



This Week in State Tax (TWIST)

March 31, 2025



Georgia: Bill to Lower Corporate Income Tax Rate Awaiting Signature

The Georgia General Assembly has approved H.B. 111 that would reduce the corporate and personal income tax rate from 5.39 percent to 5.19 percent, effective for tax periods beginning on or after January 1, 2025. The measure is awaiting signature by Governor Kemp. In addition to the reducing the current year rate, H.B. 111 also provides that the income tax rate will decline by 0.1 percent annually until the rate reaches 4.99 percent. The scheduled reduction will be delayed by one year if any of the following is true on December 1 each year: (a) the Governor's revenue estimate for the upcoming fiscal year is not at least three percent greater than the current year estimate; (b) net revenue collections for the prior fiscal year are not higher than each of the previous three fiscal years; or (c) the revenue shortfall reserve fund does not have a balance that exceeds the projected decrease in receipts from the prospective rate reduction. The Office of Planning and Budget is to announce whether each of the thresholds is met by December 1 each year until the tax rate has reached 4.99 percent. For further information on [H.B. 111](#), please contact [Greg Aughenbaugh](#).

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