

The House Committee on Ways and Means offers the following substitute to HB 1321:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated,
2 relating to general provisions regarding ad valorem taxation of property, so as to provide for
3 an additional case where a bona fide agricultural purposes or bona fide conservation use
4 renewal covenant may be terminated without certain penalties applying; to provide an
5 effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

7 Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to
8 general provisions regarding ad valorem taxation of property, is amended by adding a new
9 subsection immediately following subsection (r) of Code Section 48-5-7.1, relating to
10 preferential assessment of bona fide agricultural purposes property, to be designated
11 subsection (r.1) to read as follows:
12

13 "(r.1) Any case in which a covenant is breached solely as a result of an owner electing to
14 discontinue the property in its qualifying use, provided such owner has renewed without
15 an intervening lapse at least once the covenant under this Code section, has reached the age
16 of 65 or older, and has kept the property in a qualifying use under the renewal covenant for
17 at least three years such election shall be in writing and shall not become effective until
18 filed with the county board of tax assessors. In such case, the penalty specified by
19 subsection (g) of this Code section shall not apply and the penalty imposed shall be the
20 amount by which preferential assessment has reduced taxes otherwise due for the year in
21 which the covenant is breached, such penalty to bear interest at the rate specified in Code
22 Section 48-2-40 from the date of the breach."

SECTION 4.

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2 All laws and parts of laws in conflict with this Act are repealed.