

Income/Franchise:

Georgia: New Law Allows More Entities to Make Pass-Through Entity Tax Election

H.B. 412, signed by gov. 5/2/23. Applicable for taxable years beginning on or after January 1, 2023, new law amends Georgia's elective pass-through entity tax (PTET) by eliminating the limitation on the types of partnerships that may elect to pay income tax at the entity level. Specifically, the new law repeals the requirement that the election only applies to a partnership that is 100% directly owned by and controlled by persons eligible to be shareholders of an S corporation under Internal Revenue Code section 1361.

URL: <https://www.legis.ga.gov/legislation/64371>

See recently issued Multistate Tax Alert for more details on this new law, including some related taxpayer considerations, and please contact us with any questions.

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