





## EY Payroll NewsFlash

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## Georgia law lowers personal income tax rates starting in 2024

On April 26, 2022, Georgia Governor Brian Kemp signed into law [HB 1437](#) which replaces the current graduated personal income tax with a flat rate of 5.49% effective January 1, 2024, with gradual reductions each year until the flat rate reaches 4.99% effective January 1, 2029. These rate reductions can be delayed by one year for each year that certain budget requirements are not met.

Assuming delays are not required, following is the personal income tax rate schedule for January 1, 2024 to January 1, 2029:

- January 1, 2024: 5.49%
- January 1, 2025: 5.39%
- January 1, 2026: 5.29%
- January 1, 2027: 5.19%
- January 1, 2028: 5.09%
- January 1, 2029: 4.99%

As the personal income tax rate is decreased, the standard deduction will progressively increase.

Governor Kemp called [stated](#) that “HB 1437 provided the largest tax cut in Georgia history” and, once implemented, “will save an average Georgia family of four making 60,000 dollars over 600 dollars per year on their state taxes.”

Information concerning Georgia’s current income tax withholding rates is available [here](#).

**Contact us for more information**

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