

Income/Franchise:

Georgia: New Law Lowers Corporate Income Tax Rate and Contingently Phases in Additional Tax Rate Reductions

H.B. 111, signed by gov. 4/15/25; *Governor Press Release: Gov. Kemp Signs Legislation Delivering More than \$1 Billion in Tax Cuts and Relief to Hardworking Georgians*, Ga. Off. of the Governor (4/15/25). Effective on July 1, 2025, and applicable to all taxable years beginning on or after January 1, 2025, new law lowers Georgia's corporate income tax rate from 5.39% to 5.19%. Subject to certain annual revenue goals being met, Georgia's corporate income tax rate would be reduced further by 0.10% annually beginning on January 1, 2026, until the tax rate reaches 4.99%. Note that Georgia also previously enacted state corporate income tax rate reductions last year [see *State Tax Matters*, Issue 2024-16, for details on the tax rate changes enacted in 2024]. Please contact us with any questions.

URL: <https://www.legis.ga.gov/legislation/69464>

URL: <https://gov.georgia.gov/press-releases/2025-04-15/gov-kemp-signs-legislation-delivering-more-1-billion-tax-cuts-and-relief>

URL: https://dhub.deloitte.com/Newsletters/Tax/2024/STM/240419_1.html

— Kent Clay (Charlotte)
Managing Director
Deloitte Tax LLP
kclay@deloitte.com

Joe Garrett (Birmingham)
Managing Director
Deloitte Tax LLP
jogarrett@deloitte.com

Cari Sorsa (Atlanta)
Senior Manager
Deloitte Tax LLP
csorsa@deloitte.com

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms or their related entities (collectively, the “Deloitte organization”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s approximately 415,000 people worldwide make an impact that matters at www.deloitte.com.