less than \$1 million	451	496	545

1.6.021 Research Tax Credit

Statute	§48-7-40.12
Year Enacted	1997
Year Effective	Taxable years beginning on or after January 1, 1998
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section, see 2.6.010.

**Description:** This credit is for expenses resulting from research conducted in Georgia by businesses engaged in manufacturing, warehousing and distribution, processing, telecommunications, tourism, or research and development industries. A tax credit is allowed provided that the business enterprise for the same taxable year claims and is allowed a research credit under Section 41 of the Internal Revenue Code of 1986, as amended.

State Fiscal	Years (\$ i	n Millions)
2019	2020	2021

	<u>2019</u>	<u>2020</u>	<u>2021</u>
Income Tax Expenditure	4	4	5
Corporate Income Tax Expenditure	83	87	92
State Tax Expenditure	87	92	97
(m) Denotes a value of less than \$1 million			

#### 1.6.022 Seed-Capital Fund Credit

beed Cupital I and Creat	
Statute	§48-7-40.27 & 40.28
Year Enacted	2008
Year Effective	Applicable to investments made on or after July 1, 2008
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section, see 2.6.011.

**Description:** This provides a tax credit for certain qualified investments made on or after July 1, 2008 in a research fund, the purpose of which is to provide early-stage financing for businesses formed as a result of research conducted in Georgia's research universities. State Fiscal Years (\$ in Millions)

	State Fiscal	Years (\$1	n Millior
	2019	2020	2021
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)

<u>1.6.023</u>	Qualified Health	Insurance Expense Credit
	Statute	§48-7-29.13
	Year Enacted	2008

Year Effective	e	Taxable years beginning on or after January 1, 2009
Data Source		DOR data as of 2017
Estimate Relia	ability	Class A
Data Reliabili	ty	Class A
Note		The same estimate is provided in the corporate income
		tax section, see 2.6.012.
<b>Description:</b>	Employers e	arn a tax credit based on the premiums paid for a high-
	deductible he	ealth plan. Employers must employ 50 or fewer persons for
	whom the en	nployer provides high-deductible health plans as defined by
Section 223 of the Internal Revenue Code and in which such		of the Internal Revenue Code and in which such

employees are enrolled. The qualified health insurance must be made available to all employees and compensated individuals of the employer pursuant to the applicable provisions of Section 125 of the Internal Revenue Code. The qualified health insurance premium expense must equal at least \$250 annually.

	State Fiscal Years (\$ in Millions)		
	<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	<u>(m)</u>	(m)	<u>(m)</u>
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

#### **1.6.025** Qualified Transportation Credit

Statute	§48-7-29.3
Year Enacted	1999
Year Effective	Taxable years beginning on or after January 1, 2001
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section, see 2.6.014. This credit will expire on
	December 31, 2018.

# **Description:** A tax credit is provided to employers for the cost of providing any federally qualified transportation benefit to an employee.

State Fiscal Years (\$ in Millions)

	<u>2019</u>	2020	2021
Income Tax Expenditure	(m)	0	0
Corporate Income Tax Expenditure	<u>(m)</u>	0	0
State Tax Expenditure	(m)	0	0
(m) Denotes a value of less than \$1 million			

#### 1.6.026 **Business Enterprise Vehicle Credit** Statute §48-7-40.22 Year Enacted 2001 Year Effective Taxable years beginning on or after January 1, 2002. Data Source DOR data as of 2017 Class A **Estimate Reliability** Data Reliability Class A Note The same estimate is provided in the corporate income tax section, see 2.6.015.

Description: This is a credit given to a business enterprise for the purchase of a

motor vehicle that is used exclusively to provide transportation for its employees. In order to qualify, a business enterprise must certify that each vehicle carries an average daily ridership of not less than four employees for an entire taxable year.

	State Fiscal	Years (\$ i	n Millions)
	2019	2020	2021
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

**1.6.027** Employer's credit for providing or sponsoring child care for employees and employer's credit for purchasing child care property

employer's credit for purc	hasing child care property
Statute	§48-7-40.6
Year Enacted	1994 & 1999
Year Effective	Credit for cost of operation: taxable years beginning on
	or after January 1, 1994; Credit for Cost of Qualified
	Child Care Property: taxable years beginning on or after
	January 1, 2000.
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section, see 2.6.016.

**Description:** Employer income tax credit for taxpayers based on their expenses related to providing or sponsoring child care for their employees' children.

cilitatett.			
	State Fiscal	Years (\$ i	n Millions)
	2019	2020	2021
Income Tax Expenditure	6	6	6
Corporate Income Tax Expenditure	10	10	10
State Tax Expenditure	16	16	16
(m) Denotes a value of less than \$1 million			

**<u>1.6.028</u>** Low-Income Housing Credit

Statute	§48-7-29.6
Year Enacted	2000
Year Effective	Taxable years beginning on or after January 1, 2001.
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section and the insurance premium tax section, see
	2.6.017 and 5.00700.
Description: This is a c	redit against Georgia income taxes for taxpayers owning

**Description:** This is a credit against Georgia income taxes for taxpayers owning developments which receive the federal Low-Income Housing tax credit and that are placed in service on or after January 1, 2001.

			State Fiscal Y		n Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	Income Tax Expendi		90	95	100	
	Corporate Income Ta	-	38	40	42	
	Insurance Premium 7	-	128	133	140	
	State Tax Expenditur		254	268	282	
1 6 020	(m) Denotes a value of less the Historia Dahabilitati					
<u>1.6.029</u>	Historic Rehabilitati Statute	<u>§48-7-29.8</u>	)			
	Year Enacted	2002	)			
	Year Effective		are beginning	on or after	January 1, 2004	
	Data Source				ote for HB 308 for 2015	
	Estimate Reliability	Class B	as 01 2017 and	riscai nu	te 101 11D 508 101 2015	
	Data Reliability	Class B Class B				
	Note		estimate is prov	vided in th	e corporate income	
	Note		, see 2.6.018.		le corporate income	
	<b>Description:</b> A crea			related to	the certified	
					ome. Standards set by	
					ist be met. This credit	
					be assigned or sold to	
		axpayers.	unow unused e	icano to t	be assigned of sold to	
	other	unpujois.	State Fiscal Y	Years (\$ ii	n Millions)	
			2019	2020	2021	
	Income Tax Expendi	ture	18	19	20	
	Corporate Income Ta		10	11	12	
	State Tax Expenditur	-	28	30	32	
	(m) Denotes a value of less the					
<u>1.6.030</u>	Diesel Particulate En			uipment	<u>Credit</u>	
	Statute	§48-7-40.1	9			
	Year Enacted	2000				
	Year Effective			on or after	January 1, 2001.	
	Data Source	DOR data	as of 2017			
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note		-		e corporate income	
			ax section, see 2.6.019. This credit will expire on			
	Degenintions This	December			lianal mantiavlata	
	-	s a credit given to a	• •		*	
		on reduction equip				
		y. For purposes of				
					t that provides heat,	
		nditioning, light, or a comm				
		or other facility, the				
	-				iculate emissions from	
		ehicle's diesel eng	-	on or part		
	Such	entere 5 dieser eng	State Fiscal Y	Years (\$ i	n Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditur	e	$\frac{2019}{0}$	$\frac{2020}{0}$	$\frac{2021}{0}$	
	(m) Denotes a value of less th		U U	0	~	

<u>1.6.031</u>	Low/Zero-Emission Vehicl Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note		\$48-7-40.16 1998 Taxable year DOR data as Class A Class A The same est tax, see 2.6.0 vehicle purch 2015. The cr conversions	timate is prov 2017 20. This created bases or lease redit for elect remain appli	vided in th dit has bee es occurrir ric vehicle cable.	January 1, 199 e corporate income on repealed for a fing on or after Ju e chargers and	ome all ıly 1,
	Description:	This is a credit for the purchase or lease of a new zero or low-emissi vehicle that is registered in the state of Georgia. The credit also appl to the conversion of a standard vehicle to a zero or low-emission vehicle. In addition, the credit applies to the purchase of an electric vehicle charger.				applies	
		venicle charg		State Fiscal	Vears (\$ ir	Millions)	
				<u>2019</u>	<u>2020</u>	<u>2021</u>	
	Income Tax E	xpenditure		(m)	(m)	(m)	
	Corporate Inc		enditure	<u>(m)</u>	(m)	(m)	
	State Tax Exp (m) Denotes a valu		illion	(m)	(m)	(m)	
1.6.032	Land Conserv	vation Credit					
	Statute		§48-7-29.12				
	Year Enacted		2006				
	Year Effective	e	Taxable year	rs beginning	on or after	January 1, 200	)6
	Data Source		DOR data as	a as of 2017			
	Estimate Relia	•	Class B				
	Data Reliabili	ty	Class A				
	Note			-	vided in th	e corporate inc	ome
	Description ·	This provide	tax section, s		for the aua	lified donation	of real
	Description.					ant to Chapter	
						)15 such that th	
		aggregate va	lue of credits	awarded und	er this pro	vision cannot e	xceed
				o new credit	applicatio	ns will be accep	pted
		after Decem	ber 31, 2021.	Ctota Eigenl	Vaana (¢ in	Milliana)	
				State Fiscal 2019	2020	<u>2021</u>	
	Income Tax E	vnenditure		5	<u>2020</u> 5	$\frac{2021}{4}$	
			enditure	3	2	2	
	Corporate Income Tax Expenditure State Tax Expenditure			8	7	6	
	(m) Denotes a valu		illion				
1.6.034	Georgia Emp	lover GED T:	ax Credit (prev	viously know	n as the E	mployer's Cred	lit for
1.0.00	Basic Skills I	•		<u></u>	<u> L</u>		
	Statute		§48-7-41				
	Year Enacted		2015				
	Year Effective	5	2015				

	Data Source Estimate Reliability Data Reliability Note	tax section, see the previous pr \$1 million in a	nate is prov e 2.6.023. T covision. T ggregate cu	The 2015 p the 2015 p redits ann	
	attainment Income Tax Expenditure Corporate Income Tax Ex	the employer inc of employees. Th St	urred expe is credit ex ate Fiscal <u>2019</u> (m) (m)	enses assoc xpires Dec Years (\$ in <u>2020</u> (m) (m)	ciated with GED ember 31, 2019. n Millions) <u>2021</u> (m) (m)
	State Tax Expenditure (m) Denotes a value of less than \$1	million	(m)	(m)	(m)
<u>1.6.035</u>	retraining p mass produ managemen managemen	<ul> <li>§48-7-40.5</li> <li>1994</li> <li>Latest modification</li> <li>beginning on or DOR data as or Class A</li> <li>Class A</li> <li>The same estimination tax section, seed</li> <li>dit reimburses emission</li> <li>dit reimburses emission</li> <li>ced software pace</li> <li>ant, or computer of the beat of the section of the sectio</li></ul>	ations are o or after Jan f 2017 nate is prove 2.6.024. nployers fo nployees. t include an kages for w spreadshee berating sy those prove	effective f uary 1, 20 vided in th or the cost As of Janu ny retraini vord proce ets, e-mail, stems excu iding supp	ne corporate income of providing uary 1, 2009, ng on commercially,
	Income Tax Expenditure Corporate Income Tax Exp State Tax Expenditure (m) Denotes a value of less than \$1	penditure	<u>2019</u> 13 <u>25</u> 39	<u>2020</u> 14 27 41	$     \frac{2021}{16}     \frac{29}{45} $
<u>1.6.036</u>	Qualified Education Expe Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	<ul> <li>§48-7-29.16</li> <li>2008</li> <li>Taxable years</li> <li>DOR data as o</li> <li>Class A</li> <li>Class A</li> </ul>	f 2017 nate is prov		r January 1, 2008 ne corporate income

	Description:	scholarship qualified sch	organization whi	ich are use	ed for tuition	axpayers to a student on and fees for a d to \$100 million
			•	ate Fiscal	Years (\$ in	Millions)
				<u>2019</u>	2020	<u>2021</u>
	Income Tax E			47	62	69
	Corporate Inc		enditure	<u>11</u>	14	16
	State Tax Exp (m) Denotes a valu	enditure le of less than \$1 m	illion	57	77	84
<u>1.6.037</u>	Qualified Inv	vestor Tax Cre	dit			
	Statute		§48-7-40.30			
	Year Enacted		2010			
	Year Effective	e			on modifie	ed in 2013 and 2016
	Data Source		DOR data as of	f 2016		
	Estimate Relia	•	Class A			
	Data Reliabili	ity	Class A			
	Note			-	vided in the	e corporate income
	Degenintiens	This and it a	tax section, see		adit for our	anne increased in
	Description:	·	•			ounts invested in The credit was modified
						nents made in years
				-		ed under this provision
			ed \$5 million per			d under uns provision
		eannot excee	•	•	Years (\$ in	Millions)
			5u	<u>2019</u>	<u>2020</u>	<u>2021</u>
	Income Tax E	Expenditure		(m)	(m)	0
	Corporate Inc	-	enditure	0 Ó	Û	0
	State Tax Exp	-		(m)	(m)	0
		e of less than \$1 m	illion	~ /		
<u>1.6.038</u>	Energy-effici	ient or water-e	efficient equipme	nt credit		
	Statute		§48-7-40.29			
	Year Enacted		2010			
	Year Effective	e				year in which federal
			•	rogram ar	e made ava	ailable and received by
			the state			
	Data Source	1.111.	DOR data as of	1 2017		
	Estimate Reli	-	Class A			
	Data Reliabili	ity	Class A			
	Note				vided in the	e corporate income
	Decorintion	This tax area	tax section, see		nurchass	anarow afficient and
	Description:		** *	•	<b>.</b>	energy-efficient and credit is equal to 25
						52,500, whichever is
						rs in which federal
					-	ose. Given federal
			e revenue effect		r ans purp	

		State Fiscal Years (\$ in Millions) 2019 2020 2021
	State Tax Expenditure (m) Denotes a value of less than \$1 m	0 0 0
<u>1.6.041</u>	Tax credit for existing busi Statute	ness enterprises undergoing qualified business expansion §48-7-40.21
	Year Enacted	2001
	Year Effective	Latest modifications are applicable to tax years beginning
		on or after January 1, 2008
	Data Source	DOR data as of 2016
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The same estimate is provided in the corporate income tax section, see 2.6.030.
	<b>Description</b> . This credit a	pplies to businesses that create at least 500 new full-time
		a taxable year.
	Joos within t	State Fiscal Years (\$ in Millions)
		2019 2020 2021
	State Tax Expenditure	Estimate combined with 1.6.013
	(m) Denotes a value of less than \$1 m	illion
<u>1.6.043</u>	Bank Tax Credit	
	Statute	§48-7-29.7
	Year Enacted	2000
	Year Effective	2001
	Data Source	DOR data as of 2017
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The same estimate is provided in the corporate income
	Deceminations Decesitors	tax section, see 2.6.032.
		inancial institutions are allowed a credit against their state
		iability equal to the sum of the amount of their business paid to local governments and any special state
		axes paid to the state.
		State Fiscal Years (\$ in Millions)
		2019 2020 2021
	Income Tax Expenditure	$\frac{2012}{2}$ $\frac{2020}{2}$ $\frac{2021}{2}$
	Corporate Income Tax Exp	
	State Tax Expenditure	$\overline{26}$ 29 30
	(m) Denotes a value of less than \$1 m	illion
<u>1.6.044</u>	Employer tax credit for hir	• • •
	Statute	§48-7-40.31
	Year Enacted	2016
	Year Effective	2016
	Data Source	Fiscal Note for HB 828 for 2016
	Estimate Reliability	Class B
	Data Reliability	Class A
	Note	The same estimate is provided in the corporate income tay section $\cos 26.022$
	Decorintion. For the news	tax section, see 2.6.033. In beginning on or after January 1, 2017, and before
	ror the perio	a beginning on or after January 1, 2017, and before

January 1, 2020, an employer that employs a qualified parolee in a fulltime job for at least 40 weeks during a 12-month period shall be eligible for an income tax credit in the amount of \$2,500 per year for each qualified parolee.

	State Fiscal Years (\$ in Millions			
	<u>2019</u>	2020	<u>2021</u>	
Income Tax Expenditure	(m)	(m)	0	
Corporate Income Tax Expenditure	3	3	0	
State Tax Expenditure	3	3	0	
(m) Denotes a value of less than \$1 million				

**<u>1.6.045</u>** Income Tax Credit for Contributions to Rural Health Care Organizations

Statute	§48-7-29.20
Year Enacted	2016
Year Effective	2017
Data Source	DOR data for 2019
Estimate Reliability	Class B
Data Reliability	Class B
Note	This statute was modified in 2017 and 2018 to increase taxpayer limitations and the credit rate, modify the
	aggregate state cap, and extend the expiration. The same
	estimate is provided in the corporate income tax section,
	see 2.6.034.
Decominations An individuo	1 townsyster shall be allowed on income toy and it acual to a

**Description:** An individual taxpayer shall be allowed an income tax credit equal to a maximum of \$5,000 for an individual filing a single return or \$10,000 for joint returns. A corporation or other entity shall be allowed an income tax credit equal to a maximum of 75 percent of the corporation's income tax liability. Aggregate amount of credits cannot exceed \$60 million in any year. The provision expires December 31, 2021.

2021.			
	State Fiscal	Years (\$ i	n Millions)
	2019	2020	2021
Income Tax Expenditure	44	36	44
Corporate Income Tax Expenditure	10	9	10
State Tax Expenditure	54	45	54
(m) Denotes a value of less than \$1 million			

<u>1.6.046</u>	<b>Revitalizatior</b>	n Zone Tax C	redit	
	Statute		§48-7-40.32	
	Year Enacted		2017	
	Year Effective	e	Taxable years beginning on or after January 1, 2018.	
	Data Source		Fiscal Note for LC 34 4996 for 2017	
	Estimate Relia	ability	Class C	
	Data Reliabili	ty	Class C	
	Note		The same estimate is provided in the corporate income	
			tax section, see 2.6.035.	
	<b>Description:</b>	An income t	ax credit to promote the revitalization of vacant rural	
		Georgia dow	ntowns. The statute includes three credits. The first allows	
		certified entities to claim an annual tax credit for five consecutive		
		years of \$2,0	000 per qualified employee but not to exceed \$40,000 per	
		taxable year	for any taxpayer. The second provides for a credit equal to	

25 percent of the purchase price of qualified property up to an amount equal to \$125,000 per project. The third provides for a tax credit of 30 percent of qualified rehabilitation expenses but not to exceed \$150,000 per project.

	¢100,000 p		ate Fiscal			
	State Tax Expenditure (m) Denotes a value of less than \$1 r	nillion	<u>2019</u> 1	<u>2020</u> 2	$\frac{2021}{4}$	
<u>1.6.047</u>	Georgia Musical Investme	ent Tax Credit				
	Statute	§48-7-40.33				
	Year Enacted	2017				
	Year Effective	Taxable years	beginning (	on or after	January 1, 2018.	
	Data Source	Fiscal Note for	r HB 155 L	C 43 0546	5S for 2017	
	Estimate Reliability	Class C				
	Data Reliability	Class B				
	Note	The same estin tax section, see	-	vided in th	e corporate income	
	<b>Description:</b> An income	· · · ·		nt of qualif	fied production	
		es of a musical or				
					onized with a movie,	
		or interactive ente				
	credit equal	to 5 percent may	be allowe	d for certa	in expenditures in tier	
	1 or tier 2 c	ounties.				
		St	ate Fiscal	Years (\$ in	Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 r	nillion	4	11	16	
1.6.048	Public Education Innovati	on Fund Tax Cre	dit			
	Statute	§48-7-29.21				
	Year Enacted	2017				
	Year Effective	Taxable years	beginning of	on or after	January 1, 2018.	
	Data Source	Fiscal Note for				
	Estimate Reliability	Class C				
	Data Reliability	Class B				
	Note		-	vided in th	e corporate income	
	section, see 2.6.037. <b>Description:</b> An income tax credit equal to contributions to a qualified Public					
	_	-		-		
	Education Innovation fund. The value of the credit varies by personal income filing type from \$1,000 to \$10,000. Corporate filers are					
	allowed a credit equal to 75 percent of their current income tax					
		· · ·	•		d each year may not	
		nillion. This cred				
			ate Fiscal			
		~	2019	2020	<u>2021</u>	
	Income Tax Expenditure		4	4	4	
	Corporate Income Tax Exp	penditure	1	1	1	
	State Tax Expenditure		5	5	5	
	(m) Denotes a value of less than \$1 m	nillion				

<u>1.6.049</u>	Agribusiness Tax Credit Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability	<ul> <li>§33-1-25</li> <li>2017</li> <li>Taxable years beginning on or after January 1, 2018.</li> <li>Fiscal Note for HB 314/LC 37 2389ERS for 2017</li> <li>Class B</li> <li>Class B</li> </ul>			
	Note	The same estimate is provided in the corporate income $2 \leq 0.22$			
	investmen the eligible investmen credit equa nonrefund				
		State Fiscal Years (\$ in Millions)			
	State Tax Expenditure	$\frac{2019}{0}$ $\frac{2020}{2}$ $\frac{2021}{6}$			
	(m) Denotes a value of less than \$1				
<u>1.6.050</u>	track owne percent of maximum III railroad facilities o Class III r	ance Tax Credit 			
	(m) Denotes a value of less than \$1				
<u>1.6.051</u>	Reforestation credit for 1 damage Statute Year Enacted Year Effective Data Source Estimate Reliability	osses incurred on commercial timberland due to hurricane \$48-7-40.36 2018 2018 Fiscal Note for LC 43 1038-EC for 2019 Class A			

Data Reliabili Note	ty Class A The same estimate is provided in the corporate income tax, see section 2.6.040.
State Tax Exp (m) Denotes a valu	Provides for a credit for casualty losses incurred on commercial timberland due to damage attributed to Hurricane Michael in the fall of 2018, subject to replanting requirements as described below. The amount of the credit is equal to 100 percent of the casualty loss deduction reported on the taxpayer's federal return, provided that the credit amount does not exceed \$400 per acre. Taxpayers must seek preapproval for the credit on or before December 31, 2019. Taxpayers are eligible to claim the credit in the taxable year in which the taxpayer replants 90 percent of the timber lost in the hurricane. All tax credits must be claimed by December 31, 2024. Credits can be sold once prior to January 1, 2024. Credits claimed are nonrefundable, but can be carried forward for up to 10 years. The total amount of credits preapproved may not exceed \$200 million. State Fiscal Years (\$ in Millions) $2019$ $2020$ $2021$

# Georgia individual income tax credit expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
1.6.015	§48-7-40.25	New Manufacturing Facilities Property Credit

### 2. Corporate Income Tax

The corporate income tax was first levied in Georgia in 1929. While originally levied at a rate equal to one-third of the federal corporate tax rate, the rate was changed to 4 percent in 1931. The tax has gone through several rate changes since its introduction, including in 1949 when it was temporarily increased to 7.5 percent. The rate was 6 percent from 1969 through 2018, but was reduced to 5.75 percent effective for tax years beginning on or after January 1, 2019. The Georgia corporate income tax is a flat rate tax, with a single rate applying to all Georgia taxable income of the corporation.

The starting point for the construction of the tax base is federal taxable income of a corporation. Several adjustments are made in order to determine Georgia business income. For example, although corporations are allowed certain special depreciation deductions at the federal level, some of these deductions are not allowed at the state level. Firms taking these deductions on their federal return must add these deductions back to their tax base when determining their state taxable income. In addition, firms operating in multiple states must apportion their corporate income to each of the states in which they have a legal obligation to pay the tax. Since 2008, firms with multistate income determine the portion of their total income associated with Georgia by computing their total Georgia receipts relative to their total receipts. Prior to 2008, Georgia firms were required to use a three-factor apportionment formula.

It is important to keep in mind that tax expenditure estimates may differ from revenue estimates presented in fiscal notes. Estimates included in fiscal notes incorporate behavioral effects that are not considered when estimating tax expenditure provisions. The purpose of a tax expenditure estimate is to convey the cost that would be necessary if the item were offered as a direct budgetary expenditure instead of a reduction in the tax liability. A second caveat concerns the estimates associated with the state corporate credit provisions. Forecasting the value of the revenue loss stemming from the use of these credits. Because of past credit carry forwards, firms may claim credits on current or future year tax returns that were created in prior years. In some cases, the credit may have expired such that taxpayers are no long able to create new credits, but the revenue loss to the state continues for several years until all carryforward liabilities have been exhausted. Therefore, the estimates provided in this report should be interpreted as the expected revenue loss stemming from the use of currently created or previously created credits and not an estimate of the value of credits created in a given year.

The tax is administered by the Georgia DOR. Corporate tax collections for FY 2018 were \$939 million or 4.1 percent of total state tax revenues. Approximately 305 thousand corporate returns were processed in CY 2018. All revenue collected from this tax is deposited into the State General Fund.

# 2.1 Federal Corporate Exclusions

	Permanent exemption from imputed interest rules					
	Federal Statute IRC Sections 163(e), 483, 1274, and 1274(A)					
	<b>Description:</b> Debt instruments for amounts not exceeding an inflation adjusted maximum, given in exchange for real property, may not have imputed				1	
		-			nay not have impute	ed
	to them	an interest rate grea	-			
		State Fiscal Years (\$ in Millions)				
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than	n \$1 million				
2 1 002	Evaluation of contribut	tions in aid of const	mustion for u	uator and	cowar utilities	
<u>2.1.003</u>	Exclusion of contribut Federal Statute IRC			valei allu	sewer utilities	
	<b>Description:</b> Qualify		aid of const	mustion ro	anized by regulated	1
		nd sewage disposal under certain condi		not includ	ied in the utility's gr	OSS
	income	under certain condi		1 Veena (	h : Milliona)	
					\$ in Millions)	
	Quarte Trans Errore a l'iterat		<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure (m) Denotes a value of less than	n \$1 million	(m)	(m)	(m)	
2.1.004	Exclusion of earnings		uental settler	nent fund	s	
2.1.004	Federal Statute IRC		iental settier		<u>5</u>	
	<b>Description:</b> Under c		vironmenta	l cottlomo	nt funds are exempt	-
	from tax		ivitoimenta	settleme	in runus are exempt	-
	nom ta	Δ.	State Figure	l Voore (	§ in Millions)	
			2019	2020	2021	
	State Tex Expanditure		$\frac{2019}{(m)}$	(m)	$\frac{2021}{(m)}$	
	State Tax Expenditure (m) Denotes a value of less that	n \$1 million	(111)	(111)	(111)	
2.1.005	Exclusion of certain a	gricultural cost-sha	ring paymen	ts		
<u>2.1.005</u>	Exclusion of certain a		ring paymen	<u>ts</u>		
<u>2.1.005</u>	Federal Statute IRC	Section 126			nd water resources	or
<u>2.1.005</u>	Federal Statute IRC <b>Description:</b> Grants	Section 126 made for the purpos	e of conserv	ring soil a		or
<u>2.1.005</u>	Federal Statute IRC Description: Grants a protecti	Section 126 made for the purpos ng the environment	e of conserv	ring soil a		or
<u>2.1.005</u>	Federal Statute IRC <b>Description:</b> Grants	Section 126 made for the purpos ng the environment	e of conserv are exclude	ing soil a d from the	e recipient's gross	or
<u>2.1.005</u>	Federal Statute IRC Description: Grants a protecti	Section 126 made for the purpos ng the environment	e of conserv are exclude State Fisca	ing soil a d from the l Years (S	e recipient's gross 5 in Millions)	or
<u>2.1.005</u>	Federal Statute IRC Description: Grants in protection income.	Section 126 made for the purpos ng the environment	e of conserv are exclude State Fisca <u>2019</u>	ing soil a d from the l Years (S <u>2020</u>	e recipient's gross in Millions) <u>2021</u>	or
<u>2.1.005</u>	Federal Statute IRC Description: Grants a protecti	Section 126 made for the purpos ng the environment	e of conserv are exclude State Fisca <u>2019</u>	ing soil a d from the l Years (S	e recipient's gross 5 in Millions)	or
<u>2.1.005</u>	Federal Statute IRC Description: Grants a protecti income. State Tax Expenditure	Section 126 made for the purpos ng the environment	e of conserv are exclude State Fisca <u>2019</u>	ing soil a d from the l Years (S <u>2020</u>	e recipient's gross in Millions) <u>2021</u>	or
<u>2.1.005</u> <u>2.1.006</u>	Federal Statute IRC Description: Grants a protecti income. State Tax Expenditure	Section 126 made for the purpos ng the environment	the of conservative exclude State Fisca $\frac{2019}{(m)}$	ing soil a d from the l Years (S <u>2020</u> (m)	e recipient's gross 5 in Millions) 2021 (m)	or
	Federal Statute IRC Description: Grants a protecti income. State Tax Expenditure (m) Denotes a value of less that Exclusion of gain or le	Section 126 made for the purpos ng the environment	te of conserv are exclude State Fisca $\frac{2019}{(m)}$ .nge for brow	ing soil a d from the l Years (S <u>2020</u> (m)	e recipient's gross 5 in Millions) 2021 (m)	or
	Federal Statute       IRC 3         Description:       Grants a         protecti       income.         State Tax Expenditure       (m) Denotes a value of less that         Exclusion of gain or log       Federal Statute	Section 126 made for the purpos ng the environment n \$1 million oss on sale or excha	e of conserv are exclude State Fisca <u>2019</u> (m) <u>ange for brow</u>	ing soil a d from the l Years (S <u>2020</u> (m) vnfield pr	e recipient's gross in Millions) <u>2021</u> (m) operty	
	Federal Statute       IRC 3         Description:       Grants a         protecti       income.         State Tax Expenditure       (m) Denotes a value of less that         Exclusion of gain or log       Federal Statute         IRC 3       Description:         Qualify       Qualify	Section 126 made for the purpos ng the environment n \$1 million oss on sale or excha Section 512 and 514	e of conserv are exclude State Fisca <u>2019</u> (m) <u>enge for brow</u> werty that is a	ing soil a d from the al Years (S <u>2020</u> (m) <u>vnfield pr</u> acquired f	e recipient's gross in Millions) <u>2021</u> (m) operty from an unrelated pa	arty,
	Federal Statute IRC Description: Grants a protecti income. State Tax Expenditure (m) Denotes a value of less that Exclusion of gain or lo Federal Statute IRC Description: Qualify subject	Section 126 made for the purpos ng the environment <sup>n \$1</sup> million <u>oss on sale or excha</u> Section 512 and 514 ing brownfield prop	the of conserv are exclude State Fisca $\frac{2019}{(m)}$ (m) Sunge for brow 4 perty that is a 1 sold to ano	ing soil a d from the al Years (S <u>2020</u> (m) <u>vnfield pr</u> acquired f	e recipient's gross in Millions) <u>2021</u> (m) operty from an unrelated pa	arty,
	Federal Statute IRC Description: Grants a protecti income. State Tax Expenditure (m) Denotes a value of less that Exclusion of gain or lo Federal Statute IRC Description: Qualify subject	Section 126 made for the purpos ng the environment n \$1 million oss on sale or excha Section 512 and 514 ing brownfield prop to remediation, and	the of conserv are exclude State Fisca 2019 (m) (m) (m) (m) (m) (m) (m) (m) (m) (m)	ring soil a d from the d Years (S <u>2020</u> (m) <u>vnfield pr</u> acquired f ther unrel	e recipient's gross in Millions) <u>2021</u> (m) operty from an unrelated pa	arty,
	Federal Statute IRC Description: Grants a protecti income. State Tax Expenditure (m) Denotes a value of less that Exclusion of gain or lo Federal Statute IRC Description: Qualify subject	Section 126 made for the purpos ng the environment n \$1 million oss on sale or excha Section 512 and 514 ing brownfield prop to remediation, and	the of conserv are exclude State Fisca 2019 (m) (m) (m) (m) (m) (m) (m) (m) (m) (m)	ring soil a d from the d Years (S <u>2020</u> (m) <u>vnfield pr</u> acquired f ther unrel	e recipient's gross in Millions) <u>2021</u> (m) operty from an unrelated party is exemp	arty,
	Federal Statute IRC Description: Grants a protecti income. State Tax Expenditure (m) Denotes a value of less that Exclusion of gain or lo Federal Statute IRC Description: Qualify subject	Section 126 made for the purpos ng the environment n \$1 million oss on sale or excha Section 512 and 514 ing brownfield prop to remediation, and	e of conserv are exclude State Fisca <u>2019</u> (m) <u>ange for brow</u> 4 perty that is a 1 sold to ano come tax. State Fisca	ring soil a d from the <u>2020</u> (m) <u>vnfield pr</u> acquired f ther unrel al Years (S	e recipient's gross in Millions) <u>2021</u> (m) operty from an unrelated party is exemp in Millions)	arty,

<ul> <li><u>Exclusion of disaster mitigation payments</u></li> <li>Federal Statute IRC Section 139</li> <li><b>Description:</b> Payments made for disaster mitigation under the Robert T. Stafford Disaster Relief and Emergency Insurance Act or the National Flood Insurance Act is excluded from income.</li> </ul>			
<u>n,</u>			
ige			
om			

# **2.2 Federal Corporate Deductions**

<u>2.2.001</u>		reciation (MACRS)				
	Federal Statute IRC Sections 167 and 168					
	<b>Description:</b> Under the Modified Accelerated Cost Recovery System (MACRS), the					
		st of tangible depreciation				
		owed a shorter depreciati				
		preciate the costs of new		-	tain other buildings	
	an	d equipment on an accele	rated schedu	ıle.		
			State Fisca	l Years (\$	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expend (m) Denotes a value of I		3	2	2	
<u>2.2.002</u>	Deduction of exp	benditures on energy-efficient	cient comme	ercial build	ling property	
	Federal Statute	IRC Section 179D				
	Description: Th	is provision provides a fo	ormula-based	d tax dedu	ction for all or part of	
	th	e cost of energy-efficient	commercia	l building	property placed in	
	sei	rvice after December 31,	2005 and be	fore Janua	ry 1, 2014.	
			State Fisca	l Years (\$	in Millions)	
			<u>2019</u>	2020	<u>2021</u>	
	State Tax Expende (m) Denotes a value of I		(m)	0	0	
2.2.003	Expensing of exp	oloration and developmer	nt costs: non	fuel miner	als	
		IRC Sections 263, 291, 6				
		rms engaged in mining ar			e certain exploration	
		d development costs.	- F	·· ·· ·	· · · · · · · · · · · · · · · · · · ·	
		1	State Fisca	1 Years (\$	in Millions)	
			2019	2020	2021	
	State Tax Expend	liture	(m)	(m)	(m)	
	(m) Denotes a value of l		~ /	( )	< /	
2.2.004	Amortization of	business start-up costs				
	Federal Statute					
	<b>Description:</b> This provision allows a business taxpayer to deduct up to \$5,000 in					
	_	alified start-up expenditu				
	1			1 Years (\$	in Millions)	
			2019	2020	2021	
	State Tax Expend	liture	(m)	(m)	(m)	
	(m) Denotes a value of I				× /	
<u>2.2.005</u>	Expensing of research and experimental expenses					
	Federal Statute IRC Section 174 and 59e					
	<b>Description:</b> This provision allows a business taxpayer to deduct certain research					
		penditures that are paid o	r incurred in	connection	on with the taxpayer's	
	tra	ade or business.	~			
					in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expend (m) Denotes a value of I		2	2	2	

<u>2.2.006</u>	<ul> <li><u>Expensing of magazine circulation expenditures</u></li> <li>Federal Statute IRC Section 173</li> <li><b>Description:</b> In general, current federal tax law allows publishers of newspapers, magazines, and other periodicals to deduct their expenditures to maintain, establish, or increase circulation in the year in which they are made.</li> </ul>			
	State Fiscal Years (\$ in Millions)			
	<u>2019</u> <u>2020</u> <u>2021</u>			
	State Tax Expenditure(m)(m)(m) Denotes a value of less than \$1 million(m)(m)			
<u>2.2.007</u>	Deductions of oil and gas exploration and development costs Federal Statute IRC Sections 611, 612, 613, 613A and 291; 263(c), 616-617, 57(a)(2), 59(e) and 1254			
	<b>Description:</b> Firms that extract oil, gas or, other minerals are permitted a deduction to recover their capital investment in a mineral reserve, which			
	depreciates due to the physical and economic depletion or exhaustion			
	as the mineral is recovered. Firms engaged in the exploration and			
	development of oil, gas or geothermal properties have the option of			
	expensing certain intangible drilling and development costs.			
	State Fiscal Years (\$ in Millions)			
	State Tax Expenditure $\frac{2019}{0}$ $\frac{2020}{0}$ $\frac{2021}{0}$ (m) Denotes a value of less than \$1 million			
<u>2.2.008</u>	Special treatment of expenses related to timber productionFederal StatuteIRC Sections 194, 263A(c)(5)Description:This provision allows expensing of production costs of growing timber. Taxpayers are also allowed different depreciation practices for qualified reforestation expenses.State Fiscal Years (\$ in Millions)			
	<u>2019</u> <u>2020</u> <u>2021</u>			
	State Tax Expenditure333(m) Denotes a value of less than \$1 million33			
<u>2.2.009</u>	<ul> <li><u>Deduction of charitable contributions (includes deductions for health, education, and for purposes other than health and education)</u></li> <li>Federal Statute IRC Sections 170 and 642(c)</li> <li><b>Description:</b> Subject to certain limitations, charitable contributions may be deducted by taxpayers.</li> </ul>			
	State Fiscal Years (\$ in Millions)			
	$\frac{2019}{2020}$ $\frac{2020}{2021}$			
	State Tax Expenditure222324(m) Denotes a value of less than \$1 million222324			
<u>2.2.011</u>	<ul> <li>Expensing under IRC section 179 of depreciable business property</li> <li>Federal Statute IRC Section 179</li> <li>Description: Within certain limits, a taxpayer may elect to deduct, as a current expense, the cost of qualifying property in the tax year when it is placed in service.</li> </ul>			

	State Tax Expenditure 2019 $2020$ $202121$ $16$ $12$
<u>2.2.012</u>	<ul> <li>(m) Denotes a value of less than \$1 million</li> <li><u>Amortization of air pollution control facilities</u></li> <li>Federal Statute IRC Section 169(d)(5)</li> <li><b>Description:</b> This provision allows plants placed in service after January 1, 1976 the option of amortizing investments in pollution control equipment for</li> </ul>
	coal-fired electric generation plants. State Fiscal Years (\$ in Millions) 2019 $2020$ $2021State Tax Expenditure 1 1 1(m) Denotes a value of less than $1 million$
<u>2.2.014</u>	Various agricultural expensing provisions         Federal Statute       IRC Section 162, 175, 180, 446, 448, 461, 464 <b>Description:</b> Taxpayers in the business of farming may choose to expense costs associated with soil and water conservation, soil conditioning and the costs associated with raising dairy cattle and breeding cattle.         State Fiscal Years (\$ in Millions)         2019       2020       2021
	State Tax Expenditure201920202021(m) Denotes a value of less than \$1 million(m)(m)(m)
<u>2.2.015</u>	<u>Community and regional development incentives</u> Federal Statute IRC Sections 38(b), 39(d), 45A, 280C(a), 1391-1397D and 1400F,H,I and J
	Description:       Communities designated as empowerment zones and renewable communities are eligible for special development incentives.         State Fiscal Years (\$ in Millions)         2019       2020       2021
	State Tax Expenditure(m)(m)(m) Denotes a value of less than \$1 million(m)(m)
<u>2.2.016</u>	Expensing to remove architectural and transportation barriers to the handicappedand elderlyFederal StatuteIRC Section 190Description:This provision allows taxpayers to deduct up to \$15,000 of expenses incurred in a single year for removing physical barriers to handicap or elderly individuals in qualified facilities or public transportation vehicles owned or leased by the taxpayer.State Fiscal Years (\$ in Millions) 2019201920202021
	State Tax Expenditure(m)00(m) Denotes a value of less than \$1 million
<u>2.2.017</u>	<ul> <li><u>Inventory methods and valuation</u></li> <li>Federal Statute IRC Section 475, 491-492</li> <li><b>Description:</b> This provision allows taxpayers to use alternative inventory systems to determine the cost of goods sold.</li> </ul>

	State Fisca	al Years (	\$ in Millio	ons)
	<u>2019</u>	2020	2021	
State Tax Expenditure (m) Denotes a value of less than \$1 million	3	3	3	

Limits on deductible compensation and disallowance of deduction for excess 2.2.018

	parachute payments				
	Federal Statute IRC Sections 280G, 4999, and 162(m)				
	<b>Description:</b> Excess parachute payments are not allowable deductions against the corporate income tax. In the case of publicly held corporations, only executive compensation of \$1 million or less is deductible against the				
	corporate income tax.	G. ( F.	1 3 7 / (	<b>`````````````</b> ```````````````````````	
				S in Millions)	
		<u>2019</u>	<u>2020</u> -6	<u>2021</u> -6	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	-5	-0	-0	
<u>2.2.019</u>	Deduction for foreign-derived intangible in Federal Statute P.L. 115-97, Sec. 250(a)				
	<b>Description:</b> A domestic corporation is a				
	derived intangible income u				
				S in Millions)	
	Querte Tres France d'Arene	<u>2019</u>	<u>2020</u>	$\frac{2021}{20}$	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	19	25	30	
<u>2.2.020</u>	Limitation on deduction of FDIC premium Federal Statute Pub. L. No. 115-97 <b>Description:</b> The deduction for the applied Insurance Corporation ("FE taxpayer is disallowed. For \$50 billion or more, the applicable p consolidated assets (as of the to \$40 billion. The provision consolidated assets (as of the exceed \$10 billion.	cable percen DIC") premi taxpayers v plicable perc ercentage is ne close of t on does not ne close of t	um paid o vith total c centage is the ratio o he taxable apply to ta he taxable	r incurred by the onsolidated assets of 100 percent. of the excess of total year) over \$10 billion axpayers with total	
<u>2.2.021</u>	Limitation on NOL deduction Federal Statute Pub. L. No. 115-63 <b>Description:</b> The deduction for net operative taxable income.	ting losses	is limited	to 80 percent of	
		State Fisca	al Years (\$	5 in Millions)	
		<u>2019</u>	2020	<u>2021</u>	
	State Tax Expenditure	-3	-3	-3	

State Tax Expenditure (m) Denotes a value of less than \$1 million

## 2.3 Special Federal Corporate Conformity Provisions

<u>2.3.001</u>	Deferral of gain on like-kind exchangesFederal StatuteIRC Section 1031Description:When business or investment property is exchanged for property of a like kind no gain or loss is recognized on the exchange and therefore no tax is paid at the time of the exchange. State Fiscal Years (\$ in Millions)
	$\frac{2019}{2020}  \frac{2021}{2021}$
	State Tax Expenditure677(m) Denotes a value of less than \$1 million
<u>2.3.002</u>	<ul> <li>Special rules for magazine, paperback book, and record returns</li> <li>Federal Statute IRC Section 458</li> <li>Description: Publishers and distributors of magazines, paperbacks, and records may elect to exclude from gross income for a tax year, the income from the sale of goods that are returned after the close of the tax year. State Fiscal Years (\$ in Millions)</li> </ul>
	<u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expenditure(m)(m)(m) Denotes a value of less than \$1 million(m)(m)
<u>2.3.003</u>	Two-year carryback for net operating losses attributable to farmingFederal Statute IRC Section 172Description: Current law provides a two-year carryback period for losses related to farming. The normal carryback period for losses is two years. State Fiscal Years (\$ in Millions) $\frac{2019}{2020}$ $\frac{2019}{2020}$ $\frac{2021}{(m)}$ State Tax Expenditure $(m)$ $(m)$ $(m)$ $(m)$ $(m)$ $(m)$
<u>2.3.004</u>	<ul> <li><u>Special rules for mining reclamation reserves</u></li> <li>Federal Statute IRC Section 468 and 1274</li> <li><b>Description:</b> Electing taxpayers may deduct the current value equivalent of certain estimated future reclamation and closing costs for mining and solid waste disposal sites.</li> </ul>
	State Fiscal Years (\$ in Millions)
	$\frac{2019}{2020} = \frac{2020}{2021}$
	State Tax Expenditure(m)(m)(m) Denotes a value of less than \$1 million(m)(m)
<u>2.3.005</u>	<ul> <li><u>Cash accounting, for certain businesses</u></li> <li>Federal Statute IRC Sections 446 and 448</li> <li><b>Description:</b> The cash method of accounting may be used by any business taxpayer that is not a tax shelter and falls into at least one of three specified categories. These are farming businesses, qualified personal service corporations, and entities that meet a gross receipts test.</li> </ul>

	State Tax Expendit (m) Denotes a value of les		State Fisca 2019 4	$\frac{1 \text{ Years } (\$)}{\frac{2020}{3}}$	in Millions) <u>2021</u> 2
<u>2.3.006</u>	Federal Statute II Description: Som met	n non-dealer installment RC Sections 453 and 45 he taxpayers are allowed hod of accounting in wh rated over the years durin	3A(b) l to report so lich the gros ng which the	s profit fro e payments	m the sale is s are received. in Millions) <u>2021</u>
	State Tax Expendit (m) Denotes a value of les		11	10	10
<u>2.3.007</u>	exte of th		e tax year are s under spec unting. State Fisca	e allowed t ial account l Years (\$	o report some or all ting rules rather than in Millions)
	State Tax Expendit (m) Denotes a value of les		$\frac{2019}{3}$	$\frac{2020}{3}$	<u>2021</u> 2
<u>2.3.008</u>	tax on certain emp Federal Statute	of employee stock owne loyee stock plans) RC Sections 401(a)(28),	404(a)(9), 4	404(k), 415	
	Description: ESC may are a emp	042, 497(e)(7), 4975(d) OPs are provided special by be deducted as a busing subject to less restrictive ployee benefit plans. Tax as are not taxed when gra- old.	tax treatme ess expense. e limits than a on qualifie anted or exc	nt. Emplo In additic contributio d employe ised. Tax	on, some contributions ons to other e stock purchase is deferred until stock
			State Fiscal 2019	-	in Millions)
	State Tax Expendit (m) Denotes a value of les		(-m)	<u>2020</u> (-m)	<u>2021</u> (m)
<u>2.3.009</u>	Deferral of capital Federal Statute	construction costs of sh RC Section 7518	iipping com	<u>panies</u>	
	or in the	operators of vessels in U.S. fisheries, may est y may make certain tax ings on the deposits are	ablish a cap deductible d tax deferred	ital constru eposits. Ir 1.	ction fund into which
	State Tax Expendit (m) Denotes a value of less		<u>2019</u> (m)	<u>2020</u> (m)	<u>2021</u> (m)

2.3.010 Qualified opportunity zones

Federal Statute PL 115-97; IRS 1400Z-1

**Description:** A qualified opportunity fund is an investment vehicle organized as a corporation or a partnership for the purpose of investing in qualified opportunity zone property that holds at least 90 percent of its assets in qualified opportunity zone property. Qualified opportunity zone property includes any qualified opportunity zone stock, any qualified opportunity zone business property. Certain low-income community population census tracts may be designated as qualified opportunity zones by the chief executive officer of the State (which includes the District of Columbia).

	State Fiscal Years (\$ in Millions)			
	<u>2019</u>	2020	2021	
State Tax Expenditure	5	5	5	
(m) Denotes a value of less than \$1 million				

#### 2.4 Corporate Apportionment

Discussed below are three issues relating to corporate apportionment that can be considered tax expenditures because they are deviations from the traditional formula of corporate apportionment and result in a benefit to some taxpayers. No estimate of the value of these expenditures is available at this time.

#### 2.4.001 Single-Factor Apportionment

Corporate income earned in Georgia is apportioned using a single-factor apportionment formula. With single-factor apportionment, firms determine state tax liability based solely on the ratio of Georgia receipts to total receipts. The traditional apportionment formula involves the use of three Georgia-total ratios: property, payroll, and receipts. With the three-factor formula, the firm applies a weight of 33.33 percent to each ratio. The single-factor formula benefits firms that have manufacturing presence in one state but significant sales outside of the state. Firms that are located and operate in a single state are not affected by the apportionment formula.

#### 2.4.002 Throwback Rule

Under a throwback rule, out-of-state sales from a corporation are taxed by the state of origin if the corporation has no nexus in the destination state. At least 25 states have a throwback rule. Georgia, North Carolina, Florida, Tennessee, South Carolina, and Virginia do not, but Alabama does. An alternative rule is the "throw-out rule," which eliminates sales to non-nexus states from both the numerator and denominator of the apportionment formula of a corporation. Georgia does not have a throw-out rule.

#### 2.4.003 Corporate Receipts Sourcing

Georgia is among 16 states that apportions multistate corporate income based only on gross receipts, (i.e. a 100-percent sales factor). This creates a destination-based corporate income tax system. Under this approach, corporations pay taxes based on the state in which their products are sold, not where production takes place. This rule applies to the sale of tangible property. When considering apportionment for services provided across state lines, Georgia employs a market-based sourcing rule. At the present, there is no consensus between the states on how to define a "market" for the purpose of implementing this rule but, in general, it means that services will be taxed based on the state in which the customer receives the benefit. The rule is meant to apply a consistent destination-based treatment to services when compared to tangible goods.

# Corporate apportionment expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
2.4.001	N/A	Single-factor Apportionment
2.4.002	N/A	Throwback Rule
2.4.003	N/A	Corporate Receipts Sourcing

## 2.5 Georgia Deductions

2.5.003	Exclusion of	Exclusion of global intangible low-taxed income (GILTI)					
	Statute		§48-7-21				
	Year Enacted		2018				
	Year Effective	e	2018				
	Data Source		Joint Committee on Taxation and the Bureau of Labor				
			Statistics				
	Estimate Relia	ability	Class B				
	Data Reliabili	ty	Class B				
	Note						
	<b>Description:</b>	Global intan	gible low-taxed income is defined for the purpose of				
		Federal taxa	ation in Section 951A of the Internal Revenue Code of 1986 as				
		Excess returns realized by U.S. shareholders from controlled foreign					
		Corporations in low-tax areas outside of the United States. GILTI is					
		includable in federal taxable income net of a 50% deduction in TY 2018-25					
		and a 37.5% deduction thereafter. Georgia does not tax any portion of					
		GILTI.					
		State Fiscal Years (\$ in Millions)					
	<u>2019</u> <u>2020</u> <u>2021</u>						
	State Tax Exp (m) Denotes a value		19 25 30 million				

# Corporate income tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
2.5.001	§48-7-21	Interest on obligations of United States
2.5.002	§48-7-21	Exception to intangible expenses and related interest cost

## 2.6 Georgia Credits

<u>2.6.001</u>	Georgia Job Tax Credit Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	<ul> <li>§48-7-40 and</li> <li>§48-7-40: 19</li> <li>§48-7-40: T</li> <li>1990; §48-7</li> <li>January 1, 19</li> <li>DOR data as</li> <li>Fire Commis</li> <li>Class A</li> <li>Class A</li> <li>The same esta</li> <li>and the insur</li> <li>5.00200. In 2</li> <li>include coun</li> </ul>	89; §48-7-40 axable years -40.1: Taxa 994. of 2017 and ssioner timate is pro- rance premiu 2018, the qua ties with mil	0.1: 1993 beginning ble years b l Office of vided in th m tax sect alifying ar- litary base	g on or after Ja beginning on o Insurance and the income tax s tion, see 1.6.01 eas were expan s and industria overnment ent	r after Safety Section 2 and ided to 1 parks
	headquar processin developm located in wages mu with the l health ins business These ind higher the	it provides a statev ters engaged in m ng, telecommunication nent. Retail establish none of the 40 leasust be greater than lowest average was surance to all new enterprises design clude areas with te an 15 percent pov vernment owned a	wide job tax anufacturing ations, broad lishments are ast-developed the average age. To be e employees. ated as oper en or more co erty and cou	credit to a g, warehou casting, to e only allo d counties e wage of t ligible, en It also pro ating in le ontiguous nties with industrial	iny business or using and distri- purism, or resea- owed the credit of the state. A the county in the ployers must of ovides a tax cre- ss-developed a census tracts v both a military park.	bution, arch and if verage ne state offer edit for ureas. vith
	Income Tax Expenditure Corporate Income Tax E Insurance Premium Tax State Tax Expenditure (m) Denotes a value of less than S	Expenditure Expenditure	<u>2019</u> 15 94 <u>9</u> 118	2020 16 96 9 121	$     \begin{array}{r}             \underline{2021}\\             16\\             97\\             \underline{9}\\             122             \end{array}     $	
<u>2.6.002</u>	Quality Jobs Tax Credit Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	<ul> <li>§48-7-40.17</li> <li>2009</li> <li>Taxable year</li> <li>DOR data as</li> <li>Class A</li> <li>Class A</li> <li>This statute v</li> <li>establish sub</li> <li>project. The</li> <li>section, see 1</li> </ul>	of 2017 was modified sequent job same estima 1.6.013. Esti	d in 2017 a creation p te is provi mate of th	allowing taxpa eriods for a qu ded in the inco is provision is w data is avail	yers to alified ome tax higher

**Description:** This credit is for employers creating new high-wage jobs or relocating high-wage jobs into the state. A quality job or high-wage job has 30 hours a week of regular work; a job that is not already located in Georgia; and pays at or above 110 percent of the average wage of the county in which it is located.

county in which it is loca	ateu.		
	State Fiscal	Years (\$ i	n Millions)
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Income Tax Expenditure	1	1	1
Corporate Income Tax Expenditure	76	78	80
State Tax Expenditure	77	79	81
(m) Denotes a value of less than \$1 million			

<u>2.6.003</u>	New Facilities Jobs Cre	edit	
	Statute	§48-7-40.24	
	Year Enacted	2003	
	Year Effective	Latest modifications are effective for taxable years	
		beginning on or after January 1, 2009	
	Data Source	DOR data as of 2016	
	Estimate Reliability	Class A	
	Data Reliability	Class A	
	Note	The same estimate is provided in the income tax section, see 1.6.014.	
	<b>Description:</b> For busir	ness enterprises that first qualified in a taxable year beginning	
	—	nuary 1, 2009, \$450 million in qualified investment property	
		burchased for the project within a six-year period. The	
		turer must also create at a minimum 1,800 new jobs within a	
		period and can receive credit for up to a maximum of 4,500	
	•	business enterprises that first qualify in a taxable year	
	•	g on or after January 1, 2009, the business enterprise must	
		job creation requirement of 1,800 eligible full-time employees	
		er the qualified investment requirement of \$450 million in	
	qualified investment property, or the payroll requirement of \$150		
	million in total annual Georgia W-2 reported payroll within the six-		
	year peri		
	<b>5</b> • • • •	State Fiscal Years (\$ in Millions)	
		2019 2020 2021	
	State Tax Expenditure	Estimate combined with 2.6.001	
	(m) Denotes a value of less than		
2.6.005	Manufacturer's Investn	nent Tax Credit	
	Statute	§§48-7-40.2, 48-7-40.3, and 48-7-40.4	
	Year Enacted	1994	
	Year Effective	Taxable years beginning on or after January 1, 1994	
	Data Source	DOR data as of 2017	
	Estimate Reliability	Class B	
	Data Reliability	Class A	
	Note	The same estimate is provided in the income tax section,	
		see 1.6.016.	
		r must invest a minimum of \$50,000 per project per location e tax year to receive credit. Eligible taxpayers must be in	
	8		

operation for the immediately preceding three years. Leased property

for a period of five years or longer is eligible for the credit. State Fiscal Years (\$ in Millions) 2019 2020 2021 Income Tax Expenditure 2 2 2 Corporate Income Tax Expenditure 15 17 16 18 18 19 State Tax Expenditure (m) Denotes a value of less than \$1 million 2.6.006 Optional Investment Tax Credit Statute §§48-7-40.7, 48-7-40.8, and 48-7-40.9 Year Enacted 1995 Year Effective Taxable years beginning on or after January 1, 1996. Data Source DOR data as of 2017 **Estimate Reliability** Class A Data Reliability Class A Note The same estimate is provided in the income tax section, see 1.6.017. **Description:** An alternative investment tax credit available for investments in manufacturing or telecommunications facilities or support facilities that have been operating for the three immediately preceding years. The credit is available for investments in excess of \$5 million and placed in service no earlier than January 1, 1996 for tier 1 counties. The investment threshold is \$10 million for tier 2 counties and is \$20 million for tier 3 and 4 counties. State Fiscal Years (\$ in Millions) 2020 2019 2021 Income Tax Expenditure (m) (m)(m) Corporate Income Tax Expenditure 1 1 1 State Tax Expenditure (m) Denotes a value of less than \$1 million Port Activity Tax Credit 2.6.007 Statute §48-7-40.15 Year Enacted 1998 Year Effective Latest modifications apply to taxable years beginning on or after January 1, 2010 Data Source DOR data as of 2017 **Estimate Reliability** Class A Data Reliability Class A Note Estimate combined with 2.6.008. The same estimate is provided in the income tax section, see 1.6.018. Description: For taxable years beginning before January 1, 2010, businesses or the headquarters of any such businesses engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, or research and development that have increased shipments out of Georgia ports during the previous 12-month period by more than 10 percent over their 1997 base year port traffic, or by more than 10 percent over 75 net tons, five containers or 10 20-foot equivalent units (TEU's) during the previous 12-month period are qualified for increased job tax credits or investment tax credits. For taxable years beginning on or after January 1, 2010, the increase is

based on a comparison of the previous 12-month period to the second preceding 12-month period.

		preceding 12	Si	tate Fiscal	Years (\$ i	n Millions)	
				2019	2020	<u>2021</u>	
	Income Tax E	Expenditure		$\frac{201}{(m)}$	(m)	(m)	
	Corporate Inc		enditure	. ,	1	1	
	State Tax Exp	-		<u>1</u> 1	1	1	
		e of less than \$1 m	illion				
2.6.008	Alternative P	Port Activity T	ax Credit				
	Statute		§48-7-40.15A				
	Year Enacted		2009				
	Year Effective		2009				
	Data Source		DOR data as o	of 2016			
	Estimate Relia	ability	Class A				
	Data Reliabili	•	Class A				
	Note	5	Estimate comb	oined with	2.6.007. T	The same estimate is	
			provided in the	e income ta	ax section,	, see 1.6.019.	
	<b>Description:</b>	Credit is allo	wed to any busi	iness enter	prise locat	ed in a tier 2 or 3	
	-					lifies and receives the	
		Jobs Tax Cre	edit and which;		-		
		1. Consists o	f a distribution	facility of	greater tha	in 650,000 square feet	
		in operation	in this state prio	or to Decen	nber 31, 20	008;	
		2. Distribute	s product to reta	il stores ov	wned by tł	ne same legal entity or	
		its subsidiari	es as such distri	bution faci	ility; and		
		3. Has a min	imum of eight r	etail stores	in this sta	te in the first year of	
		operations.					
			St		-	n Millions)	
				<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exp (m) Denotes a valu	enditure le of less than \$1 mi		Estimate co	ombined w	vith 2.6.007	
2.6.009	Film Tax Cre	dit					
2.0.002	Statute		§48-7-40.26				
	Year Enacted		2005				
	Year Effective			beginning	on or afte	r January 1, 2005	
	Data Source	-	DOR data for			, 2000	
	Estimate Reli	ability	Class A				
	Data Reliabili	•	Class A				
	Note	5	The same estir	nate is pro	vided in th	ne income tax section,	
				·		applicable to qualified	
			interactive en	tertainmen	t productio	on companies were	
			modified in 20	)15.			
	<b>Description:</b>	Production c	ompanies which	n have at le	east \$500,0	000 of qualified	
		expenditures	in a state-certif	ïed produc	tion may o	claim this credit.	
						gia Department of	
						sions relating to the	
						companies. Under the	
						et for the qualified	
			ntertainment pro	oduction co	ompany ta	x credit has been	
		eliminated.					

	State Fiscal Years (\$ in Millions)		
	<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditure	285	313	345
Corporate Income Tax Expenditure	166	182	201
State Tax Expenditure	451	496	545
(m) Denotes a value of less than \$1 million			

2.6.010 Research Tax Credit

Statute	§48-7-40.12
Year Enacted	1997
Year Effective	Taxable years beginning on or after January 1, 1998
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section,
	see 1.6.021.

**Description:** This credit is for expenses resulting from research conducted in Georgia by businesses engaged in manufacturing, warehousing and distribution, processing, telecommunications, tourism, or research and development industries. A tax credit is allowed provided that the business enterprise for the same taxable year claims and is allowed a research credit under Section 41 of the Internal Revenue Code of 1986, as amended.

State Fiscal	Years (\$	in Millions)

	2019	2020	2021
Income Tax Expenditure	4	4	5
Corporate Income Tax Expenditure	83	87	92
State Tax Expenditure	87	92	97
(m) Denotes a value of less than \$1 million			

#### 2.6.011 Seed-Capital Fund Credit

Statute	§48-7-40.27 & 40.28
Year Enacted	2008
Year Effective	Applicable to investments made on or after July 1, 2008
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section,
	see 1.6.022.

**Description:** This provides a tax credit for certain qualified investments made on or after July 1, 2008 in a research fund, the purpose of which is to provide early-stage financing for businesses formed as a result of research conducted in Georgia's research universities.

	eseuren univer	Sities.	
	State Fiscal	Years (\$ i	n Millions)
	2019	2020	<u>2021</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

<u>2.6.012</u>	Qualified Health In	nsurance Expense Credit
	Statute	§48-7-29.13
	Year Enacted	2008

Year Effective	Taxable years beginning on or after January 1, 2009
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section,
	see 1.6.023.

**Description:** Employer credit for the premiums paid for a high-deductible health plan. Employers must employ 50 or fewer persons for whom the employer provides high-deductible health plans as defined by Section 223 of the Internal Revenue Code and in which such employees are enrolled. The qualified health insurance must be made available to all employees and compensated individuals of the employer pursuant to the applicable provisions of Section 125 of the Internal Revenue Code. The qualified health insurance premium expense must equal at least \$250 annually.

+ == • • •••==_j •			
	State Fiscal	Years (\$ i	n Millions)
	<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

#### 2.6.014 Qualified Transportation Credit

Statute	<u>§48-7-29.3</u>
Year Enacted	1999
Year Effective	Taxable years beginning on or after January 1, 2001
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section,

see 1.6.025. This credit will expire on December 31,

**Description:** A tax credit provided to employers for the cost of providing any federally qualified transportation benefit to an employee.

	State Fiscal	Years (\$ i	n Millions)
	<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditure	(m)	0	0
Corporate Income Tax Expenditure	<u>(m)</u>	0	0
State Tax Expenditure	(m)	0	0
(m) Denotes a value of less than \$1 million			
Business Enterprise Vehicle Credit			
Statuta $849.740.2$	,		

2.6.015	Business Enterprise Vel	nicle Credit
	Statute	§48-7-40.22
	Year Enacted	2001
	Year Effective	Taxable years beginning on or after January 1, 2002.
	Data Source	DOR data as of 2017
	Estimate Reliability	Class C
	Data Reliability	Class A
	Note	The same estimate is provided in the income tax section,
		see 1.6.026.
	Description: This is a	pradit given to a business enterprise for the purchase of a

**Description:** This is a credit given to a business enterprise for the purchase of a motor vehicle that is used exclusively to provide transportation for its

employees. In order to qualify, a business enterprise must certify that each vehicle carries an average daily ridership of not less than four employees for an entire taxable year.

	State Fiscal Years (\$ in Millions)		
	<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditure	(m)	(m)	(m)
Corporate Income Tax Expenditure	<u>(m)</u>	(m)	(m)
State Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

**2.6.016** Employer's Credit for providing or sponsoring child care for employees and employer's credit for purchasing child care property

employer's credit for pur	chasing child care property
Statute	§48-7-40.6
Year Enacted	1994 & 1999
Year Effective	Credit for cost of operation: taxable years beginning on
	or after January 1, 1994; Credit for Cost of Qualified
	Child Care Property: taxable years beginning on or after
	January 1, 2000.
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section, see 1.6.027.

**Description:** Tax credit for expenses related to an employer who purchases qualified child care property; and a tax credit for employers who provide or sponsor child care for employees. State Fiscal Years (\$ in Millions)

	State Fiscal	Years (\$ i	n Million
	2019	2020	2021
Income Tax Expenditure	6	6	6
Corporate Income Tax Expenditure	10	10	10
State Tax Expenditure	16	16	16
(m) Denotes a value of less than \$1 million			

#### 2.6.017 Low-Income Housing Credit

Statute	§48-7-29.6
Year Enacted	2000
Year Effective	Taxable years beginning on or after January 1, 2001.
Data Source	DOR data as of 2017
Estimate Reliability	Class A
Data Reliability	Class A

The same estimate is provided in the income tax section
and the insurance premium tax section, see 1.6.028 and
5.00700.

**Description:** This is a credit against Georgia income taxes for taxpayers owning developments which receive the federal Low-Income Housing tax credit and that are placed in service on or after January 1, 2001.

		State Fiscal Years (\$ in Millions) <u>2019</u> <u>2020</u> <u>2021</u>
	Income Tax Expenditure	90 95 100
	Corporate Income Tax Expenditu	
	Insurance Premium Tax Expendi	
	State Tax Expenditure (m) Denotes a value of less than \$1 million	254 268 282
2.6.018	Historic Rehabilitation Credit	
	÷	7-29.8
	Year Enacted2002Year EffectiveTaxa	
		ble years beginning on or after January 1, 2004 R data as of 2017 and Fiscal Note for HB 308 for 2015
	Estimate Reliability Class	
	Data Reliability Clas	
	2	same estimate is provided in the income tax section,
		.6.029. This credit was modified in 2015 to allow
		ed credits to be assigned or sold to other taxpayers.
	-	rtified rehabilitation of a certified structure or
		ndards set by the Georgia Department of Natural
		met. This credit was modified in 2015 to allow
	unused credits to t	e assigned or sold to other taxpayers.
		State Fiscal Years (\$ in Millions) <u>2019</u> <u>2020</u> <u>2021</u>
	Income Tax Expenditure	$\frac{2019}{18}$ $\frac{2020}{19}$ $\frac{2021}{20}$
	Corporate Income Tax Expenditu	
	State Tax Expenditure	$\frac{1}{28}$ 30 32
	(m) Denotes a value of less than \$1 million	
2.6.019	Diesel Particulate Emission Red	action Technology Equipment Credit
	÷	7-40.19
	Year Enacted 2000	
		ble years beginning on or after January 1, 2001.
		R data as of 2017
	Estimate Reliability Class Data Reliability Class	
	5	s A same estimate is provided in the income tax section,
		1.6.030. This credit will expire on December 31,
		en to any person who installs diesel particulate
		equipment at any truck stop, depot, or other
		ses of this credit, diesel particulate emission reduction
		nent is any equipment that provides for heat, air
		, or communications for the driver's compartment of
		or vehicle parked at a truck stop, depot, or other
		which results in the engine being turned off with a
		action of particulate emissions from such vehicle's
	diesel engine.	State Fiscal Years (\$ in Millions)
		$\frac{2019}{2020} = \frac{2020}{2021}$
	State Tax Expenditure	$\frac{2017}{0}$ $\frac{2020}{0}$ $\frac{2021}{0}$
	(m) Denotes a value of less than \$1 million	-

<u>2.6.020</u>		ero-emission V	Vehicle Charge	er Credit			
	Statute		§48-7-40.16				
	Year Enacted		1998		2	• • • • • • • • •	
	Year Effective	e			on or after	January 1, 1998	
	Data Source		DOR data as	of 2017			
	Estimate Reli	•	Class A				
	Data Reliabili	ity	Class A				_
	Note					e income tax sect	
						pealed for all veh	
	<b>D</b>					after July 1, 2015	
	Description:					zero or low-emiss	
						The credit also app	olies
			version of a standard vehicle to a zero- or low-emission addition, the credit applies to the purchase of an electric				
				edit applies to	o the purch	hase of an electric	
		vehicle charg		State Fiscal Y	lears (\$ ir	n Millions)	
				<u>2019</u>	<u>2020</u>	<u>2021</u>	
	Income Tax E	Expenditure		(m)	(m)	(m)	
	Corporate Inc	ome Tax Exp	enditure	<u>(m)</u>	(m)	(m)	
	State Tax Exp			(m)	(m)	(m)	
	(m) Denotes a valu	e of less than \$1 m	illion				
<u>2.6.021</u>	Land Conser	vation Credit					
	Statute		§48-7-29.12				
	Year Enacted		2006				
	Year Effective	e	Taxable year	s beginning o	on or after	January 1, 2006	
	Data Source		DOR data as	of 2017			
	Estimate Reli	ability	Class A				
	Data Reliabili	ity	Class A				
	Note					o allow conservat	
						tion of energy and	
					mate is pr	rovided in the inco	ome
	<b>D</b>		tax section, s		1 1		
	<b>Description:</b>					tion of real prope	
						apter 22 of O.C.G	
						at the aggregate v	
						ceed \$30 million	
		2016.	new creatt app	incations with	be accept	ted after Decembe	er 51,
				State Fiscal Y	Zears (\$ in	Millions)	
				2019	2020	2021	
	Income Tax E	Expenditure		5	5	4	
		ome Tax Exp	enditure	3	2	2	
	State Tax Exp	-		8	7	6	
		ie of less than \$1 m	illion				
2.6.022	Clean Energy	y Property and	l Wood Residu	als Credit			
	Statute		§48-7-29.14				
	Year Enacted		2008				
	Year Effective	e	July 1, 2008				
	Data Source		DOR data as	of 2017			

Estimate Reliability	Class A
Data Reliability	Class A
Note	The same estimate is provided in the income tax section,
	see 1.6.033.

**Description:** The Georgia Clean Energy Property and Wood Residuals tax credit includes two general types of income tax credits: 1) investments in the construction, purchase or lease of clean energy property, and 2) the value of wood residuals delivered to a qualified renewable biomass facility. The clean energy property tax credits apply to solar, wind and energy efficiency projects, geothermal heat pumps, and certain biomass equipment for making electricity. The clean energy property tax credit expired on December 31, 2014. For the purposes of the Wood Residuals tax credit, wood residuals include urban wood waste, land clearing residues, and pellets, but not wood from a U.S. national forest.

101050			
	State Fiscal	Years (\$ i	n Millions)
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Income Tax Expenditure	(m)	0	0
Corporate Income Tax Expenditure	<u>(m)</u>	0	0
State Tax Expenditure	(m)	0	0
(m) Denotes a value of less than \$1 million			

2.6.023 Georgia Employer GED Tax Credit (previously known as the Employer's Credit for Basic Skills Education)

	Busit Simis Buutunon/				
	Statute	§48-7-41			
	Year Enacted	2015			
	Year Effective	2015			
	Data Source	Fiscal Note for HB 63 for 2015			
	Estimate Reliability	Class B			
	Data Reliability	Class A			
	Note	The same estimate is provided in the individual income			
		tax section, see 1.6.034. The 2015 provision replaces			
		the previous provision. The 2015 provision is capped at			
		\$1 million in aggregate credits annually.			
	<b>Description:</b> Allows an er	employer a tax credit against their income tax liability for			
	the employed	yer incurred expenses associated with GED attainment of			
	employees. This credit expires December 31, 2019.				
		State Fiscal Years (\$ in Millions)			
		<u>2019</u> <u>2020</u> <u>2021</u>			
	Income Tax Expenditure	(m) (m) (m)			
	Corporate Income Tax Expe	benditure (m) (m) (m)			
	State Tax Expenditure	(m) (m) (m)			
	(m) Denotes a value of less than \$1 m	nillion			
2.6.024	Employer's Credit for App	proved Employee Retraining			
	Statute	<u>§48-7-40.5</u>			
	Year Enacted	1994			
	Year Effective	Latest modifications are effective for taxable years			
		beginning on or after January 1, 2009			
	Data Source	DOR data as of 2017			
	Estimate Reliability	Class A			

Data Reliabili Note	ty	Class A The same estin see 1.6.035.	mate is pro	vided in th	ne income tax se	ction,
Description:	The tax credi	t reimburses en	nplovers fo	or the cost	of providing	
<b>r</b>		vices to their en			· ·	
					ng on commerci	allv
		-		-	essing, data base	-
	-	-	-	-	, personal inform	
					ept a retraining	
	÷	· ·			ort or training o	
	software.		I	0 11	e	
		S	tate Fiscal	Years (\$ i	n Millions)	
			2019	2020	<u>2021</u>	
Income Tax E	xpenditure		13	14	16	
	ome Tax Expe	nditure	25	27	29	
State Tax Exp	-		39	41	45	
	e of less than \$1 mi	llion				
Qualified Edu	ucation Expen	se Credit				
Statute		<u>§48-7-29.16</u>				
Year Enacted		2008				
Year Effective	<b>-</b>		heginning	on or afte	r January 1, 200	8
Data Source		DOR data as o	<i>v v</i>	on or and	i January 1, 200	0
Estimate Relia	ability	Class A	12017			
Data Reliabili	•	Class A				
Note	cy		mate is pro	vided in th	ne income tax se	ction
1.000		see 1.6.036.	in pro	1000 111 01		•••••
<b>Description:</b>	This provides	s a tax credit fo	r donations	s made by	taxpayers to a st	udent
-	-			-	on and fees for a	
	qualified sch	ool or program.	Annual ca	ap increase	d to \$100 millio	on
	effective Jan	uary 1, 2019.				
		S	tate Fiscal	Years (\$ i	n Millions)	
			<u>2019</u>	2020	<u>2021</u>	
Income Tax E			47	62	69	
•	ome Tax Expe	nditure	<u>11</u>	14	16	
State Tax Exp			57	77	84	
(m) Denotes a valu	e of less than \$1 mi	llion				
Qualified Inv	estor Tax Cree	<u>dit</u>				
Statute		§48-7-40.30				
Year Enacted		2010				
Year Effective	e	January 1, 201	1; legislati	ion modifi	ed in 2013	
Data Source		DOR data as o	of 2017			
Estimate Relia	ability	Class A				
Data Reliabili	ty	Class A				
Note		The same estimate	mate is pro	vided in th	ne income tax se	ction,
		see 1.6.037.				
Description:					nounts invested	
					The credit was r	
			-		nents made in y	
	2011-2018.T	ne aggregate va	alue of crec	iits awarde	ed under this pro	vision
						124   P

<u>2.6.025</u>

<u>2.6.026</u>

	cannot exceed \$5 million per year.					
		State Fiscal Years (\$ in Millions)				
		<u>2019</u> <u>2020</u> <u>2021</u>				
	Income Tax Expenditur	(m)  (m)  0				
	Corporate Income Tax					
	State Tax Expenditure	(m) (m) 0				
	(m) Denotes a value of less than	\$1 million				
2.6.027	Energy-Efficient or Wa	ater-Efficient Equipment Credit				
2:0:027	Statute	§48-7-40.29				
	Year Enacted	2010				
	Year Effective	January 1 of the year following the year in which federal				
		funds for this program are made available and received by				
	the state					
	Data Source	DOR data as of 2017				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note	The same estimate is provided in the income tax section,				
		see 1.6.038.				
	<b>Description:</b> This tax	credit applies to taxpayers who purchase energy-efficient and				
		nservation equipment. The value of the credit is equal to 25				
		of the cost of the qualified equipment or \$2,500, whichever is				
	*	credit is only available for those tax years in which federal				
		e made available to the state for this purpose. Given federal				
		state revenue effect is zero.				
	-	State Fiscal Years (\$ in Millions)				
		<u>2019</u> <u>2020</u> <u>2021</u>				
	State Tax Expenditure	0 0 0				
	(m) Denotes a value of less than	\$1 million				
2.6.030	Tax credit for existing	business enterprises undergoing qualified business expansion				
	Statute	<u>§48-7-40.21</u>				
	Year Enacted	2001				
	Year Effective	Latest modifications are applicable to tax years beginning				
		on or after January 1, 2008				
	Data Source	DOR data as of 2016				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note	The same estimate is provided in the income tax section,				
		see 1.6.041.				
	-	dit applies to businesses that create at least 500 new full-time				
	jobs with	nin a taxable year.				
		State Fiscal Years (\$ in Millions)				
		<u>2019</u> <u>2020</u> <u>2021</u>				
	State Tax Expenditure	Estimate combined with 2.6.002				
	(m) Denotes a value of less than	\$1 million				
<u>2.6.032</u>	Bank Tax Credit					
	Statute	§48-7-29.7				
	Year Enacted	2000				
	Year Effective	2001				
	Data Source	DOR data as of 2017				

Class A
Class A
The same estimate is provided in the income tax section, see 1.6.043.

**Description:** Depository financial institutions are allowed a credit against their state income tax liability equal to the sum of the amount of business license taxes paid to local governments and any special state occupation taxes paid to the state.

	State Fiscal Years (\$ in Millions)		
	<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditure	2	2	2
Corporate Income Tax Expenditure	24	27	28
State Tax Expenditure	26	29	30
(m) Denotes a value of less than \$1 million			

#### **2.6.033** Employer tax credit for hiring qualified parolees

Statute	\$48-7-40.31
Year Enacted	2016
Year Effective	2016
Data Source	Fiscal Note for HB 828 for 2016
Estimate Reliability	Class B
Data Reliability	Class A
Note	The same estimate is provided in the corporate income
	tax section, see 1.6.044.

**Description:** For the period beginning on or after January 1, 2017, and before January 1, 2020, an employer that employs a qualified parolee in a fulltime job for at least 40 weeks during a 12 month period shall be eligible for an income tax credit in the amount of \$2,500.00 per year for each qualified parolee.

	State Fiscal Years (\$ in Millions)		
	2019	<u>2020</u>	2021
Income Tax Expenditure	(m)	(m)	0
Corporate Income Tax Expenditure	3	3	0
State Tax Expenditure	3	3	0
(m) Denotes a value of less than \$1 million			

#### 2.6.034 Income Tax Credit for Contributions to Rural Health Care Organizations

Statute	§48-7-29.20
Year Enacted	2016
Year Effective	2017
Data Source	DOR data for 2019
Estimate Reliability	Class B
Data Reliability	Class B
Note	This statute was modified in 2017 and 2018 to increase
	taxpayer limitations and the credit rate, modify the
	aggregate state cap, and extend the expiration. The same
	estimate is provided in the corporate income tax section,
	see 1.6.045.
<b>Description:</b> An individu	al taxpayer shall be allowed an income tax credit equal to a
maximum o	f \$5,000 for an individual filing a single return or \$10,000
for joint retu	Irns. A corporation or other entity shall be allowed an

income tax credit equal to a maximum of 75 percent of the corporation's income tax liability. Aggregate amount of credits cannot exceed \$60 million in any year. The provision expires December 31, 2021.

		State Fiscal	Years (\$ i	n Millions)
		<u>2019</u>	2020	<u>2021</u>
Income Tax Expenditu	re	44	36	44
Corporate Income Tax	Expenditure	10	9	10
State Tax Expenditure	-	54	45	54
(m) Denotes a value of less than	n \$1 million			
Revitalization Zone Ta	av Credit			
Statute	§48-7-40.32			
Veen Enceted	2017			

2.6.035

Statute	848-7-40.32
Year Enacted	2017
Year Effective	Taxable years beginning on or after January 1, 2018.
Data Source	Fiscal Note for LC 34 4996 for 2017
Estimate Reliability	Class C
Data Reliability	Class C
Note	The same estimate is provided in the personal income
	section, see 1.6.046.

**Description:** An income tax credit to promote the revitalization of vacant rural Georgia downtowns. The statute includes three credits. The first allows certified entities to claim an annual tax credit for five consecutive years of \$2,000 per qualified employee but not to exceed \$40,000 per taxable year for any taxpayer. The second provides for a credit equal to 25 percent of the purchase price of qualified property up to an amount equal to \$125,000 per project. The third provides for a tax credit of 30 percent of qualified rehabilitation expenses but not to exceed \$150,000 per project.

	State Fiscal	Years (\$ i	n Millions)
	<u>2019</u>	2020	<u>2021</u>
State Tax Expenditure	1	2	4
(m) Denotes a value of less than \$1 million			

<u>2.6.036</u>	Georgia Mus	sical Investment Tax Credit			
	Statute		§48-7-40.33		
	Year Enacted		2017		
	Year Effective	e	Taxable years beginning on or after January 1, 2018		
	Data Source		Fiscal Note for HB 155/LC 43 0546S for 2017		
	Estimate Relia	ability	Class C		
	Data Reliabili	ty	Class B		
	Note		The same estimate is provided in the personal income		
			tax section, see 1.6.047.		
	<b>Description:</b>	An income ta	ax credit equal to 15 percent of qualified production		
		expenditures	of a musical or theatrical performance or a recorded		
		musical performance incorporated into or synchronized with a movie,			
		television, or interactive entertainment production. An additional credit equal to 5 percent may be allowed for certain expenditures in tier			
		1 or tier 2 co	unties.		

	State Fiscal Years (\$ in Millions)		
	<u>2019</u>	2020	2021
State Tax Expenditure	4	11	16
(m) Denotes a value of less than \$1 million			

Public Education Innovation Fund Tax Credit

2.6.037

<u>2.6.037</u>	Public Education Innova	ation Fund Tax Credit
	Statute	§48-7-29.21
	Year Enacted	2017
	Year Effective	Taxable years beginning on or after January 1, 2018.
	Data Source	Fiscal Note for HB 237/LC 7049S for 2017
	Estimate Reliability	Class C
	Data Reliability	Class B
	Note	The same estimate is provided in the personal income
		tax section, see 1.6.048.
	<b>Description:</b> An income	e tax credit equal to contributions to a qualified Public
	-	Innovation fund. The value of the credit varies by personal
		ling type from \$1,000 to \$10,000. Corporate filers are
		credit equal to 75 percent of their current income tax
		The aggregate amount of credits awarded each year may not
		5 million. This credit expires December 31, 2023.
		State Fiscal Years (\$ in Millions)
		$\frac{2019}{2020} = \frac{2020}{2021}$
	Income Tax Expenditure	
	Corporate Income Tax Experiature	
	State Tax Expenditure	xpenditure $\frac{1}{5}$ $\frac{1}{5}$ $\frac{1}{5}$
	(m) Denotes a value of less than \$1	
<u>2.6.038</u>	Agribusiness Tax Credit	<u>t</u>
	Statute	§33-1-25
	Year Enacted	2017
	Year Effective	Taxable years beginning on or after January 1, 2018.
	Data Source	Fiscal Note for HB 314/LC 37 2389ERS for 2017
	Estimate Reliability	Class B
	Data Reliability	Class B
	Note	The same estimate is provided in the personal income
		tax section, see 1.6.049.
	Description: An income	e tax credit to establish qualified low-income community rural
	investment	nt funds and tax credits. The credit amount is 15 percent of
	the eligible	le investment per year beginning in the third year after the
	investment	nt is made and continuing through the sixth year, for a total
	credit equa	al to 60 percent of the eligible investment. The credit is
	nonrefunda	lable and may not be sold, but may be carried forward
	indefinitel	ly. The amount of credits available is subject to a cumulative
	cap of \$10	00 million.
	-	State Fiscal Years (\$ in Millions)
		<u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expenditure	0 2 6
	(m) Denotes a value of less than \$1	1 million
<b>A</b> ( 0 <b>2</b> 0		
<u>2.6.039</u>	Railroad Track Maintena	
	Statute	§48-7-40.34
	Year Enacted	2018

Year Effective Data Source Estimate Reliab Data Reliability Note	•	2019 Fiscal Note for Class A Class A The same estim tax section, see	nate is prov		· · ·	come
- t 1	track owned of percent of rai	redit for mainten or leased by Clas lroad track main edit of \$3,500 pe	ss III railre itenance e	oads. The xpenditure	credit equals 3 es, subject to a	50 L
] 1 1	III railroads, facilities or p Class III rail maintenance	persons transpor ersons furnishin road are also elig of their assigned	ting prope g railroad- gible for tl	erty using a -related pr ne credit w	a Class III rail operty or serv vith respect to	lroad's ices to a
J	December 30		to Figoal '	Voore (¢ ir	n Millions)	
		56	<u>2019</u>	<u>2020</u>	<u>2021</u>	
State Tax Expe	nditure		$\frac{2019}{0}$	2020	$\frac{2021}{4}$	
(m) Denotes a value		llion	Ū	2	·	
Statute Year Enacted Year Effective Data Source Estimate Reliab Data Reliability Note	•	<ul> <li>§48-7-40.36</li> <li>2018</li> <li>2018</li> <li>Fiscal Note for Class A</li> <li>Class A</li> <li>The same estim tax see, section</li> </ul>	nate is prov			come
t 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	timberland du 2018, subject amount of the deduction rep credit amoun preapproval f are eligible t taxpayer repl tax credits mu once prior to can be carried	a credit for casua to to damage att to replanting re- e credit is equal ported on the tax t does not exceed or the credit on o claim the credit ants 90 percent of ust be claimed b January 1, 2024 d forward for up may not exceed	alty losses ributed to quirement to 100 per payer's fe d \$400 per or before 1 it in the ta of the timb y Decemb . Credits c to 10 year \$200 mill	Hurricane s as descri cent of the deral retur r acre. Tax December xable year ber lost in er 31, 202 laimed are rs. The tot ion.	Michael in the ibed below. The e casualty loss rn, provided the payers must s 31, 2019. Tay in which the the hurricane. 4. Credits can e nonrefundab	e fall of he nat the seek kpayers All be sold le, but
State Tax Expe			$\frac{2019}{0}$	<u>2020</u> 80	<u>2021</u> 95	
(m) Denotes a value of		llion				

<u>2.6.040</u>

# Georgia corporate tax credit expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
2.6.004	§48-7-40.25	New Manufacturing Facilities Property Credit

## **3.** Corporate Net Worth Tax

Georgia imposes a tax on the net worth of corporations doing business or owning property in the state. The net worth of foreign corporations subject to the Georgia tax is based upon the ratio of assets in Georgia and gross receipts in Georgia to total assets and gross receipts. The tax is graduated based upon the taxable net worth of the corporation.

The tax is administered by the Georgia DOR. Revenues from this tax totaled \$42 million in FY 2018. All revenues from this tax are deposited into the State General Fund.

<u>3.003</u>	Exemption for corporations with net worth of \$100,000 or less		
	Statute	§48-13-71	
	Year Enacted	2017	
	Year Effective	Tax years beginning on or after January 1, 2018	
	Data Source	Fiscal Note SB 133/LC 40 1296 for 2017	
	Estimate Reliability	Class A	
	Data Reliability	Class A	
	Note		
	<b>Description:</b> The statute	e increases the threshold net worth value with regards to the Net	
	Worth tax. Corporations with net worth equal to \$100,000 or less are exempted from the net worth tax. State Fiscal Years (\$ in Millions)		
		<u>2019</u> <u>2020</u> <u>2021</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1	4 4 5 million	

## Corporate net worth tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
3.001	§48-13-72	Exemption for nonprofit corporations
3.002	§48-13-72	Exemption for insurance companies separately taxed

### 4. Sales and Use Tax

The sales and use tax was first enacted in Georgia in 1951 at a rate of 3 percent. The rate was increased to its current rate of 4 percent in 1989. The sales tax base consists of retail sales, leases, rentals, use or consumption of tangible personal property. In addition to the state sales tax, local governments are authorized to impose an assortment of local option sales taxes. In most counties, the local sales taxes imposed consist of a combination of a Local Option Sales Tax (LOST), Special Purpose Local Option Sales Tax (SPLOST) and/or an Educational Special Purpose Local Option Sales Tax (E-SPLOST) with tax rates of 1 percent for each. A total of 88 counties plus the city of Atlanta have also implemented a sales tax dedicated to transportation purposes (T-SPLOST) as of October 2019, with tax rates of 1 percent except for Atlanta and Fulton County outside of Atlanta where the T-SPLOST rates are 1.4 and 0.75 percent respectively. In addition, Atlanta levies another 1 percent sales tax to cover expenses related to sewer repairs, two counties levy a 1 percent Homestead Option Sales Tax (HOST), and three counties and the city of Atlanta levy sales taxes dedicated to funding the Metropolitan Atlanta Rapid Transit Authority (MARTA), with rates of 1 percent except in Atlanta where the rate is 1.5 percent.

In general, the local tax base is consistent with the state sales tax base, which is defined to include mainly tangible personal property. The major exception is food for home consumption, which is included in the local sales tax base, but is exempted from the state tax. Services, with a few exceptions, are generally excluded from both the state and the local tax base. This report provides estimates of some services that are implicitly exempt from the sales tax by virtue of not being tangible personal property. Lastly, this report categorizes each sales tax expenditure by type to allow the reader to distinguish between tax expenditures, such as those for business inputs, that are provided for reasons of reducing economic distortions from those provided on the basis of more societal reasons.

The tax is administered by the Georgia DOR. The sales tax is remitted to the Georgia DOR by the retailer and the use tax is remitted by the consumer in cases where the retailer does not collect and remit sales tax. In FY 2018, the state sales and use tax generated \$5.9 billion in state revenues and accounted for approximately 26.2 percent of total state tax revenues. All proceeds from the state sales and use tax, net of vendor compensation, are deposited into the State General Fund.

<u>4.00400</u>	Sales of transportation furn	nished by a county or municipal public transit system or
	public transit authorities	
	Statute	§48-8-3(4)
	Year Enacted	1968
	Year Effective	1968
	Data Source	National Transit Database

	public transit by counties,	Class B Class A Estimate combined with 4.00500 nties and municipalities arising out of their operation of any t facility and sales by public transit authorities or charges municipalities, or public transit authorities for the n of passengers upon their conveyances.
	transportation	State Fiscal Years (\$ in Millions)
		<u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expenditure	8 8 8
	Local Tax Expenditure	6 6 6
	(m) Denotes a value of less than \$1 m	111100
<u>4.00500</u>	Sales of transportation furn	nished by an approved and authorized urban transit system
	Statute	§48-8-3(5)
	Year Enacted	1970
	Year Effective	1970
	Data Source	National Transit Database
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	Estimate combined with 4.00400
	-	arges, except charges for charter or sightseeing service, an urban transit system for the transportation of
	passengers.	an urban transit system for the transportation of
	pussengers.	State Fiscal Years (\$ in Millions)
		2019 2020 2021
	State Tax Expenditure	Estimate combined with
	Local Tax Expenditure	4.00400
	(m) Denotes a value of less than \$1 m	illion
4.00600	Sales to any Hospital Auth	ority created by Georgia law
	Statute	§48-8-3(6)
	Year Enacted	1976
	Year Effective	1976
	Data Source	Georgia Office of Planning and Budget and Centers for
		Medicaid and Medicare Services
	Estimate Reliability	Class B
	Data Reliability	Class B
	Note	Estimate combined with 4.00700
		hospital authority created by Article 4 of Chapter 7 of
	O.C.G.A. Tit	
		State Fiscal Years (\$ in Millions) 2019 2020 2021
	State Tax Expenditure	Estimate combined with
	Local Tax Expenditure	4.00700
	(m) Denotes a value of less than \$1 m	
1 0 0 6 1 0		
<u>4.00610</u>	•	nority created by Georgia law
	Statute Veen Enceted	§48-8-3(6.1)
	Year Enacted Year Effective	1999
	Data Source	1999 Georgia Department of Community Affairs and the
	Data Source	Georgia Department of Community Affairs and the

	Estimate Reliability Data Reliability Note	American Co Class C Class A	ommunity S	urvey		
	<b>Description:</b> Sales to any O.C.G.A. T		ity created b	by Article	1 of Chapter3 of	f
			State Fiscal	Years (\$ i	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		3	3	3	
	Local Tax Expenditure (m) Denotes a value of less than \$1	million	2	3	3	
<u>4.00620</u>	Sales to local governmen					
	principal purpose of cons			ng a colise	um and related	
	Statute	§48-8-3(6.2)				
	Year Enacted	2002				
	Year Effective	2002		~ .		
	Data Source	Georgia Dep	artment of C	Community	y Affairs	
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note Description: Salas to los	al government e	uthorition	instad on a	r ofter Jonuory	1
	<b>Description:</b> Sales to loc	e principal purpo				
		d related faciliti		ucting, ow	ining, or operation	ing a
	consedin an	la relatea raella		Years (\$ i	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		(m)	(m)	(m)	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1	million				
4 00620				) a ma antina a m	t of 1 out out to a	
<u>4.00630</u>	Sales to any agricultural of Statute	§48-8-3(6.3)	-	Jepannen	t of Agriculture	-
	Year Enacted	2002				
	Year Effective	2002				
	Data Source		artment of A	oriculture	and the Georgi	ia
	Dutu Source	Office of Pla			und the Georgi	i u
	Estimate Reliability	Class C				
	Data Reliability	Class C				
	Note					
	Description: Sales to any	agricultural con	mmission cr	eated by th	ne Department o	of
	Agriculture	•				
			State Fiscal	Years (\$ i	in Millions)	
			<u>2019</u>	2020	<u>2021</u>	
	State Tax Expenditure		(m)	(m)	(m)	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1	million				
4.00700	Sales of tangible personal	property and se	ervices to an	annroved	nursing home	
4.00700	inpatient hospice, general					the
	treatment function		1100prtur		<u>- specifically III</u>	
	Statute	§48-8-3(7)				
	Year Enacted	1971				

	profit n	1971 Georgia Office of Planning and Budget and Centers for Medicaid and Medicare Services Class B Class B Estimate combined with 4.00600 cangible personal property and services to an approved non- rsing home, inpatient hospice, general hospital or mental when used specifically in the treatment function and used
		sly by the facility.
		State Fiscal Years (\$ in Millions)
	State Tex Expenditure	$\begin{array}{cccc} \underline{2019} & \underline{2020} & \underline{2021} \\ 117 & 124 & 131 \end{array}$
	State Tax Expenditure Local Tax Expenditure	88 93 98
	(m) Denotes a value of less that	
4.00705	Sales of tangible pers	nal property to a non-profit health center established and
	÷ .	nt to the U.S. Public Health Service Act
	Statute	§48-8-3(7.05)
	Year Enacted	2015
	Year Effective	2015
	Data Source	Fiscal Note for HB 426 LC 34 4527 for 2015
	Estimate Reliability Data Reliability	Class C Class B
	Note	This exemption was eliminated in 2010 and reinstated in
		2015. In 2019, this provision was extended until June 30, 2024.
		angible personal property to a non-profit health center
	Act.	ed and receiving funds pursuant to the U.S. Public Health Service
		State Fiscal Years (\$ in Millions)
		<u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expenditure	1 1 1
	(m) Denotes a value of less that	(m) (m) (m) \$1 million
<u>4.00710</u>		nal property and services to a nonprofit organization whose provide services to persons with intellectual disabilities
	Statute	§48-8-3(7.1)
	Year Enacted	2001
	Year Effective	2002
	Data Source	U.S. Economic Census and American Community Survey
	Estimate Reliability	Class C
	Data Reliability Note	Class A
	Description: Sales of organiza to perso exempt	angible personal property and services to a nonprofit tion, the primary function of which is the provision of services as with intellectual disabilities, when such organization is a tax organization under the Internal Revenue Code and obtains an on determination letter from the State Revenue Commissioner.

4.00720	State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 mi Sales to Georgia Society of		State Fiscal $\frac{2019}{1}$	2020 1 1	<u>2021</u> 1 1
4.00720	Statute	§48-8-3(7.2)			<u>nution</u>
	Year Enacted	2002			
	Year Effective	2002			
	Data Source	IRS 990 For	m Data		
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note <b>Description:</b> Sales of tangi	ble personal r	roperty or se	rvices to a	ny chapter of the
	Georgia State which is tax e	Society of the xempt under	e Daughters o IRS Code Sec	of the Ame etion 501(c	rican Revolution c)(3) and obtains an
	exemption de	termination le			enue Commissioner.
			State Fiscal 2019	2020	2021
	State Tax Expenditure		$\frac{2019}{(m)}$	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 mi	llion			
<u>4.00730</u>	Sales of tangible property a primarily treating patients v Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tangi	vith incomes §48-8-3(7.3) 2015 2015 Fiscal Note f Class C Class C This exempt 2015. This p 2019.	below 200 pe for HB 426 L ion was elimi rovision is sc	rcent of th C 34 4527 nated in 20 heduled to	e poverty level for 2015 010 and reinstated in expire on June 30,
	health clinic p	primarily treat level and wh	ing patients v en the item se	vith incom	es below 200 percent exclusively for
			State Fiscal		
	~ <b>— — —</b> "		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		1	0	0
	Local Tax Expenditure (m) Denotes a value of less than \$1 mi	llion	1	0	0
<u>4.00800</u>	Sales of tangible personal p and its educational units	property and se	ervices to the	University	y System of Georgia
	Statute	§48-8-3(8)			
	Year Enacted	1963			
	Year Effective	1963	notoria - C O		al Einen-1-1 D
	Data Source	University S Class B	ystem of Geo	orgia Annu	al Financial Report
	Estimate Reliability	Class D			

	Data Reliability Note	Class A Estimate combined with 4.00900
		ible personal property and services to the University
	System of Ge	eorgia and its educational units.
		State Fiscal Years (\$ in Millions)
	State Tex Expanditure	$\frac{2019}{48}$ $\frac{2020}{51}$ $\frac{2021}{54}$
	State Tax Expenditure Local Tax Expenditure	$\begin{array}{cccccccccccccccccccccccccccccccccccc$
	(m) Denotes a value of less than \$1 m	
<u>4.00900</u>		roperty and services used exclusively in the educational
		ivate college or university located in Georgia in which the
	Statute	<u>e University System of Georgia</u>
	Year Enacted	§48-8-3(9) 1966
	Year Effective	1966
	Data Source	University System of Georgia Annual Financial Report
	Estimate Reliability	Class C
	Data Reliability	Class C
	Note	Estimate combined with 4.00800
	<b>Description:</b> Sales of tang	ible personal property and services used exclusively in the
		unction of an approved private college or university
		eorgia whose credits are accepted by the University System
	of Georgia.	
		State Fiscal Years (\$ in Millions)
	State Tax Expenditure	2019 2020 2021 Estimate combined with
	State Lax Experimite	
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	4.00800
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	4.00800
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal</u>	4.00800 uillion property and services used exclusively in the educational
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m Sales of tangible personal function of an approved pr	4.00800 property and services used exclusively in the educational ivate elementary or secondary school
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute	4.00800 property and services used exclusively in the educational ivate elementary or secondary school §48-8-3(10)
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school \$48-8-3(10) 1968
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school \$48-8-3(10) 1968 1968
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school §48-8-3(10) 1968 1968 The National Center for Education Statistics and the
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school §48-8-3(10) 1968 1968 The National Center for Education Statistics and the
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school \$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school \$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f	4.00800 iillion property and services used exclusively in the educational ivate elementary or secondary school §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang	4.00800 illion property and services used exclusively in the educational ivate elementary or secondary school §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C ible personal property and services used exclusively in the unction of an approved private elementary or secondary
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f	4.00800 illion  property and services used exclusively in the educational ivate elementary or secondary school \$48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C ible personal property and services used exclusively in the unction of an approved private elementary or secondary State Fiscal Years (\$ in Millions)
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f school.	4.00800 illion  Property and services used exclusively in the educational ivate elementary or secondary school §48-8-3(10) 1968 1968 The National Center for Education Statistics and the Georgia Department of Education Class C Class C ible personal property and services used exclusively in the function of an approved private elementary or secondary State Fiscal Years (\$ in Millions) <u>2019</u> <u>2020</u> <u>2021</u>
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f school.	$4.00800$ illion $\frac{4.00800}{1}$ $\frac{1}{100}$
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m Sales of tangible personal p function of an approved pr Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sales of tang educational f school. State Tax Expenditure Local Tax Expenditure	$4.00800$ illion $\frac{4.00800}{1}$ $\frac{1}{100}$
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f school.	$4.00800$ illion $\frac{4.00800}{1}$ $\frac{1}{100}$
<u>4.01000</u>	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f school. State Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sale of tangible personal p</u>	$4.00800$ illion $\frac{1}{100}$
	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f school. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sale of tangible personal p</u> personal property or service	$\frac{4.00800}{\text{illion}}$ $\frac{\text{property and services used exclusively in the educational invate elementary or secondary school}{\frac{8}{48-8-3(10)}}{\frac{968}{1968}}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1968}{1968}$ $\frac{1000}{1000}$ $\frac{1000}{1000}$ $\frac{2019}{1000}$ $\frac{2020}{1000}$ $\frac{2021}{1000}$ $\frac{2019}{1000}$ $\frac{2020}{1000}$ $\frac{2021}{1000}$ $\frac{1000}{1000}$
	Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of tangible personal p</u> <u>function of an approved pr</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Sales of tang educational f school. State Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sale of tangible personal p</u>	$4.00800$ illion $\frac{1}{100}$

	Year Enacted	1968				
	Year Effective	1968				
	Data Source	Fiscal Note for	or HB 445/I	LC 34 457	1S for 2015	
	Estimate Reliability	Class A				
	Data Reliability Note	Class A				
	Description: Sales of tang	gible personal pr	operty or se	ervices to,	and the purcha	se of
		sonal property of				
		ich: (A) Is tax ex				
		venue Code; (B)				ograms
	e	versities and othe		U		
		neir educational programs; (C) Is paid for by government				
		oreign country; and (D) Is an instrumentality, agency, or branch of a foreign government operating through a				
	-			rnment op	erating through	1 a
	permanent I	ocation in this st		V (¢	·	
		i			in Millions)	
	State Tex Expanditure		$\frac{2019}{m}$	<u>2020</u> (m)	$\frac{2021}{m}$	
	State Tax Expenditure Local Tax Expenditure		(m) (m)	(m)	(m) (m)	
	(m) Denotes a value of less than \$1	million	(11)	(111)	(111)	
<u>4.01200</u>	School lunches sold and s	served to pupils a	and employ	ees of pub	lic schools	
	Statute	§48-8-3(12)				
	Year Enacted	1953				
	Year Effective	1953				
	Data Source	-			ion and the Geo	orgia
		Department o	f Education	1		
	Estimate Reliability	Class B				
	Data Reliability Note	Class B				
	<b>Description:</b> Food, food i	ingredients and	nrenared fo	od sold ar	d served to pur	vils and
		of public schools			la servea to pap	nis and
		•		Years (\$	in Millions)	
			2019	2020	2021	
	State Tax Expenditure		6	6	6	
	Local Tax Expenditure		5	5	5	
	(m) Denotes a value of less than \$1	million				
<u>4.01300</u>	School lunches sold and s	arriad to pupils a	and amploy	oos of a <b>nn</b>	round private a	ahoola
4.01300	Statute	§48-8-3(13)	ind employ	ees of app	<u>Iloveu private se</u>	.110015
	Year Enacted	1967				
	Year Effective	1967				
	Data Source		ol Nutritior	Associat	ion and the Nat	ional
		Center of Edu				
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note					
	Description: Food, food	ingredients, and	prepared fo	od sold ar	d served to pup	oils and
		of approved priva				

<u>4.01400</u>	State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Sales of art and other artifa</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability			2020 1 (m)	2021 1 (m)
	property to or exempt under	objects or arti for the use by section 501(c	facts and othe any museum (3) of the In	er similar n or organ ternal Rev exhibition	tangible personal ization which is tax yenue Code of such n in a museum within
	State Tax Expenditure		<u>2019</u> 1	<u>2020</u> 1	<u>2021</u> 1
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	illion	(m)	(m)	(m)
<u>4.01500</u>	Specific fundraising sales to a calendar year and sales or the religious institution Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	f religious pap §48-8-3(15B 1953 1953 The National Class C Class B	<u>er when the p</u> ) l Center for C	baper is ov	vned and operated by Statistics
	net profit from to the benefit	eligious institu n the operation of any private ctivity with a c	itions or deno n of the instit person. Exer	ominations ution or de npt sales	paper is owned and s and no part of the enomination inures must occur during a xceed 30 days in any
	calcillar year		State Fiscal 7 2019	Years (\$ in 2020	n Millions) 2021
	State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m	illion	(m) (m)	(m) (m)	(m) (m)
<u>4.01510</u>	Sales of pipe organs or stee Statute Year Enacted Year Effective	eple bells to an §48-8-3(15.1 2001 2001		<u>lifying as</u>	<u>a nonprofit</u>

	Data Source Estimate Reliability Data Reliability Note	The Atlanta Class C Class C	Chapter for	The Amer	ican Guild of O	rganists
	<b>Description:</b> Sales of pipe nonprofit.	e organs or ste	eple bells to a	any church	n qualifying as a	l
	Ĩ		State Fiscal	Years (\$	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 m	nillion	(m)	(m)	(m)	
<u>4.01700</u>	Sales of fuel or consumab	le supplies use	ed by ships en	igaged in i	inter-coastal or	foreign
	<u>commerce</u> Statute	818 8 3(17)	<b>`</b>			
	Year Enacted	§48-8-3(17) 1951	)			
	Year Effective	1951				
	Data Source		Junformation	Administ	ration and the U	I S
	Data Source	Department		Aummst		
	Estimate Reliability	Class B	t of Energy			
	Data Reliability	Class D				
	Note					
	<b>Description:</b> Sales of fuel	or consumab	le supplies us	ed by ship	s engaged in int	ter-
	-	reign commer	• •	5 1	00	
		C	State Fiscal	Years (\$	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		7	7	7	
	Local Tax Expenditure		5	5	5	
	(m) Denotes a value of less than \$1 n	nillion				
4.02000	Water delivered through v	vater mains, li	nes, or pipes			
	Statute	§48-8-3(20)				
	Year Enacted	1966	, ,			
	Year Effective	1966				
	Data Source	U.S. Bureau	u of Labor Sta	atistics Co	nsumer Expend	iture
		Survey			-	
	Estimate Reliability	Class C				
	Data Reliability	Class C				
	Note					
	<b>Description:</b> The sale of y	water delivere	d to consume	rs through	water mains, li	nes, or
	pipes.		~ ~ ~ ~	/*		
				-	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		67 50	71	74	
	(m) Denotes a value of less than \$1 r	nillion	50	53	55	
	(iii) Denotes a value of less than \$11	minon				
4.02200	Professional, insurance or	personal serv	ice transaction	ns which i	nvolve sales as	
	inconsequential elements					
	Statute	§48-8-3(22)	-			
	Year Enacted	1951				
	Year Effective	1951				

	Data Cauraa	U.C. Common Dumon Economia Commo			
	Data Source Estimate Reliability	U.S. Census Bureau Economic Census Class C			
	Data Reliability	Class C			
	Note	Class C			
		, insurance or personal service transactions which involve			
	sales as inconsequential elements for which no separate charge is made.				
		State Fiscal Years (\$ in Millions)			
		<u>2019</u> <u>2020</u> <u>2021</u>			
	State Tax Expenditure	See expenditure estimates for			
	Local Tax Expenditure	services (4.50003, 4.50007, 4.50011)			
	(m) Denotes a value of less than \$1 n	nillion			
4.02300	Repair services when a ser	parate charge is made to the customer			
1102000	Statute	§48-8-3(23)			
	Year Enacted	1951			
	Year Effective	1951			
	Data Source	US Economic Census			
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note				
	<b>Description:</b> Repair service	ces when a separate charge is made to the customer.			
	_	State Fiscal Years (\$ in Millions)			
		<u>2019</u> <u>2020</u> <u>2021</u>			
	State Tax Expenditure	See expenditure estimates			
	Local Tax Expenditure	for services (4.50006)			
	(m) Denotes a value of less than \$1 n	nillion			
4.02400	Rental of videotape or film	to persons charging admission to view the tape or film			
	Statute	§48-8-3(24)			
	Year Enacted	1989			
	Year Effective	1989			
	Data Source	US Economic Census and Nash Information Services Box			
		Office Data			
	Estimate Reliability				
	-	Class C			
	Data Reliability	Class C Class C			
	Data Reliability Note	Class C			
	Data Reliability Note <b>Description:</b> Rental of vide				
	Data Reliability Note	Class C extra cotape or film to persons charging admission to view the			
	Data Reliability Note <b>Description:</b> Rental of vide	Class C eotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions)			
	Data Reliability Note <b>Description:</b> Rental of vide tape or film.	Class C extra cotape or film to persons charging admission to view the			
	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure	Class C extense or film to persons charging admission to view the State Fiscal Years (\$ in Millions) $\frac{2019}{7} \frac{2020}{7} \frac{2021}{7}$ $5 5 5$			
	Data Reliability Note <b>Description:</b> Rental of vide tape or film. State Tax Expenditure	Class C extape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) $\frac{2019}{7} \frac{2020}{7} \frac{2021}{7}$ $5 5 5$			
4.03000	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m	Class C exotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) $\frac{2019}{7} \frac{2020}{7} \frac{2021}{7}$ $5 5 5$ nillion			
<u>4.03000</u>	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Vehicles purchased by ser	Class C extense or film to persons charging admission to view the State Fiscal Years (\$ in Millions) $\frac{2019}{7} \frac{2020}{7} \frac{2021}{7}$ $5 5 5$			
<u>4.03000</u>	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m Vehicles purchased by ser	Class C exotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) $\frac{2019}{7} \frac{2020}{7} \frac{2021}{7}$ $\frac{2019}{5} 5 5$ nillion vice-connected disabled veterans when the U.S. Dept. of			
<u>4.03000</u>	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Vehicles purchased by ser</u> <u>Veterans Affairs supplies a</u>	Class C exotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) $\frac{2019}{7} \frac{2020}{7} \frac{2021}{7}$ $\frac{5}{5} \frac{5}{5}$ nillion vice-connected disabled veterans when the U.S. Dept. of a grant to purchase and specially adapted the vehicle			
<u>4.03000</u>	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Vehicles purchased by ser</u> <u>Veterans Affairs supplies a</u> Statute	Class C exotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) $\frac{2019}{7}$ $\frac{2020}{7}$ $\frac{2021}{7}$ 5 $5$ $5nillionvice-connected disabled veterans when the U.S. Dept. ofa grant to purchase and specially adapted the vehicle§48-8-3(30)$			
<u>4.03000</u>	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Vehicles purchased by ser</u> <u>Veterans Affairs supplies a</u> Statute Year Enacted	Class C exotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) 2019 $2020$ $20217 7 75 5 5nillionvice-connected disabled veterans when the U.S. Dept. ofa grant to purchase and specially adapted the vehicle$48-8-3(30)19721972The Department of Veteran Affairs$			
<u>4.03000</u>	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Vehicles purchased by ser</u> <u>Veterans Affairs supplies a</u> Statute Year Enacted Year Effective	Class C exotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) 2019 $2020$ $20217$ $7$ $75$ $5$ $5nillionvice-connected disabled veterans when the U.S. Dept. ofa grant to purchase and specially adapted the vehicle$48-8-3(30)19721972The Department of Veteran AffairsClass B$			
<u>4.03000</u>	Data Reliability Note Description:Rental of vide tape or film. State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Vehicles purchased by ser</u> <u>Veterans Affairs supplies a</u> Statute Year Enacted Year Effective Data Source	Class C exotape or film to persons charging admission to view the State Fiscal Years (\$ in Millions) 2019 $2020$ $20217 7 75 5 5nillionvice-connected disabled veterans when the U.S. Dept. ofa grant to purchase and specially adapted the vehicle$48-8-3(30)19721972The Department of Veteran Affairs$			

#### Note

Year Effective

**Description:** The sale of a vehicle to a service-connected disabled veteran when the veteran received a grant from the United States Department of Veterans Affairs to purchase and specially adapt the vehicle to the veteran's disability. State Fiscal Years (\$ in Millions)

	State Fiscal	Years (\$	in Millions
	<u>2019</u>	2020	2021
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

**4.03420** <u>Machinery and equipment used directly to remanufacture certain aircraft engines or</u> aircraft engine parts

<u>unerant engine parts</u>	
Statute	§48-8-3(34.2)
Year Enacted	1996
Year Effective	1996
Data Source	Fiscal Note for HB 933 LC 40 0540 for 2014
Estimate Reliability	Class B
Data Reliability	Class A
Note	

**Description:** Machinery and equipment used directly to remanufacture certain aircraft engines or aircraft engine parts or components in a remanufacturing facility.

	State Fiscal Years (\$ in Millions)			
	<u>2019</u>	2020	<u>2021</u>	
State Tax Expenditure	(m)	(m)	(m)	
Local Tax Expenditure	(m)	(m)	(m)	
(m) Denotes a value of less than \$1 million				

4.03600	Machinery and equipment used in a facility for the primary purpose of reducing or				
	eliminating air and water pollution				
	Statute	§48-8-3(36)			
	Year Enacted	1972			
	Year Effective	1972			
	Data Source	Fiscal Note for	HB 445 L	C 40 4571	S for 2015
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	<b>Description:</b> Machinery an	d equipment or	any repair	or replace	ment component used
	in a facility fo	or the primary pu	rpose of re	educing or	eliminating air and
	water pollution.				
		State Fiscal Years (\$ in Millions)			
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 mi	illion			
4 0 2 9 0 0					
<u>4.03800</u>	Sale of tangible personal pr	roperty and fees	and charge	s for servi	<u>ces by the Rock</u>
	Eagle 4-H Center	840 0 2(20)			
	Statute	§48-8-3(38)			
	Year Enacted	1976			

1976

Data Source	Fiscal Note for HB 445/LC 34 4571S for 2015
Estimate Reliability	Class C
Data Reliability	Class C
Note	

Description: Sale of tangible personal property and fees and charges for services by the Rock Eagle 4-H center. Eigent Vears (\$ in Millions)

	State Fiscal Years (\$ in Milli		
	<u>2019</u>	2020	2021
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure	(m)	(m)	(m)
(m) Denotes a value of less than \$1 million			

4.03900	
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Certain sales by a public or private school of tangible personal property,

concessions, and tickets for admission to school functions			
Statute	§48-8-3(39)		
Year Enacted	1994		
Year Effective	1994		
Data Source	Georgia Department of Education, IRS Form 990 data, and the National High School Athletic Association		
Estimate Reliability	Class C		
Data Reliability	Class C		
Note			

Description: Sales by any public or private school containing any combination of grades kindergarten through 12 of tangible property, concessions, or tickets for admission to a school event or function, provided that the net proceeds from such sales are used solely for the benefit of such school or its students.

senser of his students.				
	State Fiscal Years (\$ in Millions)			
	<u>2019</u>	2020	<u>2021</u>	
State Tax Expenditure	2	2	2	
Local Tax Expenditure	2	1	1	
(m) Denotes a value of less than \$1 million				

Sale of major components or repair parts installed in military aircraft, vehicles, or 4.04000

missiles	
Statute	§48-8-3(40)
Year Enacted	1965
Year Effective	1965
Data Source	USASpending.gov and the U.S. Economic Census
Estimate Reliability	Class C
Data Reliability	Class B
Note	
Description: Sale of ma	jor components or repair parts installed in military aircraft,
vehicles, or	r missiles.

	State Fiscal Years (\$ in Millions)		
	<u>2019</u>	2020	2021
State Tax Expenditure	17	16	15
Local Tax Expenditure	12	11	10
(m) Denotes a value of less than \$1 million			

<u>4.04100</u>	Sale of tangible personal property and services to a nonprofit child-caring					
	institution, child-placing ag	gency, or maternity home				
	Statute	§48-8-3(41)				
	Year Enacted	2004				
	Year Effective	2004				
	Data Source	U.S. Economic Census				
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note					
	institution as placing agenc maternity hon when such ins providing chi under Section	ble personal property and services to a child-caring defined in paragraph (1) of O.C.G.A §49-5-3; a child- by as defined in paragraph (2) of O.C.G.A. §49-5-3, or ne as defined in paragraph (14) of O.C.G.A. §49-5-3, stitution, agency, or home is engaged primarily in ld services and is a non-profit, tax-exempt organization 1501(c)(3) of the IRS revenue code. Also includes sales Fundraising activities (limited to 30 days per year). State Fiscal Years (\$ in Millions) 2019 $2020$ $2021$				
	State Tax Expenditure	$\overline{1}$ $\overline{1}$ $\overline{1}$				
	Local Tax Expenditure (m) Denotes a value of less than \$1 mi	1 1 1 Ilion				
<u>4.04300</u>	required Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Gross revenue machines whi	ed amusement machines for which individual permits are \$48-8-3(43) 1992 1993 Georgia Lottery Commission Annual Report Class C Class B This estimate differs from previous reports due to new data. e generated from all bona fide coin-operated amusement ch vend or dispense music or are operated for skill, intertainment, or pleasure. State Fiscal Years (\$ in Millions) $\frac{2019}{29}$ $\frac{2020}{31}$ $\frac{2021}{32}$ 22 $23$ $24llion$				
<u>4.04600</u>	Sale of tangible personal pr Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	<ul> <li>soperty or taxable services to nonprofit blood banks</li> <li>§48-8-3(46)</li> <li>1980</li> <li>1980</li> <li>U.S. Economic Census and IRS 990 Form Data</li> <li>Class C</li> <li>Class B</li> <li>This estimate differs from previous reports due to new data.</li> </ul>				

**Description:** Sale to certain blood banks having a nonprofit status according to Section 501(c)(3) of the IRS revenue code.

	Section 501(	$C_{(3)}$ of the IKS			N (111)
			State Fiscal		
			<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure		2	2	2
	Local Tax Expenditure		1	1	1
	(m) Denotes a value of less than \$1 m	nillion			
4.04700	Sale of drugs dispensed by	prescription, p	rescription s	glasses, co	ntact lenses, contact
	lens samples and sales or u				
	Statute	§48-8-3(47)	<u>intronica</u> suc	buildes of	dungerous urugs
	Year Enacted	1984			
	Year Effective	1985			
	Data Source			s from the	Centers for Medicare
		and Medicaid	l Services		
	Estimate Reliability	Class B			
	Data Reliability	Class B			
	Note				
		f day on that are	lowfully die	manaahla	only by proceeding for
	<b>Description:</b> Sale or use o				
					lasses and contact
		ription contact l			
	prescription	for the treatmen	t of natural	persons w	ithout charge to
	physicians, h	ospitals, etc. by	pharmaceu	tical manu	ifacturers or
	distributors;	drugs and durab	le medical	equipment	t dispensed or distributed
		U U		· ·	l trial approved by
					his exemption does
					-
			arugs, arug	gs sold for	animal use, or non-
	prescription	•••			
			State Fiscal	Years (\$ i	n Millions)
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		418	438	462
	Local Tax Expenditure		310	325	343
	(m) Denotes a value of less than \$1 m	nillion	010	020	0.0
4.04800	Sale of crab bait to license	d commercial fi	shermen		
	Statute	§48-8-3(48)			
	Year Enacted	1985			
	Year Effective	1985			
	Data Source	<b>U</b> 1		atural Res	sources and the U.S.
		Economic Cer	nsus		
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note				
	<b>Description:</b> Sale of crab	hait to licensed	commercial	fichermar	1
	Description: Sale of clab				
		L.	State Fiscal	-	
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	nillion			

<u>4.05000</u>	Sales of insulin syringes an	nd blood gluce	ose level meas	<u>suring stri</u>	ps dispensed without a
	prescription				
	Statute	§48-8-3(50)			
	Year Enacted	1986			
	Year Effective	1986			
	Data Source	The Centers	for Disease C	Control an	d Prevention and the
		Medical Exp	penditures Par	nel Survey	7
	Estimate Reliability	Class C		•	
	Data Reliability	Class C			
	Note	This estimat	e differs from	n previous	reports due to new
	<b>Description:</b> Sale of blood				
					sulin, insulin syringes
		cose monitor			
	prescription.		ing surps, wi	en aispen	sou minout u
	presemption.		State Fiscal	Vears (\$ i	n Millions)
			2019	2020	<u>2021</u>
	State Tax Expenditure		$\frac{2012}{24}$	<u>2020</u> 26	27
	Local Tax Expenditure		17	18	19
	(m) Denotes a value of less than \$1 m	illion	17	10	1)
4.05100	Sale of oxygen when presc	ribed by a lice	ensed physicia	an	
	Statute	§48-8-3(51)			
	Year Enacted	1986			
	Year Effective	1986			
	Data Source		1 Expenditure	Panel Sur	rvev and The
			of Health and		-
	Estimate Reliability	Class C			
	Data Reliability	Class A			
	Note				
	Description: Sale of oxyge	en when presc	ribed by a lic	ensed phy	sician.
		F	State Fiscal		
			2019	2020	<u>2021</u>
	State Tax Expenditure		$\frac{2019}{(m)}$	(m)	(m)
	Local Tax Expenditure		(m) (m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	illion	(III)	(111)	(III)
<u>4.05200</u>	Sale or use of hearing aids				
	Statute	§48-8-3(52)			
	Year Enacted	1986			
	Year Effective	1986			
	Data Source	Medical Exp	penditure Pan	el Survey	and Healthy Hearing
		Review	•	•	
	Estimate Reliability	Class A			
	Data Reliability	Class B			
	Note				
	<b>Description:</b> Exempts the	sale or use of	approved hea	ring aids	from sales and use tax.
	r Francisco -		State Fiscal		
			2019	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		6	6	7
	Local Tax Expenditure		4	5	5
	(m) Denotes a value of less than \$1 m	illion	-	-	-

<u>4.05300</u>	Transactions where food sta	amps or WIC	coupons are	used as th	e method of	
	Statute	§48-8-3(53)	_			
	Year Enacted	1986				
	Year Effective	1987				
	Data Source	U.S. Food a	nd Nutrition	Service an	d the U.S. Depar	rtment
		of Agricult	ure			
	Estimate Reliability	Class B				
	Data Reliability	Class A				
	Note					
	<b>Description:</b> Sales tax is no coupons.	ot applied on	items purcha	sed using	food stamps or V	VIC
	-		State Fiscal	Years (\$ i	n Millions)	
			2019	2020	<u>2021</u>	
	State Tax Expenditure		82	74	67	
	Local Tax Expenditure		62	56	50	
	(m) Denotes a value of less than \$1 mi	llion				
<u>4.05400</u>	Sale or use of any durable r physician	medical equip	oment or pros	thetic devi	ce prescribed by	<u>/ a</u>
	Statute	§48-8-3(54)				
	Year Enacted	1992				
	Year Effective	1993				
	Data Source	U.S. Census	of National	Health Exp	penditures and th	ne
		Medical Exp	penditure Par	nel Survey		
	Estimate Reliability	Class B				
	Data Reliability	Class A				
	Note					
	<b>Description:</b> Sale or use of prescribed by		medical equi	pment or p	prosthetic device	
	prescribed by	a physician.	State Fiscal	Voors (\$ i	n Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		38	41	46	
	Local Tax Expenditure		28	30	34	
	(m) Denotes a value of less than \$1 mi	llion	20	20	51	
<u>4.05500</u>	Sale of Georgia lottery tick	ots				
4.03300	Statute	<u>§48-8-3(55)</u>				
	Year Enacted	1992				
	Year Effective	1992				
	Data Source		tery Commis	sion Annu	al Report	
	Estimate Reliability	Class A	tery commis		ui Report	
	Data Reliability	Class A				
	Note	0100011				
	<b>Description:</b> Sale of lottery	v tickets autho	orized by O.C	C.G.A Cha	pter 27 of Title 5	50.
	-		State Fiscal		•	
			<u>2019</u>	2020	<u>2021</u>	
	State Tax Expenditure		180	185	191	
	Local Tax Expenditure		133	137	142	
	(m) Denotes a value of less than \$1 mi	llion				

4.05600	Sale by any qualified nonp	rofit parent-teach	er organiz	ation	
	Statute	§48-8-3(56)			
	Year Enacted	1995			
	Year Effective	1995			
	Data Source	Georgia Parent	Teacher A	ssociation	n and IRS Form 990
	Estimate Reliability	Class C			
	Data Reliability	Class B			
	Note				
	<b>Description:</b> Sale by any c	ualified nonprofi	it parent te	acher org	anization.
		St	ate Fiscal	Years (\$ i	n Millions)
			2019	2020	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	illion			
4.05700	Food purchased for off-pre	mises consumpti	on		
	Statute	48-8-3(57)			
	Year Enacted	1996			
	Year Effective	1998			
	Data Source	U.S. Consumer	Expenditu	ire Survey	1
	Estimate Reliability	Class B	•		
	Data Reliability	Class B			
	Note				
	<b>Description:</b> Exemption ap	oplies to food and	l food ingr	edients, w	which means
	substances, w	whether in liquid,	concentrat	ted, solid,	frozen, dried, or
	dehydrated fo	orm, that are sold	for ingest	ion or che	wing by humans and
	are consumed	l for their taste of	nutritiona	al value. It	t does not apply to
	alcoholic bev	erages, tobacco,	immediate	consump	otion items, vitamins,
	and minerals.	It does not apply	y to the loc	al option	sales taxes or items
	used primaril	y for medical or	hygiene pu	irposes (c	ough drops, breath
	strips, over th	ne counter medica			
		St	ate Fiscal	Years (\$ i	n Millions)
			<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure		636	665	700
	Local Tax Expenditure		0	0	0
	(m) Denotes a value of less than \$1 m	illion			
<u>4.05710</u>	Sales of food and beverage	es to a qualified for	<u>ood bank (</u>	<u>expires Ju</u>	<u>une 30, 2021)</u>
	Statute	§48-8-3(57.1)			
	Year Enacted	2006			
	Year Effective	2006			
	Data Source	Fiscal Note for	HB 763 L	C 430293	S for 2014
	Estimate Reliability	Class B			
	Data Reliability	Class B			
	Note	Exemption was	first estab	lished in 2	2006 and expired June
		30, 2010. Curre	ent exempt	ion applie	es for sales between
		July 1, 2014 an	d June 30,	2021	
	Description: Sales of food	and beverages to	o a qualifie	ed food ba	nk (expires June 30,
	2021).				

				n Millions) 2021
State Tax Expenditure		1	1	1
Local Tax Expenditure	illion	(m)	(m)	(m)
nonprofit agency and used Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> The use of for nonprofit age nonprofit age 501(c)(3) of t	for hunger relief §48-8-3(57.2) 2015 2015 Fiscal Note for Class A Class A This exemption 2015. This pro- 2021. od and food ing ncy and that area ncy" means any he Internal Rev ude drugs or ov	or HB 763 Lo or HB 763 Lo on was elimi ovision is sci gredients that e used for hu y entity that y entity that y er-the-coun	C 43 0191 nated in 2 heduled to t are dona inger relie is tax exer and that pr ter drugs.	S for 2015 011 and reinstated in o expire on June 30, ted to a qualified f purposes. "Qualified mpt under section rovides hunger relief.
State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 mi	illion	$\frac{2019}{3}$ 2	$\frac{2020}{3}$ 2	$\frac{2021}{3}$
disaster and used for disaster Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note <b>Description:</b> Exemption for natural disaster	er relief §48-8-3(57.3) 2015 2015 Fiscal Note for Class C Class B This provision or food and food er and used for the counter dru	or HB 445/L0 n is schedule l ingredients disaster relig gs.	C 34 4571 d to expire that are d ef and doe	S for 2015 e on June 30, 2020 lonated following a es not apply to any
				n Millions) <u>2021</u>
State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 mi	illion	(m) (m)	(m) (m)	$\begin{array}{c} \underline{2021}\\ 0\\ 0 \end{array}$
Sale of eligible food and be Statute Year Enacted Year Effective Data Source	\$48-8-3(59) 1996 1996 The Americar	n Communit <u>y</u>	y Survey,	IRS Form 990 data,
	<ul> <li>(m) Denotes a value of less than \$1 million</li> <li>Exemption for prepared for nonprofit agency and used</li> <li>Statute</li> <li>Year Enacted</li> <li>Year Effective</li> <li>Data Source</li> <li>Estimate Reliability</li> <li>Data Reliability</li> <li>Note</li> <li>Description: The use of for nonprofit age nonprofit age 501(c)(3) of t Does not incl</li> <li>State Tax Expenditure</li> <li>(m) Denotes a value of less than \$1 million</li> <li>Exemption for food and for disaster and used for disaster statute</li> <li>Year Effective</li> <li>Data Source</li> <li>Estimate Reliability</li> <li>Data tax Expenditure</li> <li>(m) Denotes a value of less than \$1 million</li> <li>Exemption for food and for disaster and used for disaster statute</li> <li>Year Enacted</li> <li>Year Effective</li> <li>Data Source</li> <li>Estimate Reliability</li> <li>Data Reliability</li> <li>Note</li> <li>Description: Exemption for natural disaster donated over</li> <li>State Tax Expenditure</li> <li>(m) Denotes a value of less than \$1 million</li> <li>State Tax Expenditure</li> <li>(m) Denotes a value of less than \$1 million</li> <li>State Tax Expenditure</li> <li>(m) Denotes a value of less than \$1 million</li> <li>Statute</li> <li>Year Enacted</li> </ul>	State Tax Expenditure (m) Denotes a value of less than \$1 million         Exemption for prepared food and food ing         nonprofit agency and used for hunger relies         Statute       \$48-8-3(57.2)         Year Enacted       2015         Data Source       Fiscal Note for         Estimate Reliability       Class A         Data Reliability       Class A         Note       This exemption         2015.       Data Reliability         Class A       Data Reliability         Class A       Data Reliability         Class A       Data Reliability         Class A       Data Reliability         Description:       The use of food and food ingredients to nonprofit agency means any 501(c)(3) of the Internal Rev Does not include drugs or ow 2000 and food ingredients to nonprofit agency means any 501(c)(3) of the Internal Rev Does not include drugs or ow 2000 and food ingredients to disaster and used for disaster relief         Statute       \$48-8-3(57.3)         Year Enacted       2015         Data Source       Fiscal Note for         Statute       \$48-8-3(57.3)         Year Effective       2015         Data Source       Fiscal Note for         State Tax Expenditure       2015         Data Source       Fiscal Note for         Sta	2019State Tax Expenditure1Local Tax Expenditure(m)(m) Denotes a value of less than \$1 millionExemption for prepared food and food ingredients that nonprofit agency and used for hunger relief purposes StatuteStatute§48-8-3(57.2)Year Enacted2015Data SourceFiscal Note for HB 763 L0Estimate ReliabilityClass AData ReliabilityClass ANoteThis exemption was elimit 2015. This provision is sci 2021.Description:The use of food and food ingredients that nonprofit agency and that are used for hunonprofit agency means any entity that 501(c)(3) of the Internal Revenue Code Does not include drugs or over-the-count State Fiscal Tax Expenditure2019State Tax Expenditure20103Local Tax Expenditure2(m) Denotes a value of less than \$1 millionExemption for food and food ingredients that are dona disaster and used for disaster reliefStatute§48-3(57.3)Year Enacted2015Data SourceFiscal Note for HB 445/L0Estimate ReliabilityClass BNoteThis provision is scheduleDescription:Exemption for food and food ingredients that are dona disaster and used for disaster reliefStatu§48-8-3(57.3)Year Enacted2015Data SourceFiscal Note for HB 445/L0Estimate ReliabilityClass BNoteThis provision is scheduleDescription:Exemption for food and food ingredients natural disaster and used for disast	State Tax ExpenditureIILocal Tax Expenditure(m)(m)(m) Denotes a value of less than \$1 millionExemption for prepared food and food ingredients that are donat nonprofit agency and used for hunger relief purposesStatute $\$48-8-3(57.2)$ Year Effective2015Data SourceFiscal Note for HB 763 LC 43 0191Estimate ReliabilityClass AData ReliabilityClass ANoteThis exemption was eliminated in 2 2015. This provision is scheduled to 2021.Description:The use of food and food ingredients that are donat nonprofit agency and that are used for hunger relie nonprofit agency and that are used for hunger relie nonprofit agency and that are used for and that are exert 501(c)(3) of the Internal Revenue Code and that p Does not include drugs or over-the-counter drugs. State Tax Expenditure220192020 2020State Tax Expenditure322(m) Denotes a value of less than \$1 millionExemption for food and food ingredients that are donated follow disaster and used for disaster reliefStatute $\$48-8-3(57.3)$ Year EffectiveYear Effective2015Data SourceFiscal Note for HB 445/LC 34 4571Estimate ReliabilityClass BNoteThis provision is scheduled to expirDescription:Exemption for food and food ingredients that are do natural disaster and used for disaster reliefState Tax Expenditure(m)(m) and usa ter mathematical disaster reliefState Tax Expenditure(m)

	Estimata Daliahility	Class B			
	Estimate Reliability Data Reliability	Class B Class B			
	Note	Class D			
	<b>Description:</b> Sales of food	or food ingred	ients to and h	ov membe	er councils of the Girl
	-	y Scouts of Am		•	
	activities.				C
			State Fiscal `	Years (\$ i	n Millions)
			<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure		1	1	1
	Local Tax Expenditure		1	1	1
	(m) Denotes a value of less than \$1 m	illion			
<u>4.06000</u>	Sale of certain machinery a	and equipment	used to impre	ove air qu	ality in a clean room
	of Class 100,000 or less	\$ 49 9 2(60)			
	Statute Year Enacted	§48-8-3(60) 2000			
	Year Effective	2000			
	Data Source	Fiscal Note for		C 34 4571	S for 2015
	Estimate Reliability	Class C	Л IID 443/L	C 34 4371	15 101 2015
	Data Reliability	Class C			
	Note	Estimate com	bined with 4	06700	
	<b>Description:</b> Sales of certa				improve air quality in
		of Class 100,0			
		cations manufa			
			State Fiscal `		n Millions)
			<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	illion			
4.06200	Sod grass sold in the origin	al state of prod	luction by the	e sod prod	lucer employee of
1.00200	the producer, or family me				ideer, employee or
	Statute	§48-8-3(62)	<u>ducer</u>		
	Year Enacted	1998			
	Year Effective	1998			
	Data Source	U.S. Census of	of Agricultur	e, the U.S	. Economic Census,
		and the Annu	al Survey of	Sod Prod	ucers
	Estimate Reliability	Class B			
	Data Reliability Note	Class A			
	Description: Sod grass sol	d in the origina	l state of pro	duction b	y the sod producer,
		-	-		e producer. Note:
	-		ply to sales fi	rom a nur	sery or other places
	where plants		~ ~ ~ 11	· · ·	
			State Fiscal		
			<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure		3	3 2	4 3
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	illion	2	2	3

<u>4.06300</u>	Funeral merchandise whe Emergency Fund	en paid with fund	s from the (	<u>Georgia Cı</u>	time Victims
	Statute	§48-8-3(63)			
	Year Enacted	1998			
	Year Effective	1998			
	Data Source		Crime Repo	ort and the	National Office for
		Victims of Cr	-		
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note				
	with funds a	arkers as defined received from the ter 15 of Title 17	in O.C.G.A Georgia C	A §43-18-1 rime Victi	, which are purchased ms Emergency Fund
			State Fiscal	Years (\$ i	n Millions)
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1	million			
4.06500	Sale of dyed diesel fuel u	sed exclusively f	or operation	ns of vesse	ls or boats by licensed
	commercial fishermen	<u> </u>			<u></u>
	Statute	§48-8-3(65)			
	Year Enacted	NA			
	Year Effective	NA			
	Data Source	The Georgia I	Department	of Natural	Resources and the
		U.S. Economi			
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note				
	Description: Sale of dyea	d diesel fuel used	exclusively	y for opera	tions of vessels or
		ensed commercia		-	
		2	State Fiscal	Years (\$ i	n Millions)
			2019	2020	<u>2021</u>
	State Tax Expenditure		1	1	1
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1	million			
<u>4.06600</u>	Sale of gold, silver, or pla	atinum bullion			
100000	Statute	§48-8-3(66)			
	Year Enacted	2000			
	Year Effective	2000			
	Data Source	U.S. Mint 201	8 Annual F	Report	
	Estimate Reliability	Class C	o / minuar i	Coport	
	Data Reliability	Class C			
	Note	Cluss C			
	<b>Description:</b> Sale of gold	l, silver, or platin	um bullion		
					n Millions)
			2019	2020	<u>2021</u>
	State Tax Expenditure		1	1	1
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1	million			

<u>4.06700</u>	Sale of coins or currency Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Sale of coins State Tax Expenditure Local Tax Expenditure	State Fiscal Years (\$ in Millions)				
	(m) Denotes a value of less than \$1 mi	illion				
4.06810	High-Tech Data Center Eq	uipment Exemption				
	Statute	§ 48-8-3(68.1)				
	Year Enacted	2018				
	Year Effective	2018				
	Data Source	Fiscal Note for HB 696/LC 43 0923S for 2018				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note					
	<b>Description:</b> Exemption for high-technology data center equipment, subject to a minimum investment threshold of \$250 million over ten years and					
		restment threshold of \$250 million over ten years, and				
	certain others	structural infrastructural system requirements. State Fiscal Years (\$ in Millions)				
		$\frac{2019}{2020} = \frac{2021}{2021}$				
	State Tax Expenditure	$\frac{2019}{8}$ $\frac{2020}{15}$ $\frac{2021}{15}$				
	Local Tax Expenditure	6 11 11				
	(m) Denotes a value of less than \$1 mi					
<u>4.06900</u>		ipment and material incorporated and used in a clean				
	room of Class 100 or less					
	Statute	§48-8-3(69)				
	Year Enacted	2000				
	Year Effective	2001				
	Data Source	Fiscal Note for HB 445/LC 34 4571S for 2015				
	Estimate Reliability	Class C				
	Data Reliability	Class C Estimate Combined with 4.06000				
	Note Description: Salas of much					
		ninery, equipment, and material incorporated and used in or operation of a clean room of Class 100 or less when the				
		s used directly in the manufacture of tangible personal				
	property.	s used directly in the manufacture of taligible persolial				
	property.	State Fiscal Years (\$ in Millions)				
		2019 2020 2021				
	State Tax Expenditure	Estimate combined with				
	Local Tax Expenditure	4.06000				
	(m) Denotes a value of less than \$1 mi					

4.07000	Sale of natural gas used di	rectly in the ma	anufacture of	electricit	V		
	Statute	§48-8-3(70)			<del>~</del>		
	Year Enacted	1999					
	Year Effective	2000					
	Data Source	U.S. Energy	Information	Administ	ration		
	Estimate Reliability	Class B					
	Data Reliability	Class A					
	Note						
	<b>Description:</b> Sale of natur	al or artificial g	gas used dire	ctly in the	manufacture of		
	_	hich is subsequ	-	2			
			State Fiscal	Years (\$ i	in Millions)		
			2019	2020	2021		
	State Tax Expenditure		65	76	89		
	Local Tax Expenditure		0	0	0		
	(m) Denotes a value of less than \$1 m	nillion					
<u>4.07100</u>	Sale to or by an organizati	on whose prim	ary purpose i	s to raise	funds for books,		
	materials, and programs for	or public librari	es				
	Statute	§48-8-3(71)					
	Year Enacted	1999					
	Year Effective	2000					
	Data Source	National Cen	ter for Chari	table Stat	istics		
	Estimate Reliability	Class B					
	Data Reliability	Class B					
	Note						
	<b>Description:</b> Sale to or by an organization whose primary purpose is to raise funds for						
	books, materials, and programs for public libraries.						
		, F8-	State Fiscal				
			2019	2020	<u>2021</u>		
	State Tax Expenditure		(m)	(m)	(m)		
	Local Tax Expenditure		(m)	(m)	(m)		
	(m) Denotes a value of less than \$1 m	nillion	()	()	()		
4.07200	Sale of prescribed mobility	v enhancing eq	uinment				
	Statute	§48-8-3(72)					
	Year Enacted	1999					
	Year Effective	2000					
	Data Source		Expondituro	from the	Centers for Medicare		
	Data Source		·		dical Expenditure		
		Panel Survey			I I I I I I		
	Estimate Reliability	Class B					
	Data Reliability	Class B					
	Note						
	<b>Description:</b> The sale to o	or use by a pati	ent of all mo	bility enh	ancing equipment		
	_	y a physician.		-			
			State Fiscal	Years (\$ i	in Millions)		
			<u>2019</u>	2020	<u>2021</u>		
	State Tax Expenditure		2	2	2		
	Local Tax Expenditure		1	1	1		
	(m) Denotes a value of less than \$1 m	nillion					

<u>4.07600</u>	Exemption for personal p	property used in t	he renovation	on or expa	nsion of an	
	<u>aquarium</u>					
	Statute	48-8-3(76)				
	Year Enacted	2015				
	Year Effective	2015		~ ~ ~ ~ ~ ~		
	Data Source	Fiscal Note for	or HB 238 I	LC 28 742	5 for 2015	
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note	This exemption				
		on of an aquarium	located in	this state t	or in the renovat hat charges admi s tax exempt und	ssion
					apply for refund.	
	501(C)(5). C				in Millions)	
			2019	2020	2021	
	State Tax Expenditure		$\frac{2019}{1}$	$\frac{2020}{1}$	$\frac{2021}{1}$	
	Local Tax Expenditure		2	2	2	
	(m) Denotes a value of less than \$1	million	2	2	2	
<u>4.08100</u>	The purchase of food and	l nonalcoholic be	everages pro	ovided at n	o charge aboard a	<u>a</u>
	qualified airline					
	Statute	§48-8-3(81)				
	Year Enacted	2005				
	Year Effective	2005				
	Data Source	Bureau of Tra	ansportation	1 Statistics		
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note	CC 1 1	1 1 1	1		
	<b>Description:</b> The purcha			-	-	harge
	aboard a qu	alified airline no				
					in Millions)	
	State Terr Friday ditant		<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		43	43	5 3	
	Local Tax Expenditure (m) Denotes a value of less than \$1	million	3	3	3	
	() +					
<u>4.08300</u>	Sale of biomass materials	-	electricity	or steam i	ntended for sale	
	Statute	§48-8-3(83)				
	Year Enacted	2006				
	Year Effective	2006				
	Data Source	U.S. Energy l			36 for 2009 and t ration	he
	Estimate Reliability	Class B				
	Data Reliability	Class A				
	Note <b>Description:</b> The sale or	use of biomass r	natorial inc	luding pol	lets or other fuels	
					iomass material,	
		action of energy,				uIIIZCU
		of electricity and		vitilout III		
	production	of electricity and	or stoum.			

			State Fiscal	Years (\$ i	n Millions)
			2019	2020	2021
	State Tax Expenditure		2	2	2
	Local Tax Expenditure		1	1	2
	(m) Denotes a value of less than \$1 m	illion			
<u>4.08600</u>	Sales of engines, parts, equ	ipment and oth	er tangible p	personal p	roperty used in the
	maintenance or repair of ce	ertain aircraft			
	Statute	§48-8-3(86)			
	Year Enacted	2009			
	Year Effective	2009			
	Data Source	Fiscal Note for	or HB 933 L	C 40 0540	) for 2014
	Estimate Reliability	Class C			
	Data Reliability	Class C			
	Note				
	<b>Description:</b> The sale or us				
		d in the mainter			
					onal property are
				•	naintained in this
	state, so long	as such aircraf			
			State Fiscal		
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		21	21	22
	Local Tax Expenditure		16	16	16
	(m) Denotes a value of less than \$1 m	illion			
4.09300	Sale of tangible personal pr	roperty used for	r and in the d	constructio	on of a competitive
1.07500	project of regional significa	- ·			-
	June 30, 2019	unee, for the pe		noni <u>g</u> sund	<u>aary 1, 2012, antii</u>
	Statute	§ 48-8-3(93)			
	Year Enacted	2012			
	Year Effective	2012			
	Data Source	Fiscal Note for	or HB 958 L	C 34 4112	2-EC for 2014
	Estimate Reliability	Class B		0011112	
	Data Reliability	Class B			
	Note		rovision wa	s extended	l to June 30, 2021.
	<b>Description:</b> For the period	-			
					onstruction of a
	<b>e</b> 1				xemption applies to
		de during the e	-		
	-	-			g as such project
					gional significance"
					ntil June 30, 2016.
			State Fiscal		
			2019	2020	<u>2021</u>
	State Tax Expenditure		9	9	9
	Local Tax Expenditure		6	6	6
	(m) Denotes a value of less than \$1 m	illion			

<u>4.09400</u>	The sale, use, consumption					
	used for packaging tangibl	le personal prop	erty for ship	pment or s	ale	
	Statute	§ 48-8-3(94)				
	Year Enacted	2014				
	Year Effective	2014				
	Data Source	Bureau of Eco	onomic Ana	alysis		
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note	Estimate Con	bined with	4.3.3		
	shipment or shall be used The packagin	s used for packa sale. To qualify l solely for pack ng exemption sh	aging tangil for the paca aging and s all not incl	ble persona kaging exe hall not be		
	retail establis	shment for cons				
			State Fiscal		n Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		Estim	nate combi	ned with	
	Local Tax Expenditure			4.3.3		
	(m) Denotes a value of less than \$1 n	nillion				
<u>4.09700</u>	Sales of admission to a no	nrecurring majo	r sporting e	event		
	Statute	§48-8-3(97)				
	Year Enacted	2016				
	Year Effective	2017				
	Data Source	Fiscal Note for	or HB 951 I	LC 34 4805	5 for 2016	
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note					
	<b>Description:</b> Sales of adm					
	that are expe	÷			he host locality.	
				-	n Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure		1	3	1	
	Local Tax Expenditure		1	3	1	
	(m) Denotes a value of less than \$1 n	n11110n				
<u>4.09800</u>	Sales of tangible personal		rvices to a c	qualified jo	ob training	
	Statute	§48-8-3(98)				
	Year Enacted	2016				
	Year Effective	2016				
	Data Source	Fiscal Note for	or HB 924 I	LC 34 4900	6S for 2016	
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note					
	<b>Description:</b> Sales of tang	· · ·	· ·		1 0	
			l in this stat	e when su	ch organization is tax	
	exempt unde	er 501(c)(3).				

			State Fiscal		
	State Tex Expanditure		$\frac{2019}{1}$	$\frac{2020}{1}$	$\frac{2021}{0}$
	State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 r	nillion	0		0
<u>4.09900</u>	Exemption for expenses restaute	<u>elated to the re</u> §48-8-3(99)		xpansion	of qualified theatres
	Year Enacted	2017			
	Year Effective		s occurring or		
	Data Source		HB 265/LC 3	4 5180S f	For 2017
	Estimate Reliability	Class B			
	Data Reliability	Class B		1 0010	
	Note		xpired January		· · · · · · · · · · · · · · · · · · ·
	<b>Description:</b> A sales tax e				
	used for or h	n the renovation	State Fiscal		
			2019	<u>2020</u>	2021
	State Tax Expenditure		$\frac{2019}{(m)}$	$\frac{\underline{2020}}{0}$	$\frac{2021}{0}$
	Local Tax Expenditure		(m)	0	0
	(m) Denotes a value of less than \$1 r	nillion			
4 10000		1			
<u>4.10000</u>	Exemption for sales of tick Statute			bertorman	ce or exhibition
	Year Enacted	§48-8-3(100 2017	")		
	Year Effective		s occurring or	or after a	April 25, 2017
	Data Source		HB 265/LC 3		
	Estimate Reliability	Class B	112 200/2000	1010001	
	Data Reliability	Class B			
	Note	Provision ex	pires June 30	, 2020	
	<b>Description:</b> A sales tax e	-			-
	admission to	a qualified fir	-		
			State Fiscal	-	
	Charles Trans Frances d'Arama		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		4 4	4 4	0
	(m) Denotes a value of less than \$1 r	nillion	4	4	0
	(),				
<u>4.10100</u>	The sale of certain written				
	Statute	§48-8-3(101	.)		
	Year Enacted	2018			
	Year Effective Data Source	2018 Eigen1 Note	IID 017 for 0	010	
	Estimate Reliability	Class B	HB 217 for 20	018	
	Data Reliability	Class B Class B			
	Note		tion expires Ju	ılv 1. 202	1.
	<b>Description:</b> The sale or u	-	-	-	
	_				Section $501(c)(3)$ of
					ocated in this state
			-		for educational,
		•	<b>U</b> 1	oses. This	s exemption shall apply
	from July 1,	2018 until Jul	y 1, 2021.		

<u>4.10200</u>	State Tax Expenditure Local Tax Expenditure (m) Denotes a value of less than \$1 m <u>Partial exemption for quali</u> Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note	illion		2020 8 6	2021 8 6	
	Description: A partial exer manufactured homes. Quali converted, an property in th exemption do State Tax Expenditure	I homes equal to fied manufactu ad actually conv ne state pursuan pes not apply to	to 50 percent red homes a verted within t to O.C.G.A any local sa State Fiscal $\frac{2019}{3}$	of the sal re those the 30 days of $A$ , §8-2-18 less or use Years (\$ i $\frac{2020}{3}$	the price of such that are to be of sale, to real (3.1. The proposed tax in the state. n Millions) $\frac{2021}{4}$	
	Local Tax Expenditure (m) Denotes a value of less than \$1 m	illion	0	0	0	
<u>4.10300</u>	as a nonprofi 501(c)(3) of t its primary m shall apply fr aggregate sta paragraph sha	<ul> <li>§ 48-8-3(103 2018</li> <li>2018</li> <li>Fiscal Note for Class B</li> <li>Class B</li> <li>This provision</li> <li>se of tangible p</li> <li>that is owned b</li> <li>t organization e</li> <li>the Internal Rev</li> <li>sission the diver</li> <li>form July 1, 2018</li> <li>te and local sale</li> <li>all not exceed \$</li> </ul>	) or HB 793 for expires De ersonal prop by an entity t xempt from renue Code. crse heritage 8, until Dece es and use ta 960,000. State Fiscal <u>2019</u>	or 2018 cember 32 oerty used hat is inco taxation u The muse of automo ember 31, ix refunde Years (\$ i <u>2020</u>	1, 2020. for the construction orporated in this state inder Section sum must celebrate a biles. This exemptio 2020 and the d pursuant to this n Millions) <u>2021</u>	e
	State Tax Expenditure Local Tax Expenditure		(m) (m)	(m) (m)	(m) (m)	
	(m) Denotes a value of less than \$1 m	illion	、 /	~ /	~ /	
<u>4.10400</u>	Exemption for poultry diag Statute Year Enacted Year Effective	gnostic and dise § 48-8-3(104) 2019 2019		ing servic	<u>e nonprofit</u>	

	Data Source	IRS Form 990 I	Data		
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	<b>Description:</b> Sales to or by	any nonprofit or	σanizatior	which ha	s as its primary
					nonitoring services.
	purpose prov				n Millions)
		56			
			<u>2019</u>	<u>2020</u>	$\frac{2021}{(202)}$
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure	••••	(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	illion			
122	Exampliance for an array ma	ahinany on aquiny	mant indu	stric1 most	mial and
<u>4.3.2</u>	Exemptions for energy, ma		nent, mau	striat mate	enal, and
	consumable supplies used	-			
	Statute	§ 48-8-3.2			
	Year Enacted	2012			
	Year Effective	2013			
	Data Source	Bureau of Econ	omic Ana	lysis	
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note	Modified in 201	7 to inclu	de mainter	nance and replacement
		parts for certain	machiner	y or equip	ment, stationary or
		in transit, used t	o mix, agi	tate, and t	ransport freshly
		mixed concrete	-		
	<b>Description:</b> Exemptions f		-		
		ble supplies used			,
					n Millions)
		Sta	2019	2020	2021
	State Tax Expenditure		3,232		3,540
	Local Tax Expenditure		2,230	2,344	2,443
	(m) Denotes a value of less than \$1 m	illion	2,230	2,344	2,443
4.3.3	Sale and use by a qualified	agriculture produ	icer of agi	icultural r	production inputs.
	energy used in agriculture,				
	Statute	§ 48-8-3.3		<u></u>	<u></u>
	Year Enacted	2012			
	Year Effective	2012			
	Data Source	National Agricu	Itural Stat	istical Ser	vice
	Estimate Reliability	Class B	inurai Stat	Istical Sel	VICE
	5	Class B Class A			
	Data Reliability	Class A			
	Note Description: Sola to or us	a by a qualified a	ariaultura	nroducer	of a grigultural
	<b>Description:</b> Sale to, or us		-	-	-
			in agricu	nure, and	agricultural machinery
	and equipment		1	<b>х</b> (ф.	N (°11')
		Sta		-	n Millions)
	a		<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		166	175	182
	Local Tax Expenditure		115	121	126
	(m) Denotes a value of less than \$1 m	illion			

4.3.4	Exemption for qualified bo	at repairs				
	Statute	§48-8-3.4				
	Year Enacted	2017				
	Year Effective	Transactions occur	rring on	or after Ju	ıly 1, 2017	
	Data Source	Fiscal Note HB 12	•		•	
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	Note	The provision exp	oires on J	une 30, 20	)25	
	<b>Description:</b> A sales tax ex	· · ·				
	retrofit, or ma	aintenance of boats.	The exe	mption ca	nnot exceed	
		ny single repair, ret		•		
					Millions)	
		<u>2</u>	2019	2020	<u>2021</u>	
	State Tax Expenditure	(	(m)	(m)	(m)	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 m	illion				
4.3.5	Examption for the cole and	use of ist fuel				
4.3.3	Exemption for the sale and Statute	<u>848-8-3.5</u>				
	Year Enacted	2018				
	Year Effective	2018				
	Data Source		for HB 5EX 43 1050S for 2019			
	Estimate Reliability	Class B	D JLA 4.	5 10505 10	JI 2017	
	Data Reliability	Class B				
	Note	Cluss D				
	<b>Description:</b> The collection	n of sales tax on the	e sale and	luse of ie	t fuel from	
	-	2018 through June 1		0		d
	use tax.	2010 unough vuno	2017	is enemp	t from the sures un	
		State	e Fiscal Y	Zears (\$ in	Millions)	
			2019	2020	2021	
	State Tax Expenditure		47	0	0	
	Local Tax Expenditure		0	0	0	
	(m) Denotes a value of less than \$1 m	illion				

#### 4.5 Sales and Use Tax for Services

<u>4.50000</u>	Admissions Description:	<u>s and Amusements</u> Admission to school and college sports events; cable tv and direct satellite tv; coin-operated video games (includes pinball and other mechanical amusements); membership fees in private clubs; overnight trailer parks. State Fiscal Years (\$ in Millions)				
			<u>2019</u>	2020	<u>2021</u>	
	State Tax Expe	enditure	141	148	154	
	Local Tax Exp (m) Denotes a value	enditure of less than \$1 million	106	111	116	
<u>4.50001</u>	Agricultural					
	<b>Description:</b>	Veterinary services (both		all animal	); landscaping service	s
		(including lawn care); pe				
			State Fiscal			
	~ ~ ~ ~		<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exp		165	173	180	
	Local Tax Exp		124	130	135	
	(III) Denotes a value	of less than \$1 million				
<u>4.50002</u>	<u>Automotive</u> Description:	<u>Services</u> Automotive road service lube; parking lots and gas automotive rustproofing motor vehicles.	rages; automot	tive washi	ing and waxing;	
			State Fiscal	Years (\$ i	n Millions)	
			2019	2020	<u>2021</u>	
	State Tax Expe	enditure	152	160	167	
	Local Tax Exp		114	120	125	
<u>4.50003</u>	Business Se	rvices				
	Description: State Tax Exp Local Tax Exp (m) Denotes a value		art and graphic construction a agencies; che areaus; exterm ad janitorial se wering service court reporting	design; a nd installa ck and de inating (in ervices; w e; telemarl services; ve) services	dvertising agency feed ation; employment bt collection; credit ncludes termite indow cleaning; bail keting services on security services es; armored car	S

<u>4.50004</u>		nd Online Services	muicas: down	londed set	twara books music	
	<b>Description:</b>	Online data processing services; downloaded software, books, music, movies and video content, other electronic goods; internet service				
		providers – dial-up; inter				
		broadband; mainframe co	-			
		information services; sof				
		services.	tware – custo	in program	is and professional	
		services.	State Fiscal	Vears (\$ i	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exp	enditure	<u>2015</u> 951	1,000	1,042	
	Local Tax Exp		713	750	781	
		e of less than \$1 million	,10	100	101	
<u>4.50005</u>	<u>Constructio</u>					
	Description:	Labor for the constructio				
		construction labor; labor				
			State Fiscal		-	
	<b>a b b</b>		<u>2019</u>	<u>2020</u>		
	State Tax Exp		1,994	2,095	-	
	Local Tax Exp	e of less than \$1 million	1,495	1,572	1,638	
	(III) Denotes a value	e of less than \$1 minon				
4.50006	Fabrication	, Installation, and Repair S	ervices			
	Description:	Labor charges for repairs		gible prop	erty; tv/radio repairs	
	-	and other electronic equi				
		on repair of aircraft; repa			•	
		rolling stock; repairs or r				
		sold at the time of sale of	tangible pers	onal prop	erty; installation	
		charges by persons sellin	g property; in	stallation	charges by persons	
		other than the seller of th	e property.			
			State Fiscal	Years (\$ i	in Millions)	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exp		237	249	260	
	Local Tax Exp		178	187	195	
	(m) Denotes a value	e of less than \$1 million				
<u>4.50007</u>	Finance In	surance, and Real Estate				
4.50007	Description:	Service charges of banking	ng institutions	includes	loan broker fees	
	Description.	insurance services; prope				
		estate management fees (				
		estate title abstract servic		, 111 ( 05011)	int counsening, rear	
			State Fiscal	Years (\$ i	in Millions)	
			2019	2020	2021	
	State Tax Exp	enditure	1,343	1,412	1,471	
	Local Tax Exp		1,007	1,059	1,103	
		e of less than \$1 million		,	,	
	<b>T 1</b> . <b>1 1</b>					
<u>4.50008</u>		nd Mining Services		. 1	1 . 1 1 1	
	Description:	Seismograph and geophy				
		mining services; typesett	ing services; j	platemakii	ng for the print trade.	

	State Fiscal Years (\$ in Millions)				
	2019	2020	2021		
State Tax Expenditure	9	9	10		
Local Tax Expenditure	7	7	7		
(m) Denotes a value of less than \$1 million					

#### 4.50009 Residential Utility Service

**Description:** Interstate telephone (including local, long distance, and cellular service) and telegraph.

	State Fiscal Years (\$ in Millions)				
	<u>2019</u>	2020	<u>2021</u>		
State Tax Expenditure	20	21	22		
Local Tax Expenditure	15	16	16		
(m) Denotes a value of less than \$1 million					

#### 4.50010 Personal Services

**Description:** Carpet and upholstery cleaning; swimming pool cleaning and maintenance; water softening and conditioning; shoe repair; garment services (altering and repairing); health clubs, tanning parlors, and reducing salons; laundry and dry cleaning services – coin-operated; laundry and dry cleaning services – not coin-operated; massage services (includes dating services); tax return preparation; sports and recreation instruction; barber shops; beauty parlors; travel agent services.

	State Fiscal Years (\$ in Millions)				
	<u>2019</u>	<u>2020</u>	<u>2021</u>		
State Tax Expenditure	312	328	342		
Local Tax Expenditure	234	246	256		
(m) Denotes a value of less than \$1 million					

#### 4.50011 Professional Services

**Description:** Attorneys; accounting and bookkeeping; physicians; dentists; medical test laboratories; architects; engineers; land surveying; nursing services out of the hospital.

	State Fiscal Years (\$ in Millions)				
	<u>2019</u>	2020	<u>2021</u>		
State Tax Expenditure	2,308	2,426	2,528		
Local Tax Expenditure	1,731	1,819	1,896		
(m) Denotes a value of less than \$1 million					

#### 4.50012 Storage

**Description:** 

**on:** Marine towing services (includes tugboats); household goods storage; cold storage (includes fur storage); food storage; mini-storage; marina service (docking, storage, cleaning, repair); packing and crating (includes bus services); other warehousing and storage (including automotive storage).

	State Fiscal Years (\$ in Millions)				
	<u>2019</u>	2020	<u>2021</u>		
State Tax Expenditure	87	92	96		
Local Tax Expenditure	65	69	72		
(m) Denotes a value of less than \$1 million					

#### <u>4.50013</u>

<u>Transportation Services</u> <b>Description:</b> Intrastate courier service.			
	State Fiscal	Years (\$	in Millions)
	<u>2019</u>	2020	2021
State Tax Expenditure	(m)	(m)	(m)
Local Tax Expenditure (m) Denotes a value of less than \$1 million	(m)	(m)	(m)

## 4.7 Vendor Compensation

<u>4.70000</u>	Compensation of dealers for reporting and paying tax					
	Statute	§48-8-50				
	Year Enacted	1964				
	Year Effective	1964				
	Data Source	DOR data as	of 2016			
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note					
	<b>Description:</b> Georgia allow and then 0.5 p			<b>^</b>	t for the first \$3,000 t does not impose a	)
	maximum lin	nitation per ver	ndor.		Ĩ	
		•	State Fiscal	Years (\$ i	n Millions)	
			<u>2019</u>	2020	<u>2021</u>	
	State Tax Expenditure		73	77	80	
	Local Tax Expenditure		0	0	0	

#### 4.9 Casual Sales

<u>4.90000</u>	Sales tax exemption for ca	isual sales			
	Statute	DOR administrative rule			
	Year Enacted	NA			
	Year Effective	NA			
	Data Source	DOR data for 2015			
	Estimate Reliability	Class B			
	Data Reliability	Class A			
	<ul> <li>Note</li> <li>Sales of all motor vehicles will be exempt from state and local sales tax beginning March 1st, 2013 but taxed under the Alternative Ad Valorem Tax on Motor Vehicles, see section 11 of the report. Provision listed as 4.30000 in reports prior to FY 2014.</li> <li>Description: Purchases of boats, planes and other tangible goods sold by persons not in the business of selling such items are not subject to sales tax. (Prior to</li> </ul>				
		ntation of the Alternative Ad Valorem Tax on Motor			
	Vehicles this	s estimate included casual sale of motor vehicles.)			
		State Fiscal Years (\$ in Millions)			
		<u>2019</u> <u>2020</u> <u>2021</u>			
	State Tax Expenditure	2 2 2			
	(m) Denotes a value of less than \$1 m	1 1 1 nillion			

# Sales and Use Tax expenditures for which an estimate is not currently available

Expenditure	Expenditure	Expenditure
4.00100	§48-8-3(1)	Sales to Federal Government, State of Georgia or a county or municipality in Georgia or any agency of such governments
4.00200	\$48-8-3(2)	Tangible personal property furnished by the Federal Government or any county or municipality used by a contractor in the installation, repair, or extension of any public water, gas, or sewer system
4.00300	§48-8-3(3)	Federal retailer's excise tax if separately itemized to the consumer and Georgia motor fuel tax imposed on the sale of motor fuel
4.01800	\$48-8-3(18)	Charges for transportation of tangible personal property made in connection with interstate or intrastate transportation
4.01900	§48-8-3(19)	All tangible personal property purchased outside this state by a nonresident when the property is brought into Georgia upon the nonresident becoming a resident
4.02100	§48-8-3(21)	Sales, transfers or exchanges of tangible personal property resulting from business reorganization when the owners, partners, or stockholders maintain the same proportionate interest or share in the newly formed business
4.02500	§48-8-3(25)	Fares of for-hire vehicles
4.03100	§48-8-3(31)	Sale of tangible personal property manufactured or assembled in Georgia for export when delivery is taken outside of Georgia
4.03200	§48-8-3(32)	Aircraft, watercraft, motor vehicles, and other transportation equipment manufactured or assembled in this State for exclusive use outside Georgia
4.03300	§48-8-3(33)	Common or common and contract carriers
4.03410	\$48-8-3(34.1)	Machinery and equipment used to handle, move, or store tangible personal property in certain distribution facilities
4.03610	\$48-8-3(36.1)	Machinery and equipment used for water conservation and incorporated into a qualified water conservation facility.
4.03910	\$48-8-3(39.1)	Cargo containers and related chassis used for storage or shipping by persons engaged in international shipment of tangible personal property
4.04200	\$48-8-3(42)	Use or lease of tangible personal property when the lessor and lessee are under 100 percent common ownership and where the person who furnishes, leases, or rents the property has paid sales or use tax on the property

Sales and Use Tax expenditures for which an estimate is not currently
available

Expenditure	Expenditure	Expenditure
4.04400	§48-8-3(44)	Sale of motor vehicles to nonresident purchasers when vehicles are immediately removed from Georgia and titled in another state
4.04500	§48-8-3(45)	The sale or use of paper stock when used to print catalogs for distribution outside Georgia
4.06100	§48-8-3(61)	Advertising inserts that are used in newspapers for resale
4.06800	§48-8-3(68)	Sale of certain computer equipment when the total qualifying purchases by a high technology company exceed \$15 million
4.09100	§48-8-3(91)	The sale of prewritten software which has been delivered to the purchaser electronically or by means of load and leave
4.3.6	\$36-88-3(8.1)	Exemption for sales within an enterprise zone

#### **5. Insurance Premium Tax**

The premium tax is imposed upon gross direct premiums received by insurers doing business in the state to insure persons, property, or risks in Georgia. The state tax rate is imposed at a rate of 2.25 percent of gross direct premiums, though the rate is reduced to 1.25 percent for insurers holding at least 25 percent of their total assets, exclusive of direct obligations of the United States, in specified classes of Georgia assets. For insurers holding 75 percent of such total assets in Georgia, the rate is reduced further to 0.5 percent.

Counties levy a tax at 1 percent on gross direct premiums of life insurance companies for policies covering persons residing in unincorporated areas of the county, except that the county tax shall not apply to life insurers that qualify for the abatement of the state tax for firms with 75 percent Georgia assets. Municipalities may levy a tax of up to 1 percent on life policies covering persons residing in the given municipality. Counties and municipalities may levy rates of up to 2.5 percent on gross direct premiums for policies other than life insurance policies.

This tax is administered by the State Insurance Commissioner. In FY 2018, state revenues from this tax equaled \$505 million and local revenues equaled \$607 million. The state proceeds from the tax are deposited into the State General Fund.

<u>5.00100</u>	Deduction of retaliatory taxes paid to other states		
	Statute	§33-8-7	
	Year Enacted	1960	
	Year Effective	Prior to 2000	
	Data Source	Office of Insurance and Safety Fire Commissioner	
	Estimate Reliability	Class A	
	Data Reliability	Class A	
	Note	Not applicable at the local level.	
	<b>Description:</b> Property and	casualty insurance companies domiciled in Georgia are	
	able to deduce	ct from their Georgia tax liability taxes paid to other states	
	on policies v	vritten in those states.	
		State Fiscal Years (\$ in Millions)	
		<u>2019</u> <u>2020</u> <u>2021</u>	
	State Tax Expenditure	2 2 2	
	(m) Denotes a value of less than \$1 m	illion	
<u>5.00200</u>	Insurance premium tax cre	dit - Georgia Job Tax Credit	
3.00200	Statute	\$33-8-4.1; \$33-1-18; \$48-7-29.6	
	Year Enacted	1960	
	Year Effective	2000	
	Data Source	DOR data as of 2017 and Office of Insurance and Safety	
	Data Source	Fire Commissioner	
	Estimate Reliability	Class A	
	Data Reliability	Class A	
	Note	The same estimate is provided in the individual income	
	Note	tax section and the corporate tax section, see 1.6.012	
		and 2.6.001. In 2018, the qualifying areas were expanded	
		and 2.0.001. In 2010, the quantying areas were expanded	

to include counties with military bases and industrial parks that are owned and operated by a government

**Description:** The credit provides a statewide job tax credit to any business or headquarters engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting, tourism, or research and development. Retail establishments are only allowed the credit if located in one of the 40 least-developed counties of the state. Average wages must be greater than the average wage of the county in the state with the lowest average wage. To be eligible, employers must offer health insurance to all new employees. It also provides a tax credit for business enterprises designated as operating in less-developed areas. These include areas with ten or more contiguous census tracts with higher than 15 percent poverty and counties with both a military base and a government owned and operated industrial park.

č	State Fiscal	Years (\$ i	n Millions)
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Income Tax Expenditure	15	16	16
Corporate Income Tax Expenditure	94	96	97
Insurance Premium Tax Expenditure	9	6	9
State Tax Expenditure (m) Denotes a value of less than \$1 million	118	121	122

5.00300	Exemption for premiums of	f high-deductible health plans
2.00200	Statute	§33-8-4
	Year Enacted	2008
	Year Effective	2009
	Data Source	Office of Insurance and Safety Fire Commissioner
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	The local exemption expired on December 31, 2014.
		ompanies are allowed to exempt from their insurance
	_	liability any premiums paid by Georgia residents for high-
		ealth plans as defined by Section 233 of the Internal
	Revenue Co	
		State Fiscal Years (\$ in Millions)
		<u>2019 2020 2021</u>
	State Tax Expenditure	$\overline{1}$ $\overline{1}$ $\overline{1}$
	(m) Denotes a value of less than \$1 m	illion
5.00400	Examption for insurance of	ompanies that only insure places of worship
<u>3.00400</u>	Statute	§33-8-13
	Year Enacted	1996
	Year Effective	1996
	Data Source	Office of Insurance and Safety Fire Commissioner
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	Not applicable at the local level.
		ompanies that only insure the risks of places of worship are
		the state premium tax.
	r r	

		State Fiscal Years (\$ in Millions)
		$\frac{2019}{2020}$ $\frac{2020}{2021}$
	State Tax Expendit (m) Denotes a value of les	
	(iii) Denotes a value of les	
<u>5.00500</u>	Insurance abateme	<u>its</u>
	Statute	§33-8-5
	Year Enacted	1996
	Year Effective	Prior to 2000
	Data Source	Office of Insurance and Safety Fire Commissioner
	Estimate Reliabilit	Class A
	Data Reliability	Class A
	Note	Not applicable at the local level.
	Description: Geo	gia imposes a reduced state rate of 1.25 percent on insurance
	com	panies that invest at least 25 percent of their assets in qualified
	Geo	gia assets. If the amount invested in qualified Georgia assets is
	grea	er than 75 percent, the rate is reduced to 0.50 percent.
		State Fiscal Years (\$ in Millions)
		<u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expendit	
	(m) Denotes a value of les	than \$1 million
5.00600	Spacial daduction	for life insurance companies
<u>3.00000</u>	Statute	§§33-8-4, 33-8-8, 33-8-8.1
	Year Enacted	1981
	Year Effective	Prior to 2000
	Data Source	Office of Insurance and Safety Fire Commissioner
		•
	Estimate Reliability	Class A Class A
	Data Reliability Note	Not applicable at the local level.
		insurance companies are permitted to deduct contributions to state
		antee funds, license fees paid to local governments, local premium
	e e	from premium taxes otherwise payable to the State.
	taxe	State Fiscal Years (\$ in Millions)
		2019 2020 2021
	State Tax Expendit	
	(m) Denotes a value of les	
<u>5.00700</u>	Insurance premiur	tax credit - Low Income Housing Credit
	Statute	\$33-8-4.1; \$33-1-18; \$48-7-29.14(b)(1)
	Year Enacted	1960
	Year Effective	2009, 2002, 2008
	Data Source	DOR data as of 2016 and Office of Insurance and Safety
		Fire Commissioner
	Estimate Reliabilit	
	Data Reliability	Class A
	Note	The same estimate is provided in the individual income
		tax section and the corporate income tax section, see
	<b>D</b>	1.6.028 and 2.6.017.
	_	is a credit against Georgia income taxes for taxpayers owning
		lopments which receive the federal Low-Income Housing tax credit
	and	hat are placed in service on or after January 1, 2001.

			State Fiscal	Years (\$ in	n Millions)	
			<u>2019</u>	2020	2021	
	Income Tax Expenditure		90	95	100	
	Corporate Income Tax Exp	enditure	38	40	42	
	Insurance Premium Tax Ex	penditure	126	133	140	
	State Tax Expenditure	-	254	268	282	
	(m) Denotes a value of less than \$1 m	illion				
<u>5.00800</u>	Insurance Premium Tax Ex Statute Year Enacted Year Effective Data Source Estimate Reliability Data Reliability Note Description: Multiple empinsurance press	\$33-50-3 2016 2016 Office of In Class A Class A	surance and S sured health p the plan's ne	Safety Fire blans are e et premium	Commissioner xempt from the sta	
			State Fiscal		,	
			<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Expenditure (m) Denotes a value of less than \$1 m	illion	0	0	0	

#### 6. Motor Fuel Tax

The tax on motor fuels was substantially modified in 2015. Under the new law, the state tax on motor fuels other than diesel fuel and aviation gasoline is, as of January 1, 2019, 27.5 cents per gallon. The state tax on diesel fuel is 30.8 cents per gallon and the tax on aviation gasoline is 1 cent per gallon. Tax rates are adjusted annually for inflation and for the change in average fuel economy of new vehicles registered in the state in the prior year from the year before. The base of the motor fuel tax is imposed on any source of energy that can be used for propulsion of a motor vehicle on the public highways, including, but not limited to: gasoline, fuel oils, compressed petroleum gas and special fuels.

The tax is administered by the Georgia DOR and revenues generated from this tax are allocated by the state constitution to the Georgia Department of Transportation for highway purposes. State motor fuel tax revenues for FY 2018 totaled \$1.80 billion.

<u>6.00400</u>	Motor fuel tax exemption	for aviation fuel
	Statute	§48-9-3
	Year Enacted	1978
	Year Effective	1978
	Data Source	Fiscal Note for LC 34 4757 for 2016
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	
	<b>Description:</b> Exemption	for aviation fuel.
	-	State Fiscal Years (\$ in Millions)
		<u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expenditure	2 2 2
	(m) Denotes a value of less than \$1	million
<u>6.00500</u>	Motor fuel tax vendor con	-
	Statute	§48-9-8(b)
	Year Enacted	1992
	Year Effective	1992
	Data Source	Office of Planning and Budget Data for FY 2016
	Estimate Reliability	Class A
	Data Reliability	Class A
	Note	
	<b>Description:</b> Motor fuel of	dealers are allowed to retain 1 percent of total amounts
		reimbursement for the cost of collection.
		State Fiscal Years (\$ in Millions)
		2019 2020 2021
	State Tax Expenditure	
	(m) Denotes a value of less than \$1	

## 7. Alcoholic Beverage Tax

This state and local tax is imposed on alcoholic beverages including malt beverages, wine, and distilled spirits. Malt beverages sold in bulk containers (tap or draft beer) are taxed at a state rate of \$10 per container up to 31 gallons with a proportionate tax on fractional parts of 31 gallons for larger containers. For bottled and canned malt beverages, the state tax rate is 4 ½ cents per 12 ounces and proportionate rates on fractional parts of 12 ounces for other sizes. Table wines are taxed at a state rate of 11 cents per liter and an additional state import tax of 29 cents per liter is imposed on table wines produced outside of Georgia and imported into the state, in both cases with proportionate rates for fractional parts of a liter. A state excise tax of 27 cents per liter and an additional state import tax of 40 cents per liter is imposed on dessert wines, with proportionate rates for fractional parts of a liter. A state excise tax of 50 cents per liter is imposed on distilled spirits while alcohol (defined to mean ethyl alcohol greater than 190 proof intended for use as a beverage, including grain alcohol and spirits of wine) is subject to a state tax of 70 cents per liter, in both cases with the tax applied proportionately on fractions of a liter. Distilled spirits and alcohol imported to Georgia from outside the state are also subject to an additional state import tax of 50 cents and 70 cents per liter, respectively.

A uniform local government beer tax is levied at 5 cents per 12 ounces for bottled and canned malt beverages with proportionate rates for sizes other than 12 ounces. The rate for bulk (tap or draft) malt beverages is \$6 per container for containers up to 15 ½ gallons with proportionate rates for larger containers. Counties and municipalities may levy excise tax on wine at rates that do not exceed 22 cents per liter. Counties and municipalities may levy excise taxes on distilled spirits sold by the package at rates that do not exceed 22 cents per liter or proportionate rates for other size containers. Counties and municipalities may also levy excise taxes at rates up to 3 percent of the price charged for mixed drinks.

The state portion of the tax is administered by the Georgia DOR. Proceeds from the state tax are deposited into the State General Fund. In FY 2018, state collections equaled \$196 million. Local collections for FY 2016<sup>3</sup> equaled \$140 million.

7.00300	200 gallons annually of homebrew per household		
	Statute	§§3-5-61, 3-6-70	
	Year Enacted	1977	
	Year Effective	1977	
	Data Source	American Homebrewers' Association	
	Estimate Reliability	Class B	
Data Reliabi Note	Data Reliability	Class C	
	Note		
	-	xemption for up to 200 gallons annually of homebrew per	
	household.		
	Data Reliability Note	Class C	

<sup>&</sup>lt;sup>3</sup> Latest data available.

	State Tax Expenditure		State Fiscal <u>2019</u> (m)	Years (\$ i <u>2020</u> (m)	n Millions) 2021 1
	(m) Denotes a value of less than \$1	million			
<u>7.00400</u>	Sales to and use by religio	us organizatio	ns for sacram	ental	
	Statute	§§3-5-61, 3-	-6-70		
	Year Enacted	1977			
	Year Effective	1977			
	Data Source	National Ce	nter for Chari	itable Stati	istics and Catholic.org
	Estimate Reliability	Class B			
	Data Reliability	Class C			
	Note				
	<b>Description:</b> Sales to and	use by religio	ous organizati	ons for sa	cramental purposes.
			State Fiscal	Years (\$ i	n Millions)
			<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1	million			
7.00600	Malt beverages containing	less than one	-half of 0.5 pe	ercent	
	alcohol by volume				
	Statute	§3-5-90			
	Year Enacted	1987			
	Year Effective	1987			
	Data Source		nic Census a	nd the Am	erican Beer Institute
	Estimate Reliability	Class B			
	Data Reliability	Class B			
	Note				
	<b>Description:</b> Malt bevera	ges which con	tain less than	one-half	of 1 percent alcohol
	-	•			inder this title or any
	÷	ursuant to auth	• •		-
	Ĩ		State Fiscal	•	
			2019	2020	<u>2021</u>
	State Tax Expenditure (m) Denotes a value of less than \$1	million	1	1	1

# Alcoholic beverages tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
7.00100	§3-5-61	Sales to persons outside the state for resale or consumption outside
		the state
7.00200	§§3-5-61, 3-6-70	Sales to stores or canteens in U.S. military reservations
7.00500	§§3-5-61, 3-6-70	Exemption for ethyl alcohol used for certain purposes

#### 8. Tobacco Products Excise Tax

This tax is levied upon the sale, receipt, purchase, possession, consumption, handling, distribution, or use of tobacco, cigars, and cigarettes in Georgia. The tax is imposed at a rate of 37 cents per pack of 20 cigarettes and a like rate, pro rata, for other sized packages. Little cigars, weighing not more than three pounds per thousand are taxed at a rate of 2.5 mills each (\$2.50 per 1000). All other cigars are taxed at 23 percent of the wholesale cost price, exclusive of any trade, cash, of other discounts or any promotion, advertising, display or other similar allowances. Loose or smokeless tobacco is taxed at a rate of 10 percent of the wholesale cost price.

The tax is administered by the Georgia DOR. In FY 2018, the tax totaled \$225 million. The proceeds of the tax are deposited into the State General Fund.

<u>8.00100</u>	Georgia War Veterans Home and the Georgia War Veterans Nursing Home			
	Statute Veen Enceted	§48-11-2		
	Year Enacted	1955		
	Year Effective	Latest Modification 200	03	
	Data Source	Georgia Department of Veteran Services Class B Class C		
	Estimate Reliability			
	Data Reliability			
	Note			
	<b>Description:</b> Exemption f	or purchases for use excl	usively by pa	atients at the Georgia
	War Veterar	ns Home and the Georgia	War Veteran	ns Nursing Home.
		State Fisc	al Years (\$ in	n Millions)
		2019	2020	2021
	State Tax Expenditure (m) Denotes a value of less than \$1 n	nillion (m)	(m)	(m)

#### Tobacco Products excise tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
8.00200	§48-11-3	De minimis amount brought into the state by one person
8.00300	§48-11-3	Cigars and cigarettes stored in a public warehouse
8.00400	§48-11-3	Certain cigars and cigarettes held by licensed dealers

## 9. Financial Institutions Special State Occupation Tax

This is a special state occupation tax imposed on the adjusted gross receipts of each depository financial institution that does business or owns property in the state. The state tax rate is levied at a rate of 0.25 percent. In addition to the state tax, counties and municipalities may levy a rate not to exceed 0.25 percent of gross receipts. Any amount paid under the special state occupation tax by a financial institution reduces the institution's state income tax liability by an equal amount.

The tax is administered by the Georgia DOR. The revenues from this tax in FY 2018 equaled \$24 million. The proceeds of the tax are deposited into the State General Fund.

<u>9.00100</u>	Deduction for interest paid	
	Statute	§48-6-95
	Year Enacted	1975
	Year Effective	1975
	Data Source	FDIC – Statistics on Depository Institutions
	Estimate Reliability	Class B
	Data Reliability	Class A
	Note	
	<b>Description:</b> Financial inst	titutions are allowed to deduct from gross receipts interest
	paid on all lia	abilities.
		State Fiscal Years (\$ in Millions)
		<u>2019</u> <u>2020</u> <u>2021</u>
	State Tax Expenditure	12 16 18
	(m) Denotes a value of less than \$1 m	nillion

## Financial institutions tax expenditures for which an estimate is not currently available

Expenditure	Statute	Summary
9.00200	§48-6-95	Deductions for income from authorized activities of a domestic international
		banking facility
9.00300	§48-6-95	Deduction for income from banking business with persons or entities outside
		the U.S.

#### 10. Special Assessment of Forest Land Conservation Use Property

Real property devoted to qualified conservation use is assessed at 40 percent of its current use value. This tax treatment is designed to reduce the property tax burden on landowners in an effort to discourage the conversion of land to residential or commercial use. The property must be maintained in a qualifying conservation use for a period of 10 years. Because the state offsets the loss of local government property tax revenue stemming from this exemption, this exemption represents a reduction in state tax revenues.

<u>10.00000</u>	Special assessment of forest land conservation use property			
	Statute	§48-5A-2		
	Year Enacted	2008		
	Year Effective	2008		
	Data Source	Office of Planning and Budget; and the Georgia DOR		
	Estimate Reliability	Class A		
	Data Reliability	Class A		
	Note			
	<b>Description:</b> Grants made available by the Georgia General Assembly through annu appropriations and awarded to counties, municipalities and county or independent school districts for purposes of the Special Assessment of			
	Forest Land (	Conservation Use Property program.		
	State Fiscal Years (\$ in Millions)			
		<u>2019</u> <u>2020</u> <u>2021</u>		
	State Tax Expenditure (m) Denotes a value of less than \$1 n	24 39 41		

### 11. Alternative Ad Valorem Tax on Motor Vehicles

As of March 1, 2013, motor vehicles titled in Georgia are subject to a title ad valorem tax, referred to as the TAVT or Motor Vehicle Title Fee. This legislation was passed in the 2012 session of the General Assembly and was substantially amended in the 2013 session. As part of the legislation, sales and use tax on the sale of motor vehicles was eliminated for purchases or leases occurring on or after March 1, 2013.

The tax base is the fair market value, at the time of titling, of new and used motor vehicles registered and titled in the state, including casual sales, dealer sales, leased vehicles, rental and salvage vehicles, and vehicles being brought into the state by people relocating to Georgia. For dealer sales, the tax base is reduced by the value of the purchaser's trade-in vehicle, if any. For dealer sales of new vehicles, the tax base is also reduced by the amounts of dealer rebates and cash discounts, if any. For most transactions occurring on or after January 1, 2020, the fair market value is equal to the retail selling price.

The title fee rate in CY 2013 2019 7 percent. The revenue from the tax is shared between the state and local governments at a specified annual rate Beginning July 1, 2019, the state and local shares are 35 percent and 65 percent, respectively.

The tax is administered by the Georgia DOR but collected at the local level. All proceeds from the state portion of the TAVT are deposited into the State General Fund. The TAVT generated \$914 million in state receipts for FY 2018 and \$860 million for local governments.

<u>11.001</u>	Reduced rate for related family transfers		
	Statute	§48-5C-1(d)(1)-(2)	
	Year Enacted	2012	
	Year Effective	2013	
	Data Source	DOR data	
	Estimate Reliability	Class A	
	Data Reliability	Class A	
	Note		
	<b>Description:</b> A reduced	rate of 0.25 percent applies to transfers for a vehicle transferred	
	between im	mediate family members or a transfer occurring as a result of the	
	death of an	immediate family member.	
		State Fiscal Years (\$ in Millions)	
		<u>2019</u> <u>2020</u> <u>2021</u>	
	State Tax Expenditure	10 8 8	
	Local Tax Expenditure	13 15 15	
	(m) Denotes a value of less than \$1	million	
11.002	Disabled veteran exempti	ion.	
11.002	Statute	\$48-5C-1(d)(7)	
	Year Enacted	2012	
	Year Effective	2013	
	Data Source	DOR data	

	Estimate Relia Data Reliabilit Note	•	Class A Class A				
		disabled vete	eran when the ve Affairs to purcha	eteran recei	ived a gran	le to a service-co at from the U.S. I dapt the vehicle	Department
		,		tate Fiscal	Years (\$ i	n Millions)	
				2019	2020	2021	
	State Tax Exp	enditure		(m)	(m)	(m)	
	Local Tax Exp			(m)	(m)	(m)	
	(m) Denotes a value	e of less than \$1 m	illion				
11.003	Reduced rate	for rental veb	nicles				
11000	Statute		§48-5C-1(d)(1	1)(A)			
	Year Enacted		2012	-)()			
	Year Effective	•	2013				
	Data Source		DOR data				
	Estimate Relia	bility	Class A				
	Data Reliabilit	•	Class A				
	Note	•					
	<b>Description:</b>	Rental vehic	les are subject to	o a reduced	l state title	fee rate of 0.625	percent
	-	of the fair m	arket value and	a local title	e fee rate of	f 0.625 percent o	f the fair
		market value	2.				
			S	tate Fiscal	Years (\$ i	n Millions)	
				<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exp	enditure		63	56	54	
	Local Tax Exp			89	108	111	
	(m) Denotes a value	e of less than \$1 m	illion				
<u>11.004</u>	Reduced rate	for vehicles r	nanufactured in	years 1963	<u>3-1989</u>		
	Statute		§48-5C-1(d)(1	-			
	Year Enacted		2012				
	Year Effective	•	2013				
	Data Source		DOR data				
	Estimate Relia	bility	Class B				
	Data Reliabilit	ty	Class B				
	Note		Modified in 20 1989	19 to chan	ge the affe	ected years from	1985
	Description	Vehicles ma		ars 1963 th	rough 198	39 are subject to a	a reduced
	Description.		•		-	title fee rate of (	
			e fair market va				
		percent of th				n Millions)	
			5	<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exp	enditure		$\frac{2019}{(m)}$	(m)	$\frac{2021}{(m)}$	
	Local Tax Exp			(m)	(m)	(m)	
	(m) Denotes a value		illion	()	()	()	
11.005	Deday 1	£ 1	-1-1-1				
<u>11.005</u>	Reduced rate	for salvage v		\ \			
	Statute Vice Excepted		§48-5C-1(b)(2	)			
	Year Enacted		2012				
	Year Effective	•	2013				

Data Source	DOR data
Estimate Reliability	Class A
Data Reliability	Class A
NT /	

Note

**Description:** Salvage vehicles are subject to a state title fee rate of 1 percent and are not subject to the local title fee. State Fiscal Years (\$ in Millions)

	State Fiscal Years (\$ in M		
	2019	2020	2021
State Tax Expenditure	25	19	19
Local Tax Expenditure	49	54	55
(m) Denotes a value of less than \$1 million			

(m) Denotes a value of less than \$1 million	n
--	---

11.006	Dealer loaner vehicle exemption					
11.000	Statute	§48-5C-1(d)(12)				
	Year Enacted	2012				
	Year Effective	2012				
	Data Source	DOR data				
	Estimate Reliability	Class B				
	Data Reliability	Class A				
	Note					
	<b>Description:</b> Dealer loane	er vehicles are exe	empt from	the state a	nd local title fee for a	
	period of 36		1			
	_	St	ate Fiscal	Years (\$ in	Millions)	
			2019	2020	<u>2021</u>	
	State Tax Expenditure		4	3	3	
	Local Tax Expenditure		5	5	6	
	(m) Denotes a value of less than \$1 m	illion				
11.007	Reduced rate for donated v	vehicles				
11.007	Statute	§48-5C-1(d)(13	)			
	Year Enacted	2012	)			
	Year Effective	2012				
	Data Source	DOR data				
	Estimate Reliability	Class A				
	Data Reliability	Class A				
	Note					
	<b>Description:</b> Vehicles do	nated to nonprofit	organizati	ons for the	e nurnose of being	
					ed state title fee rate of 1	
					local title fee applies.	
	percent of a		ate Fiscal			
		51	2019	2020	2021	
	State Tax Expenditure		(m)	(m)	(m)	
	Local Tax Expenditure		(m)	(m)	(m)	
	(m) Denotes a value of less than \$1 m	illion	()	(111)	()	
11.008	Extended payment period	for out-of-state ve	ehicles			
11000	Statute	§48-5C-1(d)(3)				
	Year Enacted	2012				
	Year Effective	2012				
	Data Source	DOR data				
	Estimate Reliability	Class B				
	Data Reliability	Class B				
	2 and Rendonity					

	12		In 2017, the treatment of out-of-state vehicles changed from 12 percent of fair market value paid in two equal installments over two years to 3 percent of fair market value due upon				
			registration. stered by individ itle fee rate of the	duals movi hree percen tate Fiscal	ng from ou it. Years (\$ in	ut-of-state are allow Millions)	
		11.		<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exper Local Tax Exper (m) Denotes a value o	nditure	lion	-2 7	7 16	8 11	
<u>11.009</u>	Trade-in exemp	tion (includ	ing rebates and	cash discor	ints)		
11.002	Statute		§48-5C-1(a)(1)		<u>iiits)</u>		
	Year Enacted		2012				
	Year Effective		2012				
	Data Source		DOR data				
	Estimate Reliab	:1;+x7	Class A				
		•	Class A Class A				
	Data Reliability Note		Class A				
		Roth the state	and local title	faa is imno	and on the	fair market value o	of a
						vehicle, rebates or o	
		liscounts.	the trade-in val			vennene, rebates or v	casii
	G	iiseounts.	S	tate Fiscal `	Years (\$ ir	Millions)	
			5	<u>2019</u>	<u>2020</u>	<u>2021</u>	
	State Tax Exper	nditure		157	123	119	
	Local Tax Expe			203	214	220	
	(m) Denotes a value o		lion				
	~						
<u>11.010</u>	Special assessm	nent for casu					
	Statute		§48-5C-1(a)(1)	(C)			
	Year Enacted		2012				
	Year Effective		2013				
	Data Source		DOR data				
	Estimate Reliab	2	Class B				
	Data Reliability		Class C				
	Note	T 1 / ·	1	1 1 1 1	1		C 1
	-				•	lued based on bill o	or sale,
	0	dometer rea	ding, and values		-		
			3	tate Fiscal `	2020		
	State Tax Exper	ditura		$\frac{2019}{10}$	<u>2020</u> 8	<u>2021</u> 7	
	Local Tax Expension			10	14	14	
	(m) Denotes a value o		lion	15	14	14	
<u>11.011</u>	Special assessm	nent for new	vehicles				
11011	Statute		$\frac{1}{8}48-5C-1(a)(1)$	$(\mathbf{D})$			
	Year Enacted		2012				
	Year Effective		2012				
	Data Source		DOR data				
	Estimate Reliab	ility	Class C				
	Data Reliability	-	Class B				
	Data Kenability						

Note

**Description:** The title fee is applied to the greater of the retail selling price or the average of the current fair market value and the current wholesale value.

State Fiscal Years (\$ in Millions)

	<u>2019</u>	2020	2021
State Tax Expenditure	-28	-11	0
Local Tax Expenditure	-36	-18	0
(m) Denotes a value of less than \$1 million			

#### <u>**11.012**</u> Buy here pay here transactions

Statute	§48-5C-1(b)(1)(B)(xv)
Year Enacted	2013
Year Effective	2014
Data Source	DOR data
Estimate Reliability	Class A
Data Reliability	Class A
Note	

**Description:** Seller financed used car transactions are subject to a title fee rate that is two and a half percentage points below the standard title fee rate. State Fiscal Years (\$ in Millions)

	State Fiscal	rears (\$	in Million
	<u>2019</u>	2020	2021
State Tax Expenditure	6	4	4
Local Tax Expenditure	11	14	14
(m) Denotes a value of less than \$1 million			

#### **<u>11.013</u>** Exemption from TAVT for leased vehicles qualifying for Manufacturing Headquarters</u>

Statute	48-5C-1
Year Enacted	2015
Year Effective	2015
Data Source	DOR data
Estimate Reliability	Class B
Data Reliability	Class B
Note	

#### **Description:**

Creates the plate category of "Manufacturing HQ" and included in the rights and qualifications of that plate is an exemption from the TAVT. State Fiscal Years (\$ in Millions)

	State Fiscal	Years (\$	in Million
	<u>2019</u>	2020	2021
State Tax Expenditure	1	1	1
Local Tax Expenditure	1	1	1
(m) Denotes a value of less than \$1 million			

## **<u>11.014</u>** Treatment of Leased Vehicles

~	Louisou ( onio	
Statute		§48-5C-1(a)(1)(E)
Year Enacted		2017
Year Effective	e	2018
Data Source		DOR data
Estimate Relia	ability	Class A
Data Reliabili	ty	Class A
Note		
<b>Description:</b>	The TAVT is	s levied only on the base payments
	agreement.	

under the lease

			State Fiscal	-	
	State Ter Ernenditure		$\frac{2019}{24}$	<u>2020</u> 17	$\frac{2021}{15}$
	State Tax Expenditure Local Tax Expenditure		24 31	30	15 27
	(m) Denotes a value of less than \$1	million	51	30	21
<u>11.015</u>	Treatment of vehicles inv				ss reorganization
	Statute Norm Encoded		)(18), §48-50	2-1(d)(15)	
	Year Enacted Year Effective	2018 2018			
	Data Source	DOR data			
	Estimate Reliability	Class A			
	Data Reliability	Class A Class A			
	Note	Clubb II			
	<b>Description:</b> Vehicles the	ransferred becau	use of a divor	ce decree	are subject to a reduced
		-			rket value and a reduced
					rket value. The transfer of a
		as a result of a	business reor	ganization	is exempt from the title
	fee.		State Fiscal	Vears (\$ i	in Millions)
			2019	<u>2020</u>	2021
	State Tax Expenditure		$\frac{201}{(m)}$	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1	million	~ /		
<u>11.016</u>	Treatment of non-IRP B	uses			
	Statute	§48-5C-1(d	)(7.1)		
	Year Enacted	2018			
	Year Effective	2018			
	Data Source		for HB 329 I	LC28 8929	<b>PS</b> for 2018
	Estimate Reliability	Class A			
	Data Reliability Note	Class A			
		of for-hire cha	rter buses and	d motor co	aches which seat at least 15
					VT to be paid over a 12-
	month per	iod in two equa			
			State Fiscal	-	
			<u>2019</u>	<u>2020</u>	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1	million	(m)	(m)	(m)
<u>11.017</u>	Exemption from TAVT	for vehicles pur	chased by dis	abled first	responders
11.017	Statute	§48-5C-1(a)			responders
	Year Enacted	2019	/(/		
	Year Effective	2019			
	Data Source	Fiscal Note	for SB 138 L	C 43 1258	8 for 2019
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
					as defined on O.C.G.A. 45-
	9-85, or a	surviving spous	se are exempt	from TAV	VT up to a maximum of

\$50,000 in aggregate fair market value combined for all motor vehicles that he or she registers during any three-year period.

			State Fiscal	Years (\$ i	n Millions)
			2019	2020	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	nillion			
<u>11.018</u>	Treatment of Kit Cars				
	Statute	§48-5C-1(1)	(F)		
	Year Enacted	2019			
	Year Effective	2020			
	Data Source	Fiscal Note f	for HB 365 L	C 28 9258	8S for 2019
	Estimate Reliability	Class A			
	Data Reliability	Class A			
	Note				
	<b>Description:</b> Kit cars asse	embled by the	purchasers fr	om parts s	supplied by the
	manufacture	er are taxed bas	sed on the ret	ail price o	f the kit.
			State Fiscal	Years (\$ i	n Millions)
			<u>2019</u>	2020	<u>2021</u>
	State Tax Expenditure		(m)	(m)	(m)
	Local Tax Expenditure		(m)	(m)	(m)
	(m) Denotes a value of less than \$1 m	nillion			

## 12. Special Excise Tax on Consumer Fireworks

An excise tax of 5 percent is levied on gross receipts of the retail sale of fireworks in addition to any state and local taxes otherwise imposed by law. This provision became effective for fiscal years beginning on July 1, 2015. The tax is administered by the Georgia DOR and the proceeds from this excise tax are deposited into the State General Fund. The consumer fireworks tax generated \$1.46 million in state receipts for FY 2018.

## **13. State Hotel-Motel Tax**

An excise tax of \$5.00 per day is levied on each room rented or leased. This provision became effective on July 1, 2015. The tax is administered by the Georgia DOR. Although collections from this tax are deposited in to the State General Fund, they must be appropriated exclusively for transportation purposes. The state hotel-motel tax generated \$175 million in state receipts for FY 2018.

# **Appendix of Tables**

Expenditure	Summary	Tax	Expiration Date
1.6.003	Drivers Education Credit	Total State Credit	12/31/2018
1.6.030/ 2.6.019	Diesel Particulate Emission Reduction Technology Equipment Credit	Total State Credit	12/31/2018
1.6.025/ 2.6.014	Qualified Transportation Credit	Total State Credit	12/31/2018
1.6.024/ 2.6.013	Teleworking Credit	State Individual Income Tax	12/31/2011
1.6.033	Clean Energy Property and Wood Residuals Credit	Total State Credit	12/31/2014
1.6.039	Tax credit for water conservation facilities and qualified water conservation investment property	Total State Credit	12/31/2016
1.6.040	Tax credit for shift from groundwater usage	Total State Credit	12/31/2016
1.6.042	Tax credit for purchase of alternative fuel heavy-duty or medium-duty vehicle	Total State Credit	6/30/2017
2.1.007	Exclusion of health insurance benefits for military retirees and retiree dependents enrolled in Medicare	Federal Corporate Income Tax	1/1/2015
2.2.013	Election to expense 50 percent of qualified property used to refine liquid fuels	Federal Corporate Income Tax	1/1/2015
2.6.028	Tax credit for water-conservation facilities and qualified water-conservation investment property	Total State Credit	12/31/2016
2.6.029	Tax credit for shift from groundwater usage	Total State Credit	12/31/2016
2.6.031	Tax credit for purchases of alternative fuel heavy-duty or medium-duty vehicle	Total State Credit	6/30/2017
2.6.033	Employer tax credit for hiring qualified parolees	Corporate Income Tax	6/30/2010
4.01600	The sale or use of Holy Bibles; testaments, and similar books commonly recognized as being Holy Scripture regardless of by or to whom sold	Sales and Use Tax	2/6/2006
4.02600	Sale of machinery used exclusively for irrigation of crops to persons primarily engaged in producing farm crops for sale	Sales and Use Tax	12/31/2012

Expenditure	Summary	Tax	Expiration Date
4.02700	Sales of sugar for use as food to honey bee producers	Sales and Use Tax	12/31/2012
4.02800	Sale of cattle, hogs, sheep, horses, poultry, or bees when sold for breeding purposes	Sales and Use Tax	12/31/2012
4.02900	Sale of certain types of agricultural machinery	Sales and Use Tax	12/31/2012
4.02910	Off-road equipment and related attachments used exclusively in site preparation, planting, cultivating, or harvesting of timber by persons primarily engaged in growing or harvesting timber	Sales and Use Tax	12/31/2012
4.03400	Certain machinery used in the manufacturing of tangible personal property	Sales and Use Tax	12/31/2012
4.03430	The sale or use of repair or replacement parts, machinery clothing, molds, dies, waxes or tooling for machinery	Sales and Use Tax	12/31/2012
4.03440	Sale of tangible personal property to or used in or for the construction of a new alternative fuel facility primarily dedicated to the production and processing of ethanol, biodiesel, butanol or their by-products	Sales and Use Tax	6/30/2012
4.03500	Certain materials used in industrial packaging	Sales and Use Tax	12/31/2012
4.03700	Machinery and equipment used in combating air and water pollution and any industrial material used in a burning or recycling process	Sales and Use Tax	12/31/2012
4.04900	Liquefied gases and other fuels used in poultry or pullet houses or structures	Sales and Use Tax	12/31/2012
4.04910	Liquefied petroleum gas or other fuel used in a structure where swine are raised	Sales and Use Tax	6/30/2010
4.05800	Graduated exemption for the sale of overhead materials used in government contracts	Sales and Use Tax	1/1/2011
4.06400	Sale of electricity or fuels used exclusively for the operation of an irrigation system on a farm for crop irrigation	Sales and Use Tax	12/31/2012
4.07010	Partial exemption for certain sales of natural or artificial gas, fuel oil, propane, petroleum coke and coal used directly or indirectly in the manufacture or processing of tangible personal property primarily for resale	Sales and Use Tax	12/31/2010
4.07300	Sale of certain production equipment to film producers and film production companies	Sales and Use Tax	1/1/2013

Expenditure	Summary	Tax	Expiration Date
4.07400	Sale or use of digital broadcast equipment sold to, leased to, or used by a federally licensed commercial or public radio or television broadcast station, a cable network, or a cable distributor	Sales and Use Tax	11/1/2008
4.07500	Sales tax holiday for back to school items	Sales and Use Tax	7/31/2016
4.07700	Liquefied gases and other fuels used in structures where plants, floral products, seedlings, and nursery stock are grown for sale	Sales and Use Tax	12/31/2012
4.07800	Materials used to construct a new symphony hall costing in excess of \$200 million that is owned and operated by a nonprofit organization	Sales and Use Tax	9/1/2011
4.07900	Ice used to chill poultry or vegetables during processing or shipment	Sales and Use Tax	12/31/2012
4.08000	Materials used to construct an eligible corporate attraction dedicated to history or products of corporation.	Sales and Use Tax	12/31/2007
4.08200	Sales tax holiday for water-efficient and energy-efficient purchases	Sales and Use Tax	10/2/2016
4.08400	Tangible personal property used for construction of National Infantry Museum and Heritage Park.	Sales and Use Tax	6/30/2008
4.08500	Sale of tangible personal property sold to "qualified job training organization."	Sales and Use Tax	6/30/2010
4.08800	Sale of tangible personal property used in the construction of a qualified civil rights museum	Sales and Use Tax	7/30/2015
4.08900	The sale of an airplane flight simulation training device	Sales and Use Tax	6/30/2011
4.09000	The sale of electricity to a manufacturer located in this state used directly in the manufacture of a product	Sales and Use Tax	12/31/2012
4.09200	Sale to an organization defined by the Internal Revenue Service as an instrumentality of the states relating to the holding of an annual meeting in this state for the period commencing July 1, 2012, and ending on December 31, 2013	Sales and Use Tax	12/31/2013
4.09600	Exemption for sales or use of construction materials used for or in the construction of buildings at a private college	Sales and Use Tax	6/30/2016
6.00100	Motor fuel tax refunds for agricultural purposes	Motor Fuel Tax	6/30/2015
6.00200	Sale of fuel to mass transit vehicles	Motor Fuel Tax	6/30/2015

Expenditure	Summary	Tax	Expiration Date
6.00300	Sale of fuel to campus transportation vehicles	Motor Fuel Tax	6/30/2015
6.00600	Motor fuel tax exemption for public school buses	Motor Fuel Tax	6/30/2015

Expenditure	Summary	State FY 2019	State FY 2020	State FY 2021
Sales Tax Exe	mption for a Business Input <sup>4</sup>			
	Sales of fuel or consumable supplies used by			
	ships engaged in inter-coastal or foreign			
4.01700	commerce	7	7	7
	Machinery and equipment used to handle,		Estimate not	
	move, or store tangible personal property in		available at	
4.03410	certain distribution facilities		this time	
	Machinery and equipment used directly to			
	remanufacture certain aircraft engines or			
4.03420	aircraft engine parts	(m)	(m)	(m)
	Cargo containers and related chassis used for			. /
	storage or shipping by persons engaged in		Estimate not	
	international shipment of tangible personal		available at	
4.03910	property		this time	
			Estimate not	
	The sale or use of paper stock when used to		available at	
4.04500	print catalogs for distribution outside Georgia		this time	
	Sale of crab bait to licensed commercial			
4.04800	fishermen	(m)	(m)	(m)
	Sale of certain machinery and equipment used			
	to improve air quality in a clean room of Class			
4.06000	100,000 or less	(m)	(m)	(m)
	Sale of dyed diesel fuel used exclusively for			( )
	operations of vessels or boats by licensed			
4.06500	commercial fishermen	1	1	1
	Sale of certain computer equipment when the		Estimate not	
	total qualifying purchases by a high technology		available at	
4.06800	company exceed \$15 million		this time	
			Estimate	
	Sales of machinery and equipment and material		Combined	
	incorporated and used in a clean room of Class		with	
4.06900	100 or less		4.06000	
	Sale of natural gas used directly in the			
4.07000	manufacture of electricity	65	76	89
	The purchase of food and nonalcoholic			
	beverages provided at no charge aboard a			
4.08100	qualified airline	4	4	5
	Sale of biomass materials used to produce			
4.08300	electricity or steam intended for sale	2	2	2
	The sale, use, consumption, or storage of			
	materials, containers, labels, sacks, or bags used		Estimate	
	for packaging tangible personal property for		Combined	
4.09400	shipment or sale		with 4.3.3	

Table 2: Sales and	use tax	expenditures	by ty	pe

 $<sup>\</sup>overline{}^{4}$  Sales tax exemptions which are defined primarily as an exemption for a profit making business.

State     State				
Expenditure	Summary	State FY 2019	State FY 2020	State FY 2021
Expenditure	Exemptions for energy, machinery or	F 1 2019	<b>F 1 2020</b>	F 1 2021
	equipment, industrial material, and consumable			
4.3.2	supplies used in manufacturing	3,232	3,397	3,540
4.3.2	Sale and use by a qualified agriculture producer	3,232	5,597	3,340
	of agricultural production inputs, energy used			
	in agriculture, and agricultural machinery and			
4.3.3	equipment	166	175	182
4.3.4	Exemption for qualified boat repairs	(m)	(m)	(m)
		(111)	(11)	(111)
Sales Tax Exe	mption for a Specific Item <sup>5</sup>		Estimate not	
	Federal retailer's excise tax if separately		Estimate not	
4 00200	itemized to the consumer and Georgia motor		available at	
4.00300	fuel tax imposed on the sale of motor fuel		this time	
	Sales of transportation furnished by a county or			
4 00 4 00	municipal public transit system or public transit authorities	8	8	8
4.00400	autionnes	0	o Estimate	0
			combined	
	Salas of transportation furnished by an		with	
4.00500	Sales of transportation furnished by an approved and authorized urban transit system		4.00400	
4.00300	School lunches sold and served to pupils and		4.00400	
4.01200	employees of public schools	6	6	6
4.01200	School lunches sold and served to pupils and	0	0	0
4.01300	employees of approved private schools	1	1	1
	Charges for transportation of tangible personal	-	Estimate not	1
	property made in connection with interstate or		available at	
4.01800	intrastate transportation		this time	
	Water delivered through water mains, lines, or			
4.02000	pipes	67	71	74
			See	
			expenditure	
			estimates for	
	Professional, insurance or personal service		services	
	transactions which involve sales as		4.50003,	
	inconsequential elements for which no separate		450007, and	
4.02200	charge is made		4.50011	
			See	
			expenditure	
			estimates for	
	Repair services when a separate charge is made		services	
4.02300	to the customer		4.50006	
	Rental of videotape or film to persons charging			
4.02400	admission to view the tape or film	7	7	7

	Table 2: Sales and	use tax	expenditures	by type
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<sup>&</sup>lt;sup>5</sup> Sales tax exemptions which are defined primarily by the item being purchased and not defined, or only generally defined, by the seller or purchaser.

		State	State	State
Expenditure	Summary	FY 2019	FY 2020	FY 2021
			Estimate not	
			available at	
4.03300	Common or common and contract carriers		this time	
	Use or lease of tangible personal property when			
	the lessor and lessee are under 100 percent			
	common ownership and where the person who		Estimate not	
4.0.4000	furnishes, leases, or rents the property has paid		available at	
4.04200	sales or use tax on the property		this time	
	Revenues from coin-operated amusement			
4.0.4000	machines for which individual permits are	20	21	22
4.04300	required	29	31	32
	Sale of drugs dispensed by prescription,			
	prescription glasses, contact lenses, contact lens			
4 0 4 7 0 0	samples and sales or use of certain controlled	410	120	100
4.04700	substances or dangerous drugs	418	438	462
	Sales of insulin syringes and blood glucose			
4 05000	level measuring strips dispensed without a	24	26	27
4.05000	prescription	24	20	21
4.05100	Sale of oxygen when prescribed by a licensed physician	(m)	(m)	(m)
				. ,
4.05200	Sale or use of hearing aids	6	6	7
	Sale or use of any durable medical equipment	•		
4.05400	or prosthetic device prescribed by a physician	38	41	46
4.05500	Sale of Georgia lottery tickets	180	185	191
4.05700	Food purchased for off-premises consumption	636	665	700
			Estimate not	
	Advertising inserts that are used in newspapers		available at	
4.06100	for resale		this time	
	Sod grass sold in the original state of			
	production by the sod producer, employee of			
4.06200	the producer, or family member of the producer	3	3	4
4.06600	Sale of gold, silver, or platinum bullion	1	1	1
4.06700	Sale of coins or currency	1	1	1
	The sale of prewritten software which has been	*	Estimate not	•
	delivered to the purchaser electronically or by		available at	
4.09100	means of load and leave		this time	
1107100	Exemption for sales of tickets to a qualified fine			
4.10000	arts performance or exhibition	4	4	0
	Partial exemption for qualified manufactured	· · ·		, v
4.10200	homes	3	3	4
4.3.5	Exemption for the sale and use of jet fuel	47	0	0
4.90000	Sales tax exemption for casual sales	2	2	2

## Table 2: Sales and use tax expenditures by type

Expenditure	Summary	State FY 2019	State FY 2020	State FY 2021
Sales Tax Exe	mption for a Specific Purchaser <sup>6</sup>			
	Sales to Federal Government, State of Georgia		Estimate not	
	or a county or municipality in Georgia or any		available at	
4.00100	agency of such governments		this time	
			Estimate	
			combined	
	Sales to any Hospital Authority created by		with	
4.00600	Georgia law		4.00700	
	Sales to any Housing Authority created by			
4.00610	Georgia law	3	3	3
	Sales to local government authorities created on			
	or after January 1, 1980 for the principal			
	purpose of constructing, owning, or operating a			
4.00620	coliseum and related facilities	(m)	(m)	(m)
	Sales to any agricultural commission created by	(111)	(111)	(111)
4.00630	the Department of Agriculture	(m)	(m)	(m)
1.00050	Sales of tangible personal property and services		(III)	(III)
	to an approved nursing home, inpatient hospice,			
	general hospital or mental hospital when used			
4.00700	specifically in the treatment function	117	124	131
4.00700	Sales of tangible personal property to a non-	117	124	151
	profit health center established and receiving			
	funds pursuant to the U.S. Public Health			
4.00705	Service Act	1	1	1
4.00703	Sales of tangible personal property and services	1	1	1
	to a nonprofit organization whose primary			
	function is to provide services to persons with			
4.00710	intellectual disabilities	1	1	1
4.00710		1	1	1
4.00720	Sales to Georgia Society of the Daughters of the American Revolution	(m)	(m)	(m)
4.00720		(m)	(m)	(m)
	Sales of tangible property and services to a			
	nonprofit volunteer health clinic primarily			
4 00720	treating patients with incomes below 200	1	0	0
4.00730	percent of the poverty level	1	0	0
	Sales of tangible personal property and services			
4 00000	to the University System of Georgia and its	40	51	<b>E</b> A
4.00800	educational units	48	51	54
	Sale of tangible personal property and services			
	used exclusively in the educational function of		Estimate	
	an approved private college or university		combined	
1 0 0 0 0 0	located in Georgia in which the credits are		with	
4.00900	accepted by the University System of Georgia		4.00800	

<sup>&</sup>lt;sup>6</sup> Sales tax exemptions which are defined primarily by the purchaser and not defined, or only generally defined, by the seller or the item being purchased.

	Table 2: Sales and use tax expendi	State	State	State	
Expenditure	Summary	FY 2019	FY 2020	FY 2021	
	Sales of tangible personal property and services				
	used exclusively in the educational function of				
	an approved private elementary or secondary				
4.01000	school	6	6	6	
	Sale of tangible personal property or services				
	to, and the purchase of tangible personal				
	property or services by, any educational or				
4.01100	cultural institute	(m)	(m)	(m)	
	All tangible personal property purchased				
	outside this state by a nonresident when the		Estimate not		
	property is brought into Georgia upon the		available at		
4.01900	nonresident becoming a resident		this time		
	Sales, transfers or exchanges of tangible				
	personal property resulting from business				
	reorganization when the owners, partners, or		Estimate not		
	stockholders maintain the same proportionate		available at		
4.02100	interest or share in the newly formed business		this time		
1.02100	Sale of tangible personal property				
	manufactured or assembled in Georgia for		Estimate not		
	export when delivery is taken outside of		available at		
4.03100	Georgia		this time		
4.03100					
	Machinery and equipment used in a facility for				
4.02600	the primary purpose of reducing or eliminating		()	()	
4.03600	air and water pollution	(m)	(m)	(m)	
	Machinery and equipment used for water		Estimate not		
1 0 0 4 1 0	conservation and incorporated into a qualified		available at		
4.03610	water conservation facility.		this time		
	Sale of major components or repair parts				
	installed in military aircraft, vehicles, or				
4.04000	missiles	17	16	15	
	Sale of tangible personal property and services				
	to a nonprofit child-caring institution, child-				
4.04100	placing agency, or maternity home	1	1	1	
	Sale of tangible personal property or taxable				
4.04600	services to nonprofit blood banks	2	2	2	
4.06810	High-Tech Data Center Equipment Exemption	8	15	15	
1.00010	Sale to or by an organization whose primary	0	10	10	
	purpose is to raise funds for books, materials,				
4.07100	and programs for public libraries	(m)	(m)	(m)	
J.07100	Exemption for personal property used in the	(m)	(m)	(111)	
4 07600	renovation or expansion of an aquarium	1	1	1	
4.07600	· · ·	1	1	1	
	Sale of tangible personal property used for and				
	in the construction of a competitive project of				
	regional significance, for the period				
4.00000	commencing January 1, 2012, until June 30,		<u>_</u>	0	
4.09300	2019	9	9	9	

Table 2: Sales	and use	tax ex	nenditures	hv type
Table 2. Sales	anu use	тал сл	penuitures	by type

State     State     State						
Expenditure	Summary	FY 2019	FY 2020	FY 2021		
	Sales of admission to a nonrecurring major					
4.09700	sporting event	1	3	1		
	Sales of tangible personal property and services					
4.09800	to a qualified job training organization	1	1	0		
	Exemption for construction materials used in					
4.10300	construction of an automobile museum	(m)	(m)	(m)		
	Exemption for poultry diagnostic and disease					
4.10400	monitoring service nonprofit organization	(m)	(m)	(m)		
Sales Tax Exe	mption for a Specific Purchaser of a Specific Ite	m <sup>7</sup>				
	Sales of art and other artifacts for display or					
4.01400	exhibition to museums	1	1	1		
	Sales of pipe organs or steeple bells to any					
4.01510	church qualifying as a nonprofit	(m)	(m)	(m)		
	Vehicles purchased by service-connected					
	disabled veterans when the U.S. Dept. of					
	Veterans Affairs supplies a grant to purchase					
4.03000	and specially adapted the vehicle	(m)	(m)	(m)		
	Aircraft, watercraft, motor vehicles, and other					
	transportation equipment manufactured or		Estimate not			
	assembled in this State for exclusive use		available at			
4.03200	outside Georgia		this time			
	Sale of motor vehicles to nonresident					
	purchasers when vehicles are immediately		Estimate not			
	removed from Georgia and titled in another		available at			
4.04400	state		this time			
	Transactions where food stamps or WIC					
4.05300	coupons are used as the method of payment	82	74	67		
	Sales of food and beverages to a qualified food					
4.05710	bank (expires June 30, 2021)	1	1	1		
	Funeral merchandise when paid with funds					
	from the Georgia Crime Victims Emergency					
4.06300	Fund	(m)	(m)	(m)		
	Sale of prescribed mobility enhancing					
4.07200	equipment	2	2	2		
	Sales of engines, parts, equipment and other					
4 00 600	tangible personal property used in the					
4.08600	maintenance or repair of certain aircraft	21	21	22		
1 00000	Exemption for expenses related to the			~		
4.09900	renovation or expansion of qualified theatres	(m)	0	0		
4 10100	The sale of certain written material by a	_	0	0		
4.10100	nonprofit	7	8	8		

Table 2: Sales and use tax expenditures by type

<sup>&</sup>lt;sup>7</sup> Sales tax exemptions which are specifically defined by the purchaser as well as the item being purchased.

		State	State	State
Expenditure	Summary	FY 2019	FY 2020	FY 2021
	Tangible personal property furnished by the			
	Federal Government or any county or			
	municipality used by a contractor in the		Estimate not	
	installation, repair, or extension of any public		available at	
4.00200	water, gas, or sewer system		this time	
	Specific fundraising sales by any religious			
	institution lasting no more than 30 days in a			
	calendar year and sales of religious paper when			
	the paper is owned and operated by the			
4.01500	religious institution	(m)	(m)	(m)
	Sale of tangible personal property and fees and			
	charges for services by the Rock Eagle 4-H			
4.03800	Center	(m)	(m)	(m)
	Certain sales by a public or private school of			
	tangible personal property, concessions, and			
4.03900	tickets for admission to school functions	2	2	2
	Sale by any qualified nonprofit parent-teacher			
4.05600	organization	(m)	(m)	(m)
	Exemption for prepared food and food			
	ingredients that are donated to a qualified			
	nonprofit agency and used for hunger relief			
4.05720	purposes	3	3	3
	Exemption for food and food ingredients that			
	are donated following a natural disaster and			
4.05730	used for disaster relief	(m)	(m)	0
	Sale of eligible food and beverages by any Girl			
4.05900	or Boy Scout council	1	1	1
			Estimate not	
			available at	
4.3.6	Exemption for sales within an enterprise zone		this time	
	Compensation of dealers for reporting and			
4.70000	paying tax	73	77	80

		• •
Table 2: Sales and us	se tax expenditur	es by type

## **Tables 3-9: Distributional tables of selected provisions**

Tables 3 through 9 provide information on the distribution across Georgia AGI for selected exemptions and deductions from the state personal income tax. The data used to produce the tables is from the state personal income tax files for 2016. It has not been adjusted for inflation nor does it reflect any legislative changes that may have occurred since 2016. Column 1 of each table provides the categories of Georgia AGI. Column 2 (Number of Returns) provides the number of returns for each AGI category. Column 3 (Average Value) gives the average value of the tax exemption or deduction taken by filers in each AGI category. Column 4 (Total) provides the total value of the deduction or exemption associated with each AGI category and column 5 (Percent of Total) provides the percent of the total value of the deduction or exemption that falls into that AGI category.

Table 3: Total Personal Exemptions						
	Number of	Average	Total	Percent of		
	Returns	Value		Total Dollars		
$GA AGI \leq 0$	339,462	\$4,934	\$1,675,021,100	6.1%		
0 <ga agi="" td="" ≤\$25,000<=""><td>1,518,515</td><td>\$5,336</td><td>\$8,103,305,400</td><td>29.7%</td></ga>	1,518,515	\$5,336	\$8,103,305,400	29.7%		
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>930,323</td><td>\$6,516</td><td>\$6,061,879,900</td><td>22.2%</td></ga>	930,323	\$6,516	\$6,061,879,900	22.2%		
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>753,106</td><td>\$7,641</td><td>\$5,754,237,400</td><td>21.1%</td></ga>	753,106	\$7,641	\$5,754,237,400	21.1%		
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>550,937</td><td>\$9,793</td><td>\$5,395,217,500</td><td>19.7%</td></ga>	550,937	\$9,793	\$5,395,217,500	19.7%		
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>22,326</td><td>\$10,590</td><td>\$236,441,700</td><td>0.9%</td></ga>	22,326	\$10,590	\$236,441,700	0.9%		
GA AGI >\$1,000,000	10,185	\$10,188	\$103,760,000	0.4%		
Total	4,124,854	\$6,626	\$27,329,863,000	100.0%		
FF1				-		

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The percent of total column may not sum to 100 percent due to rounding.

Table 4: Retirement Income Exclusion						
	Number of	Average	Total	Percent of		
	Returns	Value		Total Dollars		
$GA AGI \leq 0$	354,855	\$29,739	\$10,552,939,835	43.5%		
0 <ga agi="" td="" ≤\$25,000<=""><td>196,869</td><td>\$27,072</td><td>\$5,329,553,131</td><td>21.9%</td></ga>	196,869	\$27,072	\$5,329,553,131	21.9%		
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>99,603</td><td>\$26,368</td><td>\$2,626,344,797</td><td>10.8%</td></ga>	99,603	\$26,368	\$2,626,344,797	10.8%		
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>93,274</td><td>\$28,211</td><td>\$2,631,398,463</td><td>10.8%</td></ga>	93,274	\$28,211	\$2,631,398,463	10.8%		
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>70,366</td><td>\$38,097</td><td>\$2,680,729,035</td><td>11.0%</td></ga>	70,366	\$38,097	\$2,680,729,035	11.0%		
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>4,434</td><td>\$61,508</td><td>\$272,726,003</td><td>1.1%</td></ga>	4,434	\$61,508	\$272,726,003	1.1%		
GA AGI >\$1,000,000	2,657	\$72,807	\$193,448,080	0.8%		
Total	822,058	\$29,544	\$24,287,139,344	100.0%		

## Table 1. Detiroment Income Evolution

The percent of total column may not sum to 100 percent due to rounding.

	Number of	Average	Total	Percent of
	Returns	Value		Total Dollars
$GA AGI \leq 0$	2,151	\$3,996	\$8,594,627	4.7%
0 <ga agi="" td="" ≤\$25,000<=""><td>1,964</td><td>\$3,109</td><td>\$6,106,547</td><td>3.4%</td></ga>	1,964	\$3,109	\$6,106,547	3.4%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>2,367</td><td>\$2,583</td><td>\$6,113,858</td><td>3.4%</td></ga>	2,367	\$2,583	\$6,113,858	3.4%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>6,806</td><td>\$2,536</td><td>\$17,262,294</td><td>9.5%</td></ga>	6,806	\$2,536	\$17,262,294	9.5%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>29,817</td><td>\$4,120</td><td>\$122,845,083</td><td>67.5%</td></ga>	29,817	\$4,120	\$122,845,083	67.5%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>2,054</td><td>\$7,575</td><td>\$15,558,434</td><td>8.5%</td></ga>	2,054	\$7,575	\$15,558,434	8.5%
GA AGI >\$1,000,000	640	\$8,727	\$5,585,129	3.1%
Total	45,799	\$3,975	\$182,065,972	100.0%

## Table 5: Georgia Higher Education Savings Plan Deduction

The percent of total column may not sum to 100 percent due to rounding.

## **Table 6: Interest on U.S. Obligations**

	N1 f	A		Democratica
	Number of	Average	Total	Percent of
	Returns	Value		Total Dollars
$GA AGI \leq 0$	21,087	\$33,471	\$705,802,426	90.8%
0 <ga agi="" td="" ≤\$25,000<=""><td>6,543</td><td>\$2,123</td><td>\$13,887,806</td><td>1.8%</td></ga>	6,543	\$2,123	\$13,887,806	1.8%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>4,117</td><td>\$1,935</td><td>\$7,966,960</td><td>1.0%</td></ga>	4,117	\$1,935	\$7,966,960	1.0%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>6,351</td><td>\$1,929</td><td>\$12,250,783</td><td>1.6%</td></ga>	6,351	\$1,929	\$12,250,783	1.6%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>11,942</td><td>\$1,917</td><td>\$22,894,493</td><td>2.9%</td></ga>	11,942	\$1,917	\$22,894,493	2.9%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>1,752</td><td>\$2,001</td><td>\$3,505,198</td><td>0.5%</td></ga>	1,752	\$2,001	\$3,505,198	0.5%
GA AGI >\$1,000,000	1,528	\$7,210	\$11,017,431	1.4%
Total	53,320	\$14,578	\$777,325,097	100.0%

The percent of total column may not sum to 100 percent due to rounding.

## Table 7: Blind and Age 65 Deductions

Tuble	Tuble 7. Diffu and Age of Deductions						
	Number of	Average	Total	Percent of			
	Returns	Value		Total Dollars			
$GA AGI \leq 0$	203,415	\$1,836	\$373,521,200	56.1%			
0 <ga agi="" td="" ≤\$25,000<=""><td>104,056</td><td>\$1,766</td><td>\$183,738,100</td><td>27.6%</td></ga>	104,056	\$1,766	\$183,738,100	27.6%			
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>36,368</td><td>\$1,732</td><td>\$63,005,800</td><td>9.5%</td></ga>	36,368	\$1,732	\$63,005,800	9.5%			
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>20,760</td><td>\$1,746</td><td>\$36,241,400</td><td>5.4%</td></ga>	20,760	\$1,746	\$36,241,400	5.4%			
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>4,832</td><td>\$1,861</td><td>\$8,994,700</td><td>1.4%</td></ga>	4,832	\$1,861	\$8,994,700	1.4%			
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>110</td><td>\$1,867</td><td>\$205,400</td><td>0.0%</td></ga>	110	\$1,867	\$205,400	0.0%			
GA AGI >\$1,000,000	71	\$1,923	\$136,500	0.0%			
Total	369,612	\$1,801	\$665,843,100	100.0%			

The percent of total column may not sum to 100 percent due to rounding.

	Number of	Average	Total	Percent of
	Returns	Value		Total Dollars
$GA AGI \le 0$	244,495	\$2,576	\$629,811,400	9.5%
0 <ga agi="" td="" ≤\$25,000<=""><td>1,384,548</td><td>\$2,369</td><td>\$3,280,224,900</td><td>49.6%</td></ga>	1,384,548	\$2,369	\$3,280,224,900	49.6%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>673,340</td><td>\$2,463</td><td>\$1,658,318,000</td><td>25.1%</td></ga>	673,340	\$2,463	\$1,658,318,000	25.1%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>330,876</td><td>\$2,677</td><td>\$885,862,000</td><td>13.4%</td></ga>	330,876	\$2,677	\$885,862,000	13.4%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>56,755</td><td>\$2,884</td><td>\$163,701,000</td><td>2.5%</td></ga>	56,755	\$2,884	\$163,701,000	2.5%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>326</td><td>\$2,728</td><td>\$889,200</td><td>0.0%</td></ga>	326	\$2,728	\$889,200	0.0%
GA AGI >\$1,000,000	218	\$2,824	\$615,700	0.0%
Total	2,690,558	\$2,460	\$6,619,422,200	100.0%

## **Table 8: Standard Deduction**

The percent of total column may not sum to 100 percent due to rounding.

## **Table 9: Federally Taxable Social Security Benefits**

	Number of	Average	Total	Percent of
	Returns	Value		Total Dollars
GA AGI $\leq 0$	230,308	\$13,525	\$3,114,928,335	37.8%
0 <ga agi="" td="" ≤\$25,000<=""><td>118,152</td><td>\$13,826</td><td>\$1,633,569,444</td><td>19.8%</td></ga>	118,152	\$13,826	\$1,633,569,444	19.8%
\$25,000 <ga agi="" td="" ≤\$50,000<=""><td>82,119</td><td>\$15,511</td><td>\$1,273,780,988</td><td>15.5%</td></ga>	82,119	\$15,511	\$1,273,780,988	15.5%
\$50,000 <ga agi="" td="" ≤\$100,000<=""><td>65,952</td><td>\$18,893</td><td>\$1,246,057,378</td><td>15.1%</td></ga>	65,952	\$18,893	\$1,246,057,378	15.1%
\$100,000 <ga agi="" td="" ≤\$500,000<=""><td>38,866</td><td>\$22,353</td><td>\$868,776,658</td><td>10.5%</td></ga>	38,866	\$22,353	\$868,776,658	10.5%
\$500,000 <ga agi="" td="" ≤\$1,000,000<=""><td>2,318</td><td>\$27,579</td><td>\$63,927,883</td><td>0.8%</td></ga>	2,318	\$27,579	\$63,927,883	0.8%
GA AGI >\$1,000,000	1,401	\$29,377	\$41,156,747	0.5%
Total	539,116	\$15,288	\$8,242,197,433	100.0%

The percent of total column may not sum to 100 percent due to rounding.