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State of Georgia: 2011 Tax Credit Incentives

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Diesel particulate emission reduction technology equipment credit

- “Diesel particulate emission reduction technology equipment” means any equipment that meets the standards adopted by the Georgia Regional Transportation Authority and which provides for heat, air conditioning, light, and communications for the drive's compartment of a commercial motor vehicle (one designed or used to transport property and with a gross vehicle weight rating of 26,001 pounds or more) which is parked at a truck stop, depot, or other facility the use of which results in the engine being turned off with a corresponding reduction of particulate emissions from such vehicle's diesel engine.
- A credit for installing diesel particulate emission reduction technology equipment at any truck stop, depot, or other facility is available.
- The amount of the credit is 10% of the total cost of the equipment and the cost of installing the equipment.
- The credit is allowed for the tax year in which the taxpayer first places the equipment in use.
- Any credit that is not used in the year when the equipment is first placed in use cannot be carried forward to any future year.

Donated conservation property credit

- A credit for each qualified donation of real property for conservation purposes is allowed.
- Property donated to increase building density levels or property that will be used, or is associated with the playing of golf shall not be eligible.
- Taxpayers will be able to claim a credit against their state income tax liability not exceeding 25 percent of the fair market value of the donated property, or 25 percent of the difference between the fair market value and the amount paid to the donor if the donation is effected by a sale of property for less than fair market value, up to a maximum credit of $250,000 per individual and $500,000 per corporation.
- Ten year credit carryforward.

Employer-provided basic skills education program credit

- Employers who provide an approved basic skills education program to their employees are eligible for a credit against the corporate income tax.
- “Approved basic skills education” means the enhancement of reading, writing, or mathematical skills up to and including the twelfth-grade level, as approved and certified by the Technical College System of Georgia.
- An employer is not eligible for the credit if the employee is required to pay for the education, either directly or indirectly through the use or forfeiture of leave, vacation or other compensable time.

- The amount of the credit is equal to one-third of the costs of education per full-time student, or $150 per full-time student, whichever is less, for each student who has successfully completed an approved basic skills education program.

Student scholarship organization (SSO) credit

- A corporation is allowed an income tax credit for qualified education expenses in an amount not to exceed the actual amount expended or 75% of the corporation's income tax liability, whichever is less.
- “Qualified education expense” means the expenditure of funds by the taxpayer during the tax year for which a credit is claimed and allowed to a student scholarship organization operating under Chapter 2A of Title 20 which are used for tuition and fees for a qualified school or program.
- Five year credit carryforward.
- The aggregate amount of the credits allowed is $50 million per tax year.
- The Commissioner of Revenue allows the credits only on a first come, first served basis. Once the $50 million calendar year limitation is reached for a calendar year, taxpayers are no longer eligible for a credit for such calendar year.

Employer-provided child care facilities credit

- Employers who provide or sponsor child care for employees are entitled to credits against the income tax.
- A credit is available for the cost of operation as well as for the cost of qualified child care property.
- In order to qualify for the credits, employer provided day care must be offered to employees of the employer, and provided on the premises of the employer.
- The term “employer provided” refers to child care provided by the employer, offered to employees of the employer, and provided on the premises of the employer.
- Cost of Operation:
    - The tax credit is equal to 75% of the cost of operation to the employer less any payments by employees.
    - The credit granted must not exceed 50% of the amount of the taxpayer's income tax liability and can be carried forward five years.
- Cost of Purchased Child Care Property:
    - A taxpayer is allowed a credit against the tax imposed for the taxable year in which the taxpayer first places in service qualified child care property and for each of the ensuing nine taxable years following such taxable year.
    - The aggregate amount of the credit will equal 100% of the cost of all qualified property purchased or acquired by the taxpayer and first placed into service during a taxable year.
    - The credit is then claimed at 10% per year over the total period of 10 years.
    - Three year carryforward.

Employer-provided retraining program credit

- Effective for taxable years beginning on or after January 1, 2009, a credit is granted to employers that provide or sponsor one or more approved retraining programs.
- The total amount of the tax credit is equal to the lesser of 50% of the costs of retraining each employee or $500 per full-time employee.
- However, effective for taxable years beginning on or after January 1, 2009, the credit cannot exceed $1,250 per year per employee who has successfully completed more than one approved retraining program.
- “Approved retraining” means employer provided or employer sponsored retraining that enhances the functional skills of employees otherwise unable to function effectively on the job due to skill deficiencies or who would otherwise be displaced because such skill deficiencies would inhibit their utilization of new technology; the employee is not required by the employer to make any payment for the retraining, either directly or indirectly through use of forfeiture of leave time, vacation time, or other compensable time.
- The credit cannot exceed 50% of the amount of the taxpayer's income tax liability.
- Ten year credit carryforward.

Entertainment industry investment credit

- Commercial, movie, and television production companies and their affiliates are allowed a credit against the income tax for a percentage of their production expenditures in a state-certified production.
- Company must be primarily engaged in qualified production activities, approved by Department.
- 20% tax credit. Additional 10% with qualified Georgia promotion.
- Eligible expenditures must be incurred in the state and directly used in a qualified production.
- Minimum investment $500,000.
- Maximum investment $30 million.
- Tax credits are transferrable.
- Five year credit carryforward.

Federal qualified transportation benefits credit

- A credit is allowed for any federal qualified transportation benefits paid by a taxpayer to an employee. Transportation expenses paid by the employer which qualify for the credit include:
  - Transportation in a commuter highway vehicle if such transportation is in connection with travel between the employee's residence and place of employment;
  - Any transit pass; and
  - Qualified parking on or near a location from which an employee commutes to work by means of transportation set forth above.

- Taxpayers will be allowed a credit for any federal qualified transportation benefit provided to employees in an amount equal to $25 per employee receiving the benefit.
- However, the total credit claimed may not exceed the annual amount expended by the employer in providing the benefit to employees.
- Three year credit carryforward.

Financial institutions' credit for local business license and/or state occupation taxes paid

- Depository financial institutions are allowed a dollar for dollar credit against state income tax liability for any local business license and/or state occupation taxes paid by such institutions.
- If the business license and occupation taxes paid exceed the corporate income tax liability for any year, the amount of any unused credit may be carried over a five-year period from the tax year in which unused credit arose.

Historic rehabilitation credit

- A taxpayer is allowed a credit against tax for the taxable year in which certified rehabilitation of an historic structure is completed.
- In the case of an historic home, the credit is equal to 10% (25%, effective January 1, 2009) of qualified rehabilitation expenditures; in the case of an historic home located within a target area, an additional credit equal to 5% of qualified rehabilitation expenditures is allowed.
- In the case of any other certified structure, the credit is equal to 20% (25%, effective January 1, 2009) of qualified rehabilitation expenses.
- In no event can credits for an historic home or certified structure exceed $5,000 ($100,000, effective January 1, 2009) in any 120 month period.
- The taxpayer must attach a copy of the Department of Natural Resources certification to its return verifying that the improvements to the certified structure are consistent with the Department of Natural Resources Standards for Rehabilitation.

Increasing exports credit

- Georgia allows two additional job tax credits for business enterprises that increase base port traffic.
    1. For any business enterprise that has increased its port traffic of products during the preceding 12-month period by more than 10% above the base year port traffic and that qualifies for the job tax credit for jobs added on or after January 1, 1998, an additional $1,250 job tax credit is allowed.
    2. Effective May 5, 2009, an additional $1,250 job tax credit is allowed in the case of any business enterprise which has increased its port traffic of products during the previous 12-month period by more than 10% above its base year port traffic and is qualified to claim a job tax credit under the basic jobs credit or the credit for new jobs created in less developed areas for jobs added at any time on or after January 1, 1998.

Investment tax credit for new manufacturing facilities

- An investment tax credit against income tax equal to 6% of the cost of certain investment property is available for businesses that construct a new manufacturing facility in the state that creates new full-time jobs.
- The taxpayer must have operated an existing manufacturing facility in the state for the immediately three preceding years and then meet the investment, job creation, and job maintenance requirements in order to take the credit.
- The taxpayer must have invested at least $800 million for the new facility and employ at least 1,800 eligible full-time employees at such facility.
- After satisfying these requirements, the taxpayer must maintain during the next five consecutive years a monthly average number of full-time employees equal to at least 90% of the required number of jobs.
- In addition, the facility must have a significant beneficial economic effect on the region, which is met by fulfilling the investment and job requirements and either placing full-time jobs at the new facility with average wages that are 20% greater than the average wage for projects located in tier 1 counties; 10% in tier 2 counties; or 5% in tier 3 or 4 counties, or demonstrating that the project has high growth potential based upon prior year's Georgia net taxable income growth over 20% from the previous year, if the taxpayer's Georgia net taxable income in each of the two preceding years also grew by at least 20%.
- A credit may not be claimed for more than $50 million in the aggregate with respect to any single project.
- Any excess credits may be taken against the taxpayer's quarterly or monthly withholding payment.

Jobs tax credit

- A basic jobs tax credit is available for most business enterprises, including those engaged in manufacturing, warehousing and distribution, processing, telecommunications, tourism, research and development, broadcasting, and effective for taxable years beginning on or after January 1, 2009, services for the elderly and persons with disabilities.
- Retail establishments are not eligible.
- The jobs tax credit is based upon the economic ranking of the county in which the business is located.
- The number of new full time jobs created is determined by comparing the monthly average number of full-time employees subject to Georgia withholding for the taxable year with the corresponding period of the prior taxable year. Businesses in Tier 1 counties are required to increase employment by 5 or more positions, businesses in Tier 2 counties are required to increase employment by 10 positions, and businesses in Tier 3 counties must increase employment by 15 or more positions. In Tier 4 counties, businesses must increase employment by 25 or more jobs.
- The amount of the credit will be $3,500 for business enterprises located in less developed census tract areas or Tier 1 counties, $2,500 for business enterprises located in Tier 2 counties, $1,250 for business enterprises located in Tier 3 counties, and $750 for business enterprises located in

Tier 4 counties. An enterprise located within the jurisdiction of a joint development authority described in Ga. Code Ann. §36-62a-5.1(e) will qualify for an additional $500 credit for each new full-time job created. An existing business enterprise will qualify for an additional $500 credit for each new full-time job for the first year in which the new full-time job is created.

Jobs tax credit for jobs in areas designated as "less developed"

- Within areas designated as "less developed," (also known as an Opportunity Zone) enhanced job tax credits are allowed which include: the basic $3,500 job tax credit; the use of the job tax credit against 100% of income tax liability and withholding; the use of the credit by all lawful business of any nature; and a lowering of the job creation threshold to two jobs.
- The credit is $3,500 annually per eligible new full-time employee job for five years beginning with, effective for taxable years beginning on or after January 1, 2009.

Jobs tax credit for facilities having a significant beneficial economic effect

- Effective for taxable years beginning on or after January 1, 2009, a jobs tax credit against corporate income tax of $5,250 annually per new full-time job for five years beginning with the year in which such job is created is available for businesses that construct or expand a facility that creates new full-time jobs.
- The taxpayer must meet: (1) the job creation; and (2) either (a) the payroll requirement or (b) the qualified investment property requirement in order to take the credit. To meet the job creation requirement, the taxpayer must by the close of the sixth taxable year following the withholding start date employ at least 1,800 eligible full-time employees at such facility. To meet the payroll requirement, the taxpayer must by close of the sixth taxable year following the withholding start date have a minimum of $150 million in total annual Georgia W-2 reported payroll with respect to a qualified project. To meet the qualified investment property requirement, the taxpayer must by the close of the sixth taxable year following the withholding start date have purchased or acquired a minimum of $450 million in qualified investment property to be used with respect to a qualified project.

Jobs tax credit for establishing or relocating new quality jobs

- Effective for taxable years beginning on or after January 1, 2009, a taxpayer establishing or relocating at least 50 new quality jobs in Georgia within one year of the first date on which the taxpayer withholds wages for employees in Georgia is entitled to an income tax credit.
- "New quality job" means employment for an individual that: (1) is located in Georgia; (2) has a regular work week of 30 hours or more; (3) is not a job that is or was already located in Georgia regardless of which taxpayer the individual performed services for; (4) pays at or above 110% of the average wage of the county in which it is located; and (5) has no predetermined end date.
- To qualify for the credit the taxpayer must elect not to receive the basic jobs credit, the credit for new jobs created in less developed areas; and the manufacturer's investment credit, and the

optional investment credits for such jobs and investments created by, arising from, related to, or connected in any way with the same project.
- The credit is equal to:
  - $2,500 annually per eligible new quality job where the job pays 110% or more but less than 120% of the average wage of the county in which the new quality job is located;
  - $3,000 annually per eligible new quality job where the job pays 120% or more but less than 150% of the average wage of the county in which the new quality job is located;
  - $4,000 annually per eligible new quality job where the job pays 150% or more but less than 175% of the average wage of the county in which the new quality job is located;
  - $4,500 annually per eligible new quality job where the job pays 175% or more but less than 200% of the average wage of the county in which the new quality job is located; and
  - $5,000 annually per eligible new quality job where the job pays 200% or more of the average wage of the county in which the new quality job is located.

Low-emission vehicles and electric vehicle chargers credit

- A tax credit is allowed against the state income tax for the purchase or lease of a new low-emission vehicle or a zero emission vehicle that is registered in Georgia.
- The credit is the lesser of 10% of the new low-emission vehicle cost or $2,500 per new low-emission vehicle and the lesser of 20% of the new zero emission vehicle cost or $5,000 per new zero emission vehicle.
- A credit is also allowed against the state income tax for the conversion of conventionally fueled vehicles to cleaner vehicles registered in Georgia in the amount of the lesser of 10% of the conversion cost or $2,500 per converted vehicle.
- A credit against state income tax is allowed to any business enterprise for the purchase or lease of each electric vehicle charger that is located in Georgia in the amount of the lesser of 10% of the charger cost or $2,500 per charger.
- A claim for a new low-emission or zero emission vehicle credit must be accompanied by a certification approved by the Environmental Protection Division of the Department of Natural Resources, and be made only by a taxpayer who is the owner of a new clean fueled vehicle as evidenced by the certificate of title issued for such vehicle.
- Five year credit carryforward.

Low-income housing credit

- A housing tax credit is allowed for each qualified Georgia project placed in service.
- The housing project must have restricted rents that do not exceed 30% of median income (as determined by the federal Department of Housing and Urban Development guidelines and adjusted for family size) for at least 40% of its units occupied by persons or families having incomes of 60% or less of the median income, or at least 20% of the units are occupied by persons or families having incomes of 50% or less of the median income.
- Three year credit carryforward.

Manufacturer's investment credit

- Corporations that operate an existing manufacturing facility or manufacturing support facility or a telecommunications facility may claim a credit for qualified investment property.
- “Qualified investment property” means all real and personal property bought for use in the construction of an additional manufacturing or telecommunications facility or the expansion of an existing manufacturing or telecommunications facility, including land acquisition, improvements, buildings, building improvements, and machinery and equipment to be used in the facility.
- The amount of the credit varies depending on whether the facility is located in a tier 1, tier 2, tier 3, or tier 4 county as designated for the jobs tax credit.
- An existing facility and a support facility located in a tier 1 county is allowed a credit in an amount equal to 5% of the cost of all qualified investment property bought or acquired and 8% of the cost of recycling, pollution control and other property that qualifies for the higher rate of credit.
- In tier 2 counties, the credit is equal to 3% of the cost of all qualified investment property or 5% for property that qualifies for the higher rate.
- In tier 3 and 4 counties, the credit is equal to 1% of the cost of all qualified investment property or 3%, if the property qualifies for the higher rate.

New business enterprise transportation vehicles credit

- A business enterprise located in a Tier 1 or Tier 2 county that purchases or leases a new motor vehicle which is used for the exclusive purpose of providing transportation for its employees is allowed a credit against taxes imposed.
- A business enterprise is any business, or the headquarters of any such business, which is engaged in manufacturing, warehousing and distribution, processing, telecommunications, broadcasting (effective January 1, 2008), tourism, research and development industries, child care businesses or retail businesses.
- The credit per vehicle is $3,000 for a Tier 1 county and $2,000 for a Tier 2 county.

Optional investment tax credit

- Corporations which have operated an existing manufacturing facility or manufacturing support facility for the immediately preceding three years, may elect to take an optional investment credit for qualified investment property instead of the manufacturer's investment tax credit.
- The optional investment credit became available to corporations that have operated an existing telecommunications facility or telecommunications support facility for the preceding three years in tier 3 and tier 4 counties.
- The optional credit may be claimed over a 10-year period, provided the property remains in service.
- The amount of the credit is the lesser of:
    - 90% of the excess of the state tax liability for the applicable year (determined without regard to any credits) over the taxpayer's base year average tax liability; or

  - the excess of the aggregate amount of the credit allowed for the applicable year over the sum of the amounts of the credit already used in the years following the base year.

Qualified business expansion credit

- An existing business enterprise undergoing a qualified business expansion can make application to the Commissioner to take the jobs tax credits established by against its quarterly or monthly withholding payments.
- An existing business enterprise is any business, or the headquarters of any business, which is engaged in manufacturing, warehousing and distribution, processing, telecommunications, tourism, research and development, and broadcasting industries that have been in operation in Georgia for at least five years.
- It does not include retail businesses.
- A qualified job expansion is the creation of at least 500 new full-time jobs within a taxable year.

Qualified health insurance expenses credit

- Applicable to all taxable years beginning on or after January 1, 2009, a taxpayer is allowed a credit against the corporate income tax imposed for qualified health insurance expenses in an amount of $250 for each employee enrolled for 12 consecutive months in a qualified health insurance plan if such qualified health insurance is made available to all of the employees and compensated individuals of the employer pursuant to the applicable provisions of IRC § 125.
- “Qualified health insurance expense” means the expenditure of funds of at least $250 annually for health insurance premiums for qualified health insurance.

Research and development credits

- A business enterprise that has qualified research expenses in Georgia in a taxable year exceeding a base amount is eligible for a tax credit provided the corporation claims and is allowed a federal research credit under IRC § 41.
- The tax credit is equal to 10% of the excess over a base amount consisting of the product of the business enterprise's Georgia gross receipts in the current taxable year and either the average of the ratios of its aggregate qualified research expenses to Georgia gross receipts for the preceding three taxable years or 30%, whichever is less.
- The definition of “qualified research expenses” is the same as that used for federal purposes. IRC § 41 defines the term to mean the sum of in-house research expenses and contract research expenses that are paid or incurred by the taxpayer during the taxable year in carrying on any trade or business of the taxpayer. “In-house” research expenses include wages paid for qualified services performed by an employee and amounts paid for supplies and the right to use computers in the conduct of research. “Contract research expenses” means 65% of any amount paid or incurred by the taxpayer to any person, other than an employee, for qualified research. However, for purposes of the state credit, all wages paid and all purchases of supplies and services must be for research conducted within Georgia.

- Businesses engaged in manufacturing, warehousing and distribution, processing, telecommunications, tourism, and research and development are eligible for the credit. The headquarters of such businesses qualify for the credit, but retail businesses are not included.
- Ten year credit carryforward.

Seed Capital Fund Credit

- A credit against the corporate income tax liability is allowed in the amount of 25% of a taxpayer's cash investment in a "research fund" which provides early-stage financing for businesses formed based on intellectual property resulting from research conducted in Georgia research universities.
- No credit will be allowed once the research fund reaches $30 million in total qualified investments.
- The credit for any taxable year must not exceed the taxpayer's income tax liability.
- Ten year credit carryforward.

Shifting from ground-water usage credit

- A corporation that shifts from ground-water usage during a taxable year is eligible for an annual credit beginning in the fourth year after the year in which the shift occurs.
- To qualify for the credit, the corporation must make a minimum 10% transfer of annual permitted ground-water usage from ground-water sources due to the purchase of water from a qualified water conservation facility.
- The amount of credit is $.0001 per gallon of the total gallons of relinquished and transferred water per the annual ground-water permit issued.
- The amount of credit, which may be used in any tax year may not exceed 50% of that year's tax liability as determined without regard to any other credits.

Telework credit

- A tax credit is available for employers who permit their employees to telework, and for any federal qualified transportation benefit paid by a taxpayer to an employee.
- For tax years beginning or ending on or after January 1, 2008 and prior to January 1, 2012, employers are allowed a nonrefundable telework credit against their Georgia income tax liability.
- The credit is equal to a percentage of eligible telework expenses incurred in the corresponding calendar year, for each participating employee, with a maximum allowed of $1,200 per employee.
- There is also a separate credit of up to $20,000 allowed for employers to assess their telework programs.
- The percentage of eligible telework expenses for each participating employee allowed as a credit is as follows: (1)100% for an employee who teleworks at least 12 days per month if the employer's principal place of business is located in a non-attainment area designated by the U.S. Environmental Protection Agency; (2) 75% for an employee who teleworks at least 12 days per month if the employer's principal place of business is located outside a non-attainment area; and (3) 25% for an employee who teleworks at least five days per month.

Water conservation facilities credit

- Corporations that financially participate in qualified water conservation investment in Georgia are eligible for a credit.
- The credit is available in the tax year following that in which a modified manufacturing process or a new or expanded water conservation facility has been placed in service.
- To qualify as a basis for the credit, the process or facility must have been placed in service on or after January 1, 1997.
- The credit may only be taken for investment in a project costing $50,000 or more.
- Additionally, there must be a minimum 10% reduction in permit by relinquishment or transfer of annual permitted water usage from existing permitted ground-water sources.
- The amount of the credit is a percentage of the taxpayer's qualified water conservation investment.
- The credit is 10% for projects of $50,000 to $499,999; 8% for projects of $500,000 to $799,999; 6% for projects of $800,000 to $999,999; and 5% for projects of $1 million or more.

Clean energy property tax credit

- An income tax credit is allowed to a taxpayer for the construction, purchase, or lease of clean energy property that is placed into service in Georgia between July 1, 2008, and December 31, 2012.
- The credit allowed must be taken for the taxable year in which the clean energy property is installed and may be taken against income tax or, if the taxpayer is an insurance company, against gross premium tax.
- For all types of clean energy property placed into service for any purpose other than single family residential, the credit may not exceed the lesser of 35% of the cost of the clean energy property subject to credit caps.
- The total amount of tax credits (Clean Energy Property and Wood Residuals) cannot exceed $2.5 million for calendar years 2008, 2009, 2010, 2011, and 2012.

Wood residuals credit

- A taxpayer who transports or diverts wood residuals to a renewable biomass qualified facility will be allowed a credit in an amount not to exceed the actual amount certified by the Georgia Forestry Commission to the taxpayer.
- The value of the credit will be determined on a per tonnage basis.
- The certification will be based upon vouchers provided to the taxpayer by the renewable biomass qualified facility to whom the wood residuals are provided for the purpose of providing bioelectric power to a third party.
- The Georgia Forestry Commission (GFC) will calculate and attribute a dollar value to the wood residuals.

Enterprise zone property

- Local governing bodies may designate one or more geographic areas as enterprise zones and offer qualifying businesses and service enterprises exemption from property taxes and occupational tax, regulatory fee, and business inspection fee abatement or reduction.
- Businesses engaged primarily in manufacturing, warehousing and distribution, processing, telecommunications, tourism, and research and development industries, as well as service enterprises engaged primarily in finance, insurance, and real estate activity or activities are eligible for the exemption. Eligible businesses include retail businesses and entities engaged primarily in day-care activities.
- To qualify for the exemption, a business or service enterprise must increase employment in the zone by five or more new full-time job equivalents and must provide additional economic stimulus in the zone.
- The property tax exemption is implemented as follows: 100% of the taxes are exempt in the first five years; 80% in years six and seven; 60% in year eight; 40% in year nine; and 20% in the 10th year.

Tax allocation districts

- Georgia law provides specific powers to enable local governments to embark on projects that will foster public/private partnerships and spur economic growth.
- Tax Allocation Districts (TADs) are one of the legislative tools available to support cities' community and economic development ventures.
- In February, the Georgia Supreme Court issued a ruling that could jeopardize local governments' ability to use TADs to help finance economic development projects.
- Georgia's Redevelopment Powers Law gave local governments the authority to sell bonds to finance infrastructure and other redevelopment costs within a specifically defined area (a TAD). The bonds are secured by a "tax allocation increment," which is the increase in property tax revenues resulting from the redevelopment activities taking place within the tax allocation district. Tax increment financing allows cities to charge the costs of constructing public facilities and infrastructure to be charged directly to the businesses that use them rather than the public at large. In return, the businesses benefit from the construction of facilities that might not otherwise be available to them.
- When using a TAD, a city designates a specific geographic area that has the potential for redevelopment, but which suffers from blight or other "economically or socially distressed" conditions. As public improvements and private development take place in the area, the taxable value of property in the TAD increases. The city collects the total revenues, putting the increase in revenues as a result of new development into a special fund to pay off the bonds that financed the public improvements, while the remainder goes back into the city's general fund. The TAD is dissolved when the bonds have been retired and any other public financing has been repaid.

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Special Purpose Local Option Sales Tax

- Georgia has created 159 special districts that correspond to the 159 counties that make up the state.
- Each county government is authorized to impose within a special district a county special purpose local options sales tax.
- This can be levied by any county for the purpose of funding the building and maintenance of parks, schools, roads, and other public facilities.