TO: ALL ADMITTED INSURERS CONDUCTING BUSINESS IN THE STATE OF GEORGIA

FROM: JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER

DATE: OCTOBER 18, 2022

RE: INSURER PARTICIPATION IN GEORGIA QUALIFIED EDUCATION EXPENSE TAX CREDIT SCHOLARSHIP PROGRAM

The purpose of this Bulletin is to inform all insurers conducting business in the state of Georgia about a provision of House Bill 517 which goes into effect on January 1, 2023.

The legislation provides for tax credits of up to 75 percent of an insurer’s state insurance premium tax liability, not to exceed $1 million per insurer, for participating in the state’s Qualified Education Expense (“QEE”) Tax Credit Scholarship Program. The state has designated up to $6 million of the $120 million in annual QEE tax credits specifically for insurers.

The QEE Tax Credit Scholarship Program allows any eligible company to redirect up to 75 percent of their state tax liability to an approved Student Scholarship Organizations (SSO) in order to fund K-12th grade private school education scholarships for eligible children.

Steps to participate in the QEE Tax Credit Scholarship Program:

1. The Georgia Department of Revenue (“GA DOR”) administers the QEE Tax Credit application process.
   a. If you already have a GA DOR tax account, please skip to step 2.
   b. If you have never filed a return with GA DOR, you must Register a New Business ahead of time on the Georgia Tax Center (GTC) at: https://gtc.dor.ga.gov, selecting Corporate Income Tax as the account type, and choosing the appropriate NAICS code indicating that you are an Insurance Company.
   c. If you have filed a return, but do not have a web logon, then you will need to Sign up for Online Access
i. Once the new tax account is set-up, you must send an email to Chester.Cook@dor.ga.gov and Darcy.Pyle@dor.ga.gov letting them know: 1) You’re an insurance company that has registered for a GA DOR account solely for the purpose of participating in the QEE Tax Credit Program, and 2) To please code your account as such.

2. Apply for your credits.
   a. Beginning on or after January 3, 2023, the donation process will be available on GTC.
   b. Request an application form from an approved SSO, or apply directly on GTC.
   c. Determine the amount you would like to remit to the QEE Tax Credit program.
   d. Complete the application form and submit it to your selected SSO.
   e. Your selected SSO will submit your application to the GA DOR on your behalf beginning on the first business day of January.

3. Receive your credit approval.
   a. The GA DOR will provide an approval or denial letter to your GA DOR account in-box within 30 days and will provide a summary notice to your selected SSO.

4. Earn your credits.
   a. Remit up to the approved amount to your selected SSO within 60 days of the GA DOR approval letter date.
   b. Your selected SSO will provide you with a written acknowledgment for your timely payment.
   c. If you are unable to remit the payment within 60 days, your approved credits will expire, and you will need to re-apply for credits to continue participating.

5. Claim your earned credits.
   a. List the earned credits on Section 3 of Form GID-205-PT. The total of section 1-3 of Form GID-205-PT should be claimed on line 12 of Form GID-012-PT, the Georgia Insurance Premium Tax Return. Attach a copy of both the GA DOR approval letter and SSO acknowledgment to the Return.
   b. Unused credits that are the lesser of the amount expended or 75 percent of the company’s tax liability (up to $1 million) may be carried forward for up to five years.

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JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER
STATE OF GEORGIA