

GA H 1023, Enacted

Georgia

SUMMARY: Relates to revenue and taxation, so as to match the rate of the income tax imposed on corporations to that imposed on individual taxpayers; extends the time within which a corporation shall not be subject to penalty due to late filing; provides for legislative construction.~SAME AS:

Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

Current Legislative Status

01/24/2024 INTRODUCED.

01/25/2024 To HOUSE Committee on WAYS AND MEANS.

01/26/2024 In HOUSE: Read 2nd time.

02/22/2024 From HOUSE Committee on WAYS AND MEANS: Favorably reported as substituted.

02/22/2024 Recommitted to HOUSE Committee on WAYS AND MEANS.

02/26/2024 From HOUSE Committee on WAYS AND MEANS: Favorably reported as substituted.

02/29/2024 In HOUSE. Read third time. Passed HOUSE. *****To SENATE.

03/04/2024 To SENATE Committee on FINANCE.

03/14/2024 From SENATE Committee on FINANCE: Favorably reported.

03/18/2024 In SENATE: Read 2nd time.

03/20/2024 In SENATE. Read third time. Passed SENATE.

03/20/2024 Eligible for GOVERNOR'S desk.

04/01/2024 *****To GOVERNOR.

04/18/2024 Signed by GOVERNOR.

04/18/2024 Act No. 376

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session: Georgia 157th General Assembly 2023-24 Regular Session

cite: 2023 GA H 1023

Enacted - Final

April 18, 2024

Williamson

Act No. 376

House Bill 1023 (AS PASSED HOUSE AND SENATE)

By: Representatives Williamson of the 112th, Blackmon of the 146th, Crowe of the 118th, Silcox of the 53rd, Hilton of the 48th, and others

A BILL TO BE ENTITLED

AN ACT

To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, so as to match the rate of the income tax imposed on corporations to that imposed on individual taxpayers; to extend the time within which a corporation shall not be subject to penalty due to late filing; to provide for legislative construction; to provide for related matters; to provide for an effective date and applicability; to repeal conflicting laws; and for

other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is amended by revising subsection (a) and division (b)(7)(C)(ii) of Code Section 48-7-21, relating to taxation of corporations, as follows:

"(a) Every domestic corporation and every foreign corporation shall pay annually an income tax ~~equivalent to 5.75 percent of~~ **on** its Georgia taxable net income **at the same rate of the tax imposed on individuals under subsection (a.1) of Code Section 48-7-20 for the corresponding taxable year**. Georgia taxable net income of a corporation shall be the corporation's taxable income from property owned or from business done in this state. A corporation's taxable income from property owned or from business done in this state shall consist of the corporation's taxable income as defined in the Internal Revenue Code of 1986, with the adjustments provided for in subsection (b) of this Code section and allocated and apportioned as provided in Code Section 48-7-31."

"(ii) Notwithstanding the provisions of subparagraph (B) of this paragraph, an electing Subchapter 'S' corporation, with respect to a taxable period, shall pay an income tax ~~equivalent to 5.75 percent of~~ **on** its net income **at the same rate of the tax imposed on individuals under subsection (a.1) of Code Section 48-7-20 for the corresponding taxable year** as computed pursuant to this Code section, and allocated and apportioned pursuant to Code Section 48-7-31, for such taxable period, and such shareholders shall not recognize their respective share of the portion of income on which tax was actually paid pursuant to this subparagraph."

SECTION 2.

Said title is further amended by revising paragraph (3) of subsection (b) of Code Section 48-7-23, relating to taxation of partnerships, computation of net income, disallowance of charitable contributions, individual liability of partners, individual returns of distributive shares, taxable years, and elections, as follows:

"(3) Notwithstanding subsection (a) of this Code section, an electing partnership with respect to a taxable period shall pay an income tax ~~equivalent to 5.75 percent of~~ **on** its net income **at the same rate of the tax imposed on individuals under subsection (a.1) of Code Section 48-7-20 for the corresponding taxable year** as computed pursuant to **this** Code Section ~~48-7-23~~, and allocated and apportioned pursuant to Code Section 48-7-31, for such taxable period, and such partners shall not recognize their respective share of the portion of income on which tax was actually paid pursuant to this subsection."

SECTION 3.

Said title is further amended by revising subsection (d) of Code Section 48-7-57, relating to penalty for failure to file timely return, rate, maximum, failure due to reasonable cause, reduction of tax due by partial payment, credit, or other penalty, and applicability of federal return extension to state return, as follows:

"(d) **(1)** No penalty due to late filing shall be incurred by a taxpayer if the taxpayer attaches to ~~his~~ **the state** return a copy of an approved extension of time within which to file ~~his~~ **the** federal income tax return which has been granted by the Internal Revenue Service and also files ~~his~~ **the** state return within the period of time specified in the extension **or, for tax years beginning on or after January 1, 2025, in the case of a corporate taxpayer, within the period of time specified in the extension, plus one month**. In such instances, the taxpayer need not apply to the commissioner for an extension of time within which to file ~~his~~ **the** state return.

(2) Nothing in paragraph (1) of this subsection shall allow a taxpayer to defer payment of a corporate income tax liability beyond the original due date provided for in Code Section 48-7-56."

SECTION 4.

This Act shall become effective on July 1, 2024, and shall be applicable to all taxable years beginning on or after January 1, 2024.

SECTION 5.

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