

House Bill 82 (AS PASSED HOUSE AND SENATE)

By: Representatives Jackson of the 128th, Hawkins of the 27th, Cooper of the 45th, Williams of the 168th, Beverly of the 143rd, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated,
2 relating to imposition, rate, computation, exemptions, and credits relative to state income
3 taxes, so as to limit eligibility for the rural physician tax credit to persons qualifying as a
4 rural physician on or before May 15, 2024; to provide for automatic repeal; to create a new
5 tax credit for rural physicians and dentists; to provide for proration; to provide for conditions
6 and limitations; to provide for an aggregate cap; to provide for a sunset date; to provide for
7 related matters; to provide for an effective date and applicability; to repeal conflicting laws;
8 and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to
12 imposition, rate, computation, exemptions, and credits relative to state income taxes, is
13 amended by revising Code Section 48-7-29, relating to tax credits for rural physicians, as
14 follows:

15 "48-7-29.

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

17 (1) 'Rural county' means a county in this state that has ~~65 persons per square mile or~~
18 ~~fewer according to the United States decennial census of 1990 or any future such census~~
19 a population of less than 50,000 according to the United States decennial census of 2020
20 or any future such census; provided, however, that for counties which contain a military
21 base or installation, the military personnel and their dependents living in such county
22 shall be excluded from the total population of such county for purposes of this definition.

23 (2) 'Rural hospital' means an acute-care hospital located in a rural county that contains
24 fewer than 100 beds.

25 (3) 'Rural physician' means a physician licensed to practice medicine in this state, who
26 practices in a rural county and resides in a rural county or a county contiguous to the rural
27 county in which such physician practices and primarily admits patients to a rural hospital
28 and practices in the fields of family practice, obstetrics and gynecology, pediatrics,
29 internal medicine, or general surgery.

30 (b)(1) A person qualifying as a rural physician on or before May 15, 2024, shall be
31 allowed a credit against the tax imposed by Code Section 48-7-20 in an amount not to
32 exceed \$5,000.00. The tax credit may be claimed for not more than five years, provided
33 that the physician continues to qualify as a rural physician. In no event shall the amount
34 of the tax credit exceed the taxpayer's income tax liability, and any unused tax credit shall
35 not be allowed to be carried forward to apply to the taxpayer's succeeding years' tax
36 liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.

37 (2) No physician who on July 1, 1995, is currently practicing in a rural county shall be
38 eligible to receive the credit provided for in paragraph (1) of this subsection. No credit
39 shall be allowed for a physician who has previously practiced in a rural county, unless,
40 after July 1, 1995, that physician returns to practice in a rural county after having
41 practiced in a nonrural county for at least three years.

42 (c) The commissioner shall promulgate any rules and regulations necessary to implement
43 and administer this Code section.

44 (d) This Code section shall stand repealed and reserved on December 31, 2029."

45 **SECTION 2.**

46 Said article is further amended by adding a new Code section to read as follows:

47 "48-7-29.26.

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

49 (1) 'Dentist' means a person licensed pursuant to Chapter 11 of Title 43 to practice
50 dentistry in this state.

51 (2) 'Physician' means a person licensed pursuant to Chapter 34 of Title 43 as a physician
52 who practices medicine in the field of family practice, obstetrics and gynecology,
53 pediatrics, internal medicine, or general surgery.

54 (3) 'Rural county' means a county in this state that has a population of less than 50,000
55 according to the United States decennial census of 2020 or any future such census;
56 provided, however, that for counties which contain a military base or installation, the
57 military personnel and their dependents living in such county shall be excluded from the
58 total population of such county for purposes of this definition.

59 (4) 'Rural health care professional' means a dentist or physician who practices in a rural
60 county and resides in a rural county.

61 (b)(1) A person qualifying as a rural health care professional shall be allowed a credit
62 against the tax imposed by Code Section 48-7-20 in the amount of \$5,000.00 for each 12
63 month period of employment as a rural health care professional; provided, however, that
64 such amount shall be prorated on a monthly basis for the first year during which a person
65 qualifies as a rural health care professional. The tax credit may be claimed each year for
66 up to five years, provided that the rural health care professional continues to qualify as
67 a rural health care professional. No person shall be allowed a tax credit under this Code
68 section and Code Section 48-7-29 in the same taxable year. Each person shall be limited
69 to a total of five years of tax credits across this Code section and Code Section 48-7-29

70 combined. In no event shall the amount of the tax credit exceed the taxpayer's income
71 tax liability, nor shall any unused tax credit be allowed to be carried forward or applied
72 to any of the taxpayer's succeeding years' tax liability. No such tax credit shall be
73 allowed the taxpayer against prior years' tax liability.

74 (2) No rural health care professional who on May 15, 2024, is currently practicing in a
75 rural county shall be eligible to receive the credit provided for in paragraph (1) of this
76 subsection. No credit shall be allowed for a rural health care professional who has
77 previously practiced in a rural county, unless after May 15, 2024, that rural health care
78 professional returns to practice in a rural county after having practiced in a county other
79 than a rural county for at least three years.

80 (3) The aggregate amount of tax credits allowed pursuant to this Code section shall not
81 exceed \$2 million for any calendar year. The commissioner shall allow the tax credits
82 on a first come, first served basis.

83 (c) The commissioner shall promulgate any rules and regulations necessary to implement
84 and administer this Code section.

85 (d) This Code section shall stand repealed and reserved on December 31, 2029."

86 **SECTION 3.**

87 This Act shall become effective on May 15, 2024, and shall be applicable to taxable years
88 beginning on or after January 1, 2024.

89 **SECTION 4.**

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