



Georgia Timber Tax Credit Program

In November of 2018, the Georgia General Assembly enacted House Bill 4EX. This bill allows eligible taxpayers to apply for a [Timber Tax Credit](#) to assist in offsetting the substantial economic losses incurred during Hurricane Michael. Per House Bill 4EX, eligible timber properties must be located in the disaster area established in Executive Order 11.06.18.01, which includes the following counties: Baker, Bleckley, Brooks, Calhoun, Clay, Colquitt, Crisp, Decatur, Dodge, Dooly, Dougherty, Early, Grady, Laurens, Lee, Lowndes, Miller, Mitchell, Pulaski, Randolph, Seminole, Sumter, Terrell, Thomas, Tift, Turner, Wilcox, and Worth. The Georgia Department of Revenue (GADOR) is the lead agency designated to deliver the program.

General eligibility and program guidelines:

1. The program applies to timber grown for the primary purpose of commercial production of food or wood or wood fiber products, so forests and orchards qualify.
2. Taxpayers can claim a casualty loss in the amount of the diminution of timber value included in the computation of the casualty loss reported on IRS Form 4684 by a taxpayer as a result of damage to or destruction of eligible timber property caused by Hurricane Michael.
3. The tax credit is based on the diminution of timber value, not to exceed \$400 per acre.
4. This program is limited to the 28 counties included in the Governor's disaster declaration area.
5. To claim the credits, one must apply online through the GADOR's Georgia Tax Center. The application period runs from March 1, 2019 to May 31, 2019.
6. The legislation allows for a maximum of \$200 million in tax credits. The DOR will prorate applications if they exceed this amount.
7. Tax credits can only be claimed in the taxable year in which the taxpayer first completes the replanting of timber in a quantity projected to yield at maturity at least 90 percent of the value of the timber casualty loss claimed. The planting must be within the same county in which the eligible timber property was being grown when the timber casualty loss was incurred.
8. The tax credit is refundable, so if the tax credit exceeds the taxpayer's tax liability the taxpayer will be issued a payment for the difference.

GADOR is accepting applications online only (<https://dor.georgia.gov/documents/timber-tax-credit>) from March 1 through May 31, 2019.