

Senate Resolution 689

By: Senator Smith of the 25th

## A RESOLUTION

1 Proposing an amendment to the Constitution so as to authorize special methods of ad  
 2 valorem taxation of antique, hobby, or special interest aircraft; to provide for conditions and  
 3 limitations; to provide for authority of the General Assembly with respect to the foregoing;  
 4 to provide for the submission of this amendment for ratification or rejection; and for other  
 5 purposes.

6 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

### 7 SECTION 1.

8 Article VII, Section I of the Constitution is amended by striking Paragraph III and inserting  
 9 in its place a new Paragraph III to read as follows:

10 "Paragraph III. ~~Uniformity; classification of property; assessment of agricultural land;~~  
 11 ~~utilities. Uniformity; classification of property; antique, hobby, or special interest~~  
 12 ~~aircraft; agricultural land, historic property, standing timber, and utilities.~~ (a) All taxes  
 13 shall be levied and collected under general laws and for public purposes only. Except as  
 14 otherwise provided in subparagraphs (b), (b.1), (c), (d), and (e) of this Paragraph, all  
 15 taxation shall be uniform upon the same class of subjects within the territorial limits of the  
 16 authority levying the tax.

17 (b)(1) Except as otherwise provided in this subparagraph (b), classes of subjects for  
 18 taxation of property shall consist of tangible property<sub>2</sub> and one or more classes of  
 19 intangible personal property<sub>2</sub> including money; provided, however, that any taxation of  
 20 intangible personal property may be repealed by general law without approval in a  
 21 referendum effective for all taxable years beginning on or after January 1, 1996.

22 (2) Subject to the conditions and limitations specified by law, each of the following  
 23 types of property may be classified as a separate class of property for ad valorem property  
 24 tax purposes and different rates, methods, and assessment dates may be provided for such  
 25 properties:

26 (A) Trailers<sub>2</sub>;

1 (B) Mobile homes other than those mobile homes which qualify the owner of the  
2 home for a homestead exemption from ad valorem taxation; and

3 (C) Heavy-duty equipment motor vehicles owned by nonresidents and operated in  
4 this state.

5 (3) Motor vehicles may be classified as a separate class of property for ad valorem  
6 property tax purposes, and such class may be divided into separate subclasses for ad  
7 valorem purposes. The General Assembly may provide by general law for the ad  
8 valorem taxation of motor vehicles including, but not limited to, providing for different  
9 rates, methods, assessment dates, and taxpayer liability for such class and for each of its  
10 subclasses and need not provide for uniformity of taxation with other classes of property  
11 or between or within its subclasses. The General Assembly may also determine what  
12 portion of any ad valorem tax on motor vehicles shall be retained by the state. As used  
13 in this subparagraph, the term 'motor vehicles' means all vehicles which are  
14 self-propelled.

15 (b.1) Antique, hobby, or special interest aircraft may be classified as a separate class of  
16 property for ad valorem property tax purposes, and such class may be divided into separate  
17 subclasses for ad valorem purposes. The General Assembly may provide by general law  
18 for the ad valorem taxation of such property including, but not limited to, providing for  
19 different rates, methods, assessment dates, and taxpayer liability for such class and for each  
20 of its subclasses and need not provide for uniformity of taxation with other classes of  
21 property or between or within its subclasses and need not provide for uniformity of taxation  
22 with other classes of property or between or within its subclasses. The General Assembly  
23 shall provide by general law for a definition of the term 'antique, hobby, or special interest  
24 aircraft'; provided, however, that such definition shall specify, at a minimum, that such  
25 term means an aircraft which is 40 years old or older as indicated by the model year or date  
26 of manufacture or an aircraft which has been designed and manufactured to resemble an  
27 antique or historical aircraft. Such term shall only include aircraft owned by one or more  
28 individuals for hobby use and not for hire and shall only include an airplane, rotorcraft, or  
29 other similar, self-propelled vehicle designed for flight purposes which is designed to carry  
30 four or fewer passengers.

31 (c) Tangible real property, but no more than 2,000 acres of any single property owner,  
32 which is devoted to bona fide agricultural purposes shall be assessed for ad valorem  
33 taxation purposes at 75 percent of the value which other tangible real property is assessed.  
34 No property shall be entitled to receive the preferential assessment provided for in this  
35 subparagraph if the property which would otherwise receive such assessment would result  
36 in any person who has a beneficial interest in such property, including any interest in the  
37 nature of stock ownership, receiving the benefit of such preferential assessment as to more

1 than 2,000 acres. No property shall be entitled to receive the preferential assessment  
2 provided for in this subparagraph unless the conditions set out below are met:

3 (1) The property must be owned by:

4 (A)(i) One or more natural or naturalized citizens;

5 (ii) An estate of which the devisee or heirs are one or more natural or naturalized  
6 citizens; or

7 (iii) A trust of which the beneficiaries are one or more natural or naturalized  
8 citizens; or

9 (B) A family-owned farm corporation, the controlling interest of which is owned by  
10 individuals related to each other within the fourth degree of civil reckoning, or which  
11 is owned by an estate of which the devisee or heirs are one or more natural or  
12 naturalized citizens, or which is owned by a trust of which the beneficiaries are one or  
13 more natural or naturalized citizens, and such corporation derived 80 percent or more  
14 of its gross income from bona fide agricultural pursuits within this state within the year  
15 immediately preceding the year in which eligibility is sought: ;

16 (2) The General Assembly shall provide by law:

17 (A) For a definition of the term 'bona fide agricultural purposes,' but such term shall  
18 include timber production; or

19 (B) For additional minimum conditions of eligibility which such properties must  
20 meet in order to qualify for the preferential assessment provided for herein, including,  
21 but not limited to, the requirement that the owner be required to enter into a covenant  
22 with the appropriate taxing authorities to maintain the use of the properties in bona fide  
23 agricultural purposes for a period of not less than ten years and for appropriate penalties  
24 for the breach of any such covenant: and

25 (3) In addition to the specific conditions set forth in this subparagraph (c), the General  
26 Assembly may place further restrictions upon, but may not relax, the conditions of  
27 eligibility for the preferential assessment provided for herein.

28 (d) The General Assembly shall be authorized by general law to establish as a separate  
29 class of property for ad valorem tax purposes any tangible real property which is listed in  
30 the National Register of Historic Places or in a state historic register authorized by general  
31 law. For such purposes, the General Assembly is authorized by general law to establish  
32 a program by which certain properties within such class may be assessed for taxes at  
33 different rates or valuations in order to encourage the preservation of such historic  
34 properties and to assist in the revitalization of historic areas.

35 (e) The General Assembly shall provide by general law:

36 (1) For the definition and methods of assessment and taxation, such methods to include  
37 a formula based on current use, annual productivity, and real property sales data, of: 'bona

1 fide conservation use property' to include bona fide agricultural and timber land not to  
 2 exceed 2,000 acres of a single owner; and 'bona fide residential transitional property,' to  
 3 include private single-family residential owner occupied property located in transitional  
 4 developing areas not to exceed five acres of any single owner. Such methods of  
 5 assessment and taxation shall be subject to the following conditions:

6 (A) A property owner desiring the benefit of such methods of assessment and  
 7 taxation shall be required to enter into a covenant to continue the property in bona fide  
 8 conservation use or bona fide residential transitional use; and

9 (B) A breach of such covenant within ten years shall result in a recapture of the tax  
 10 savings resulting from such methods of assessment and taxation and may result in other  
 11 appropriate penalties; and

12 (2) That standing timber shall be assessed only once, and such assessment shall be  
 13 made following its harvest or sale and on the basis of its fair market value at the time of  
 14 harvest or sale. Said assessment shall be two and one-half times the assessed percentage  
 15 of value fixed by law for other real property taxed under the uniformity provisions of  
 16 subparagraph (a) of this Paragraph but in no event greater than its fair market value; and  
 17 for a method of temporary supplementation of the property tax digest of any county if the  
 18 implementation of this method of taxing timber reduces the tax digest by more than 20  
 19 percent, such supplemental assessed value to be assigned to the properties otherwise  
 20 benefiting from such method of taxing timber.

21 (f) The General Assembly may provide for a different method and time of returns,  
 22 assessments, payment, and collection of ad valorem taxes of public utilities, but not on a  
 23 greater assessed percentage of value or at a higher rate of taxation than other properties,  
 24 except that property provided for in subparagraph (c), (d), or (e)."

## 25 SECTION 2.

26 The above proposed amendment to the Constitution shall be published and submitted as  
 27 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the  
 28 above proposed amendment shall have written or printed thereon the following:

29 "( ) YES Shall the Constitution be amended so as to authorize special methods of ad  
 30 ( ) NO valorem taxation of antique, hobby, or special interest aircraft?"

31 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."  
 32 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If  
 33 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall  
 34 become a part of the Constitution of this state.