Georgia GOAL: Business Tax Planning With Purpose

Pass-through businesses can leverage the Georgia GOAL tax credit to combine smart tax planning with meaningful support for our school, earning a 100% Georgia income tax credit and a federal charitable deduction. **There are two ways to participate based on your 2027 tax strategy.**

Tax Filing Status	Who Claims the Credit?	What ID # is Used?	What % of Tax Liability Can Be Used?	What is the Maximum Contribution Amount?
"Electing" pass-through entities: Pass-through entities paying their taxes by making the HB 149 election	Business Entity	Business FEIN	75%	There is no limit, so long as it falls within 75% of tax liability
"Non-electing" pass-throughs: Pass-through owners paying their taxes in the 'original' way	Business Owner	Social Security Number	100% of tax related to business income	$25,000 per business owner

1 For "Electing" Pass-Through Entities

HB 149 allows Georgia pass-through businesses to elect to pay state income tax at the entity level, thereby enabling the pass-through owners to avoid the SALT deduction limitation on their earnings from the business. For businesses making this election, they may contribute **up to 75% of their state income tax liability** to GOAL. This not only helps more families access their desired K-12 education but can result in federal income tax savings for the business owners.

2 For "Non-Electing" Pass-Through Entities:

For businesses who do not elect to pay state income tax at the entity level, pass-through owners can receive a tax credit for **up to $25,000** if they anticipate paying that much income tax as a result of their pass-through ownership, taking into account both profits (K-1 income) and wages (W-2 income) received from the business. Plus, these pass-throughs can also deduct contributions to GOAL if they qualify as ordinary and necessary business expenses, resulting in potential federal tax savings.

Note that applications exceeded available credits in 2026, resulting in each applicant being approved for only 48% of the amount requested.

However, thanks to a $30 million cap increase enacted by Georgia's elected officials this year, we anticipate the 2027 proration could perhaps be closer to 70%.

Please consult with your tax advisor about the most advantageous taxpaying method for your business and the associated GOAL tax planning opportunity.