

State Income Tax Credit for Qualified Transportation Fringe Benefits (48-7-29.3.)

Employers can receive a state income tax credit for any federal qualified transportation fringe benefit provided by the employer to an employee which benefit is in addition to and not in lieu of compensation otherwise payable to the employee, in an amount equal to \$25.00 per employee receiving such benefit.

**TITLE 48. REVENUE AND TAXATION
CHAPTER 7. INCOME TAXES
ARTICLE 2. IMPOSITION, RATE, AND COMPUTATION; EXEMPTIONS**

O.C.G.A. § 48-7-29.3 (2009)

§ 48-7-29.3. Tax credit for federal qualified transportation fringe benefits.

(a) As used in this Code section, the term "federal qualified transportation fringe benefit" means only the following transportation benefits provided by an employer to any employee as provided in Section 132(f) of the Internal Revenue Code of 1986, as amended:

(1) Transportation in a commuter highway vehicle if such transportation is in connection with travel between the employee's residence and place of employment;

(2) Any transit pass;

(3) Qualified parking on or near a location from which the employee commutes to work by transportation described in paragraph (1) of this subsection, in a commuter highway vehicle, or by carpool. Qualified parking shall not include parking provided to an employee on or near the business premises of the employer and shall not include any parking on or near property used by the employee for residential purposes.

(b) A taxpayer shall be allowed a state income tax credit against the tax imposed by this chapter for any federal qualified transportation fringe benefit provided by the taxpayer to an employee which benefit is in addition to and not in lieu of compensation otherwise payable to the employee, in an amount equal to \$25.00 per employee receiving such benefit; provided, however, that in no event shall the total amount of such tax credit exceed the annual amount expended by such employer in providing such federal qualified transportation fringe benefits to such employees.

(c) In no event shall the total amount of the tax credit under this Code section for a taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed to be carried forward to apply to the taxpayer's next three succeeding years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.

(d) The commissioner shall promulgate any rules and regulations necessary to implement and administer this Code section. Such rules and regulations shall include, but not be limited to, a minimum required usage of ten workdays per month of the federal qualified transportation fringe benefit provided to the employee in order to obtain the credit authorized under this Code section.

HISTORY: Code 1981, § 48-7-29.3, enacted by Ga. L. 1999, p. 651, § 1; Ga. L. 2000, p. 1294, §