2013 GA H 958 , Enacted - Interim

Georgia

SUMMARY: Relates to revenue and taxation; changes certain provisions relating to the state income tax credit for qualified entertainment production companies; provides for a new exemption from state sales and use taxes to qualified food banks; provides for a new exemption from state sales and use taxes for covered items on specified dates; provides a new exemption for purchase of energy efficient products or water efficient products to extend the exemption from state sales and use taxes.~SAME AS:

Legislative History and Analysis

Changes in Bill text reflected as:

~~**Text Deleted**~~

Text Added

~~**Text Vetoed**~~

Current Legislative Status

02/07/2014 INTRODUCED.

02/10/2014 To HOUSE Committee on WAYS AND MEANS.

02/11/2014 In HOUSE: Read 2nd time.

02/26/2014 From HOUSE Committee on WAYS AND MEANS: Favorably reported as substituted.

03/03/2014 In HOUSE. Read third time. Passed HOUSE. *****To SENATE.

03/04/2014 To SENATE Committee on FINANCE.

03/07/2014 From SENATE Committee on FINANCE: Favorably reported as substituted.

03/10/2014 In SENATE: Read 2nd time.

03/12/2014 In SENATE. Read third time. Passed SENATE. *****To HOUSE for concurrence.

03/13/2014 In HOUSE. HOUSE concurred in SENATE Substitute.

03/13/2014 Eligible for GOVERNOR'S desk.

03/25/2014 *****To GOVERNOR.

04/14/2014 Signed by GOVERNOR.

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session: Georgia 152nd General Assembly -- 2013-14 Regular Session

cite: 2013 GA H 958

Enacted - Interim

April 14, 2014

Nimmer

House Bill 958 (AS PASSED HOUSE AND SENATE)

By: Representatives Nimmer of the 178th, Coomer of the 14th, Riley of the

50th, England of the 116th, Harbin of the 122nd, 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 change certain provisions relating to the state income tax credit for qualified entertainment production companies; to provide for a new exemption from state sales and use taxes to qualified food banks; to provide for a new exemption from state sales and use taxes for covered items on specified dates; to provide a new exemption for purchase of energy efficient products or water efficient products to extend the exemption from state sales and use taxes for competitive projects of regional significance; 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 paragraph (7) of subsection (b) and subsection (e) of Code Section 48-7-40.26, relating to the income tax credit for film, video, or digital production, as follows:

"(7) 'Qualified interactive entertainment production company' means a company ~~**whose gross income is less than $100 million that is primarily engaged in qualified production activities related to interactive entertainment which has been approved by the Department of Economic Development.**~~ ***that:***

(A) Maintains a business location physically located in Georgia;

(B) In the calendar year directly preceding the start of the taxable year of the qualified interactive entertainment production company, had a total aggregate payroll of $500,000.00 or more for employees working within the state;

(C) Has gross income less than $100 million for the taxable year; and

(D) Is primarily engaged in qualified production activities related to interactive entertainment which have been approved by the Department of Economic Development.

This term shall not mean or include any form of business owned, affiliated, or controlled, in whole or in part, by any company or person which is in default on any tax obligation of the state, or a loan made by the state or a loan guaranteed by the state."

"(e)(1) In no event shall the aggregate amount of tax credits allowed under this Code section for qualified interactive entertainment production companies and affiliates exceed $25 million ***for taxable years beginning on or after January 1, 2013, and before January 1, 2014***. The maximum credit for any qualified interactive entertainment production company and its affiliates shall be $5 million ***for such taxable year***. When the $25 million cap is reached, the tax credit for qualified interactive entertainment production companies shall expire for such ~~**period**~~ ***taxable years***.

(2) For taxable years beginning on or after January 1, 2014, and before January 1, 2015, the amount of tax credits allowed under this Code section for qualified interactive entertainment production companies and affiliates shall not exceed $12.5 million.

(3) For taxable years beginning on or after January 1, 2015, and before January 1, 2016, the amount of tax credits allowed under this Code section for qualified interactive entertainment production companies and affiliates shall not exceed $12.5 million.

(4) The tax credits allowed under this Code section for qualified interactive entertainment production companies and affiliates shall not be available for taxable years beginning on or after January 1, 2016.

(5) The maximum allowable credit claimed for any qualified interactive entertainment production company and its affiliates shall not exceed $1.5 million in any single year.

(6) The commissioner shall allow the tax credits for qualified interactive entertainment production companies on a first come, first served basis based on the date the credits are claimed.

(7) No qualified interactive entertainment production company shall be allowed to claim an amount of tax credits under this Code section for any single year in excess of its total aggregate payroll expended to employees working within this state for the calendar year directly preceding the start of the year the qualified interactive entertainment production company claims the tax credits. Any amount in excess of such limit shall not be eligible for carry forward to the succeeding years' tax liability, nor shall such excess amount be eligible for use against the qualified interactive entertainment production company's quarterly or monthly payment under Code Section 48-7-103, nor shall such excess amount be assigned, sold, or transferred to any other taxpayer.

(8) Before the Department of Economic Development issues its approval to the qualified interactive

entertainment production company for the qualified production activities related to interactive entertainment, the qualified interactive entertainment production company must certify to the department that:

(A) The qualified interactive entertainment production company maintains a business location physically located in this state; and

(B) The qualified interactive entertainment production company had expended a total aggregate payroll of $500,000.00 or more for employees working within this state during the calendar year directly preceding the start of the taxable year of the qualified interactive entertainment production company.

The department shall issue a certification that the qualified interactive entertainment production company meets the requirements of this paragraph; provided, however, that the department shall not issue any certifications before July 1, 2014. The qualified interactive entertainment production company shall provide such certification to the Department of Economic Development. The Department of Economic Development shall not issue its approval until it receives such certification.

~~**(2) The commissioner shall allow the tax credits for qualified interactive entertainment production companies on a first come, first served basis based on the date the credits are claimed. When the $25 million cap is reached, the tax credit for qualified interactive entertainment production companies shall expire.**~~ "

SECTIONS NOT PERTAINING TO THE FILM INCENTIVE HAVE BEEN OMITTED.

SECTION 3.

(a) This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

(b) Section 1 of this Act shall be applicable to all taxable years beginning on or after January 1, 2014.

SECTION 4.

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