

Income/Franchise:

Georgia: New Law Updates State Conformity to IRC and Decouples from TCJA Changes to IRC §174

S.B. 56, signed by gov. 5/2/23. Effective immediately, and applicable for taxable years beginning on or after January 1, 2022, new law generally updates Georgia's corporate and individual income tax conformity to the Internal Revenue Code (IRC) of 1986 provided for in federal law enacted on or before January 1, 2023 (previously, January 1, 2022). The legislation also provides that IRC section 174 involving a federal income tax deduction for certain research and experimental expenditures must be applied for Georgia income tax purposes as it was in effect immediately before enactment of the 2017 federal tax overhaul legislation known as the Tax Cuts and Jobs Act (*i.e.*, P.L. 115-97 or "TCJA").

URL: <https://www.legis.ga.gov/legislation/63791>

Note that Georgia continues to decouple from other delineated provisions of the IRC, including certain provisions under the federal Infrastructure Investment and Jobs Act (*i.e.*, P.L. 117-58), federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (*i.e.*, P.L. 116-136), and the TCJA. Please contact us with any questions.

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