



Taxes

Real Estate Taxes

Assessed valuation in Georgia is 40% of real property value, and industrial property is taxed at the same rate as commercial and residential. Thus, the effective tax millage is 40% of the mills levied. Millage is expressed as dollars of tax per \$1,000 of value.

For a site located within one of the tax districts of Spalding County, the combined 2020 ad valorem tax rates are as follows:

State Corporate Income Tax

While the maximum State Corporate Income Tax is 6%, since Georgia income tax paid is deductible for Georgia and Federal income tax purposes, the overall effective rate of the tax is approximately 4%. With only a few exceptions, Georgia follows Federal income tax rules in determining a corporation's net income that will be taxable in Georgia.

An advantage is that Georgia did not adopt the Federal 20% Corporate Alternative Minimum Tax system. There is also an election for the corporation to adopt depreciation deductions allowed for Federal income tax purposes instead of the depreciation deductions previously allowed for Georgia income tax purposes during the tax year the depreciated property was placed in service.

	<u>Outside City</u>	<u>Inside City</u>
State	.00	.00
County Government	15.588	15.588
School District	<u>16.742</u>	<u>16.742</u>
Sub-Total	32.330	32.330
County Water District	0.00	0.00
County Fire District	3.482	0.00
City Government	<u>0.00</u>	<u>6.254</u>
Sub-Total	3.482	6.254
Total Mills	35.812	38.584
40% Assessment	X .40	X .40
Effective 2023 Tax Rate	\$1.432	\$1.541

State Individual Income Tax

The maximum individual rate is also 6%. The standard deductions are:

Single taxpayers and Heads-of-Households	\$2,300
Married filing separate returns	\$1,500
Married filing joint return	\$3,000

Franchise Tax

The annual corporate franchise tax in Georgia is computed on net worth and ranges from a minimum of \$10 to a maximum of \$5,000 for a company with more than \$22-million of net worth. A company with \$4-million of net worth would pay about \$1,000.

Employment Security (Unemployment) Taxes

Georgia's unemployment insurance law is the Employment Security Law, which the Georgia Department of Labor administers. The tax rate for a new employer is 2.70% which is figured on the first \$9500.00 of gross wages paid per each employee per year. The rate is recalculated annually thereafter once the computation date (June 30th) is reached on or after the 36 consecutive months. Any gross wage over the \$9500.00 would be nontaxable; therefore there would be no more cost to the employer on this employee, \$9500.00 per employee, $\$9500.00 \times 2.70\% = \256.50 .

Unlike many other states, the Georgia Trust Fund for unemployment insurance is solvent; as of November 18, 2020, the state trust fund balance was \$1,836,033,691.

Georgia Unemployment benefits are based on a sliding scale dependent on the State unemployment rate and are calculated twice each year, April and October. The maximum weekly benefit amount is \$330.00 up to 14 weeks.