



## Georgia

### *Tax Benefits and Incentives for Convenience Services Operators*



# NAMA

This state-by-state guide highlights a range of tax credits and incentive programs specifically relevant to the convenience services industry, offering operators clear application instructions and links to find further information. While this report emphasizes programs tailored to the convenience services industry, you know your business and its unique needs.

## Opportunities for Convenience Services Operators

### Energy Used in Manufacturing Sales and Use Tax Exemption

#### GEORGIA DEPARTMENT OF REVENUE

The sale, use, storage, or consumption of energy shall be exempt from all sales and use taxation.

#### Eligibility Requirements

This includes energy used directly or indirectly in a manufacturing facility. This does not include the sales and use tax for educational purposes.

#### Application Information

Contact the agency for details.

Georgia Department of Revenue

1800 Century Boulevard, NE

Atlanta, GA 30345

Phone: 877.423.6711

[Additional information available from the Georgia Department of Economic Development.](#)

### Inventory Tax Exemption

#### GEORGIA DEPARTMENT OF REVENUE

Business inventory is exempt from state property taxes. Almost all (93 percent) of Georgia's counties and over 140 of the cities have adopted a Level One Freeport Exemption, set at 20, 40, 60, 80 or 100 percent of the inventory value.

#### Eligibility Requirements

Contact the relevant local government for details.

#### Application Information

Application for Freeport Exemption should be made with the County Board of Tax Assessors within the same time period that returns are due in the county.

[Additional information available from the Georgia Department of Economic Development.](#)

## Job Tax Credit Program

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

New and expanding companies may earn Job Tax Credits (JTC) for creating new jobs in Georgia. These credits may eliminate a company's corporate income tax liability, and in certain areas may also reduce the company's payroll withholding obligations.

#### Eligibility Requirements

To qualify, the Georgia facility must be engaged in, or the headquarters of, a specified industry including:

- Manufacturing
- Warehousing, Distribution and Logistics
- Software Development
- FinTech
- Data Centers
- Contact Centers
- Telecommunications
- Research and Development Facilities

To qualify, each job must have a minimum 35-hour work week, offer health insurance benefits consistent with what is offered to existing employees, and pay more than the average wage of the county with the lowest average wage in the state (\$602/week as of June 2022).

#### Additional Information

Georgia Department of Community Affairs  
60 Executive Park South, NE  
Atlanta, GA 30329  
Phone: 404-679-1585

[Additional information available from the Georgia Department of Community Affairs.](#)

## Manufacturing Machinery and Equipment Sales and Use Tax Exemptions

### GEORGIA DEPARTMENT OF REVENUE

Manufacturing machinery and equipment that is integral and necessary to the manufacturing process and used in a manufacturing facility located in Georgia is exempt from sales tax.

#### Eligibility Requirements

In order to qualify for the manufacturing machinery and equipment exemption, the property purchased or leased must:

1. Have the character of machinery or equipment, or of repair or replacement parts to machinery or equipment, at the time of sale or lease, or consist of components which, when assembled, will have the character of machinery or equipment;
2. Be used at a manufacturing plant; and

3. Be necessary and integral to the manufacture of tangible personal property for sale, for promotional use, or further manufacturing.

**Application Information**

Contact the agency for details.  
Georgia Department of Revenue  
1800 Century Boulevard, NE  
Atlanta, GA 30345  
Fax: 877.423.6711

[Additional information available from the Georgia Department of Economic Development.](#)

## Quality Jobs Tax Credit

**GEORGIA DEPARTMENT OF REVENUE**

Companies may receive Quality Jobs Tax Credits (QJTC) if they create and maintain net new jobs that pay at least 110% of the county's average wage. The QJTC value ranges from \$2,500 to \$5,000 per job, per year, for up to five years.

**Eligibility Requirements**

A taxpayer establishing new quality jobs in this state or relocating quality jobs into this state must create:

1. At least ten new quality jobs within a single rural county within one year of the first date on which the taxpayer withholds wages for employees in this state pursuant to the provisions of Code Section 48-7-101, provided that such county is designated as a tier 1 county by the commissioner of community affairs in accordance with Code Section 48-7-40;
2. At least 25 new quality jobs within a single rural county within one year of the first date on which the taxpayer withholds wages for employees in this state pursuant to the provisions of Code Section 48-7-101, provided that such county is designated as a tier 2 county by the commissioner of community affairs in accordance with Code Section 48-7-40; or
3. At least 50 new quality jobs in this state within two years of the first date on which the taxpayer pursuant to the provisions of Code Section 48-7-101 withholds wages for employees in this state

**Application Information**

Contact agency for details.  
Georgia Department of Revenue  
1800 Century Blvd  
Atlanta, GA 30345  
Phone: 404-417-2100  
Fax: 404-417-2101

[Additional information available from Georgia Department of Economic Development.](#)

## Research and Development Tax Credit

**GEORGIA DEPARTMENT OF REVENUE**

Georgia offers a tax credit to new and existing business entities performing qualified research and development in Georgia.

### Eligibility Requirements

To qualify, the Georgia facility must be engaged in, or the headquarters of, a specified industry including:

1. Manufacturing
2. Warehousing, Distribution, and Logistics
3. Software Development
4. FinTech
5. Data Centers
6. Contact Centers
7. Telecommunications
8. Research and Development Facilities

Most eligible companies have some level of activity that can qualify for Georgia's R&D tax credit/ Expenses for materials and staff time may qualify for the credit if a company has been involved in any of the following activities:

1. Developing and testing new prototypes, dies, and molds.
2. Developing and testing new manufacturing assembly line or new distribution facility processes
3. Implementing and testing new plant equipment or ERP software.
4. Improvement of legacy software solutions or cloud storage.

### Application Information

The Research and Development Tax Credit is claimed in Form IT-RD.

### [Application Link](#)

[Additional information available from the Georgia Department of Economic Development.](#)

## Retraining Tax Credit

### GEORGIA DEPARTMENT OF REVENUE

The Retraining Tax Credit mitigates the cost of a company's investment in new technologies in the form of tax credits for retraining existing employees on the new equipment or software.

### Eligibility Requirements

Training programs must:

1. Be approved by the Technical College System of Georgia
2. Train in quality and productivity enhancements or certain software technologies

Eligible expenses include:

1. Costs of instructors and teaching materials
2. Employee wages during retraining
3. Reasonable travel expenses

### Application Information

Eligible Employees Include:

1. Georgia residents;
2. First-line employees or immediate supervisor;

3. Continuously employed with the company for a minimum of 16 weeks;
4. Full-time employees (employed for a minimum of 25 hours per week.)

[Application Link](#)

[Additional information available from the Georgia Department of Economic Development.](#)

## Other Credits, Incentives, and Government Programs

### Annual CDBG Competition Grant

#### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Community Development Block Grant Program (CDBG) provides funding to assist a wide range of eligible activities, including housing improvement projects, public facilities such as water and sewer lines, buildings such as local health centers or head start centers, and economic development projects.

### Appalachian Regional Commission

#### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Appalachian Regional Commission provides financial investment and technical assistance to eligible applicants in support of community and economic development in Georgia's 37 county Appalachian region.

### Bond Allocation Program

#### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

Georgia is authorized to use up to \$120 per capita a year, or \$1,309,545,120 for 2023 projects ranging from the traditional industrial development bond (IDB) for manufacturing concerns and mortgage revenue bonds (MRB) for single family mortgages to bonds for multi-family housing development and exempt facility bonds.

### CDBG Local Revolving Loan Fund

#### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The RLF is used for low interest loans, leases, or other activities to expand economic opportunities, principally for persons of low and moderate-income.

### CDBG Section 108 Loan Guarantee Program

#### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The CDBG Section 108 Loan Guarantee Program is an economic and community development financing tool authorized under Section 108 of Title I of the Housing and Community Development Act of 1974, as amended.

### Child Care Tax Credit

#### GEORGIA DEPARTMENT OF REVENUE

The Child Care Tax Credit is for employers who purchase or build qualified child care facilities, or who provide or sponsor child care for employees.

## **Clean Room Equipment Sales And Use Tax Exemption**

### **GEORGIA DEPARTMENT OF REVENUE**

The sale of machinery, equipment, and materials incorporated into and used in the construction or operation of a clean room of Class 100 or less is exempt from sales tax, if the room is used to produce tangible personal property.

## **Data Centers Sales and Use Tax Exemption**

### **GEORGIA DEPARTMENT OF REVENUE**

Data center (co-located and single-user) projects that create a minimum number of new jobs that are high-paying and meet a minimum threshold of investment may be eligible for a sales and use tax exemption on qualified purchases.

## **Digital Entertainment Tax Credit**

### **GEORGIA DEPARTMENT OF REVENUE**

The Georgia Entertainment Industry Investment Act offers an across-the-board flat tax credit of 20 percent based on a minimum investment of \$500,000 on qualified productions in Georgia.

## **Downtown Development Revolving Loan Fund**

### **GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS**

The purpose of the Downtown Development Revolving Loan Fund (DD RLF) is to assist cities, counties and development authorities in their efforts to revitalize and enhance downtown areas by providing below-market rate financing to fund capital projects in core historic downtown areas and adjacent historic neighborhoods where DD RLF will spur commercial redevelopment.

## **Employment Incentive Program**

### **GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS**

The Employment Incentive Program (EIP) is a financing program that may be used in conjunction with traditional private financing to carry out economic development projects which will result in employment of low and moderate-income persons.

## **Enterprise Zone Program**

### **GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS**

The State Enterprise Zone program is a tax exemption and abatement program for development of target areas of Georgia.

## Foreign Trade Zones

### GEORGIA FOREIGN TRADE ZONE

Georgia is home to multiple FTZ sites and is a recognized leader in working with companies to facilitate use of the program. Importing and exporting are central to many businesses success, and the program streamlines those activities and lowers costs.

## Georgia Equity Direct Program

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Georgia Equity Direct Program will operate as a direct co-investment program by Invest Georgia as a contracted entity with the Georgia Department of Community Affairs (DCA).

## Georgia Fund

### GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

The Georgia Fund is a state-funded loan program for water, wastewater, and solid waste infrastructure.

## Georgia Loan Participation Program

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Georgia Loan Participation Program (GA LPP) will enable lenders to provide more loans to businesses since the lender is able to diversify its risk by sharing exposure with the State.

## Georgia Reservoir Fund

### GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

The Georgia Reservoir Fund is a state-funded loan program for water supply projects.

## Georgia Small Business Credit Guarantee

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Georgia Small Business Credit Guaranty (SBCG) Program provides a 50% credit guaranty to the lender on loans up to \$1,000,000.

## Georgia Tourism Development Act

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Georgia Tourism Development Act provides a state sales and use tax incentive program for tourism development projects to induce the creation or expansion of tourism attractions within this state in order to relieve unemployment by preserving and creating jobs that would not exist if not for the sales and use tax refund offered by the State and local government.

## Georgia Transportation Infrastructure Bank

### GEORGIA STATE ROAD AND TOLLWAY AUTHORITY (SRTA)

The Georgia Transportation Infrastructure Bank (GTIB) is a grant and low-interest loan program.

## Georgia Venture Capital Program

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Georgia Venture Capital Program will operate as a multi-fund program by Invest Georgia as a contracted entity with the Georgia Department of Community Affairs (DCA).

## High-Tech Companies Sales And Use Tax Exemption

### GEORGIA DEPARTMENT OF REVENUE

The sale of certain computer equipment is exempt when the total qualifying purchases by a High Technology Company in a calendar year exceeds \$15 million.

## Investment Tax Credit

### GEORGIA DEPARTMENT OF ECONOMIC DEVELOPMENT

Companies in manufacturing or telecommunications support that have operated in Georgia for at least three years are eligible to earn investment tax credits for upgrades or expansions. Credit earned amounts to 1 percent to 8 percent of qualified capital investments of \$50,000 or more.

## Life Sciences Manufacturing Tax Credit Bonus

### GEORGIA DEPARTMENT OF ECONOMIC DEVELOPMENT

The Life Sciences Manufacturing Tax Credit Bonus can be added to the Job Tax Credit for the manufacture of pharmaceuticals, medicines, and medical equipment and supplies in Georgia.

## Mega Project Tax Credit

### GEORGIA DEPARTMENT OF REVENUE

The Mega Project Tax Credit provides a job-creation based tax credit to reduce qualifying companies' state payroll withholding liability and corporate income tax.

## Optional Investment Tax Credit

### GEORGIA DEPARTMENT OF REVENUE

Optional Investment Tax Credits are available to taxpayers that qualify for investment tax credits, with the minimum investment ranging from \$5 million to \$20 million (depending on tier status of the county they are investing in).

## Pollution Control Equipment Sales and Use Tax Exemption

GEORGIA DEPARTMENT OF REVENUE

Machinery & equipment used for the primary purpose of reducing or eliminating air and water pollution is exempt.

## Port Job & Investment Tax Credits

GEORGIA DEPARTMENT OF REVENUE

The Port Tax Credit bonus rewards new or expanding Georgia companies that increase imports or exports through a Georgia port by at least 10 percent over the previous or base year. This is a bonus credit on top of the Jobs Tax Credit or Investment Tax Credit.

## PPE Tax Credit Bonus

GEORGIA DEPARTMENT OF ECONOMIC DEVELOPMENT

To aid in the fight against COVID-19, Georgia created a new Personal Protective Equipment (PPE) Tax Credit Bonus to reward job creation that expands the manufacture of PPE and hand sanitizer in Georgia.

## Premium Tax Credits

GEORGIA OFFICE OF COMMISSIONER OF INSURANCE

Georgia offers a tax credit against the annual premium tax applied to insurance companies in the state that is earned based on new job creation in Georgia.

## Primary Material Handling Equipment Sales and Tax Exemption

GEORGIA DEPARTMENT OF REVENUE

Machinery and Equipment used to handle, move, or store tangible personal property in a new or expanded distribution or warehouse facility is exempt.

## Quickstart

TECHNICAL COLLEGE SYSTEM OF GEORGIA

Quickstart develops and delivers fully customized, strategic workforce solutions for qualified companies investing in Georgia.

## Raw Materials and Packaging Sales and Use Tax Exemption

GEORGIA DEPARTMENT OF REVENUE

The sale, use, storage, or consumption of packaging supplies is exempt from sales and use tax.

## Redevelopment Fund Program

GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

Recognizing that redevelopment projects can be the most challenging projects a local government may undertake, the Redevelopment Fund (RDF) was created as a set-aside of Georgia's non-entitlement Community Development Block Grant (CDBG) Program.

## Regional Economic Assistance Projects

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

Regional Economic Assistance Projects (REAP) provides a mechanism for local and state governments and the private sector to cooperate on large-scale tourism-related projects with multiple uses that will create jobs and enhance the local tax base.

## Regional Economic Business Assistance

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

Regional Economic Business Assistance (REBA) is an incentive program that is used to help close the deal" when companies are considering Georgia and another state or country for their location or expansion. "

## Repair To Industrial Machinery Sales and Use Tax Exemption

### GEORGIA DEPARTMENT OF REVENUE

The sale, use, storage, and consumption of industrial materials are exempt from sales and use tax.

## Seed-Capital Fund Credit

### GEORGIA DEPARTMENT OF REVENUE

Available to taxpayers who invest in a qualified research fund, the Seed Capital Fund Tax Credit can be utilized to offset state income tax liability.

## State Income Tax Credit Program for Rehabilitated Historic Property

### GEORGIA DEPARTMENT COMMUNITY AFFAIRS

The Georgia State Income Tax Credit Program for Rehabilitated Historic Property allows eligible participants to apply for a state income tax credit equaling 25 percent of qualifying rehabilitation expenses.

## State Preferential Property Tax Assessment Program for Rehabilitated Historic Property

### GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

The Georgia Preferential Property Tax Assessment Program for Rehabilitated Historic Property allows eligible participants to apply for an 8 1/2 -year property tax assessment freeze. Owner must increase the fair market value of the building by 50% to 100%, depending on its new use.

## **The Economic Development, Growth And Expansion (EDGE) Fund**

### **ONEGEORGIA AUTHORITY**

The purpose of the EDGE Fund is to provide financial assistance to eligible applicants that are being considered as a relocation or expansion site and are competing with another state for location of a project; and, where the EDGE Fund is used when the health, welfare, safety and economic security of the citizens of the state are promoted through the development and/or retention of employment opportunities.

## **The Equity Fund**

### **ONEGEORGIA AUTHORITY**

The purpose of the Equity Fund is to provide a program of financial assistance that includes grants, loans and any other forms of assistance authorized by (O.C.G.A.50-34-1 et seq.) to finance activities that will assist applicants in promoting the health, welfare, safety, and economic security of the citizens of the state through the development and retention of employment opportunities in areas of greater need as defined by the Georgia Business Expansion and Support Act of 1994, as amended (O.C.G.A.48-7-40).