

**Annual Election to Pay Passthrough Entity's Georgia Tax Liability at the Entity Level Pursuant to HB 149**  
**Illustration of Tax Consequences**

	Scenario 1 (Election made pursuant to Georgia HB 149)	Scenario 2 (Election <b>NOT</b> made pursuant to Georgia HB 149)
	Company ABC <sub>1</sub>	Company ABC <sub>1</sub>
Georgia Taxable Income	1,000,000	1,000,000
Georgia Tax Rate	5.39%	5.39%
Georgia Tax	53,900	53,900
Federal Taxable Income (Before Georgia Tax)	1,000,000	1,000,000
LESS: Georgia State Tax Deduction <sub>2</sub>	(53,900)	-
Federal Taxable Income (Post Georgia Tax)	946,100	1,000,000
Federal Tax Rate <sub>3</sub>	37%	37%
Federal Tax	350,057	370,000
<b><u>Total Cash Outflow</u></b>		
Georgia Tax - Paid By Company ABC via Contribution to Georgia GOAL or Georgia HEART <sub>4</sub>	40,425	-
Georgia Tax - Paid by Company ABC <sub>4</sub>	13,475	
Georgia Tax - Paid by Shareholder(s) <sub>5</sub>	-	53,900
Federal Tax - Paid by Shareholder(s)	350,057	370,000
Total	403,957	423,900
<b>Net Cash Savings by Making Election to Pay Georgia Tax at Entity Level</b>	<b>19,943</b>	