

Senators Johnson of the 1<sup>st</sup> and Dean of the 31<sup>st</sup> offered the following substitute to HB 37:

**ADOPTED SENATE**

**A BILL TO BE ENTITLED**

**AN ACT**

1 To amend Part 1 of Article 2 of Chapter 5 of Title 48 the Official Code of Georgia  
2 Annotated, relating to property tax exemptions, so as to clarify the provisions of the ad  
3 valorem tax exemption with respect to property of nonprofit homes for the aged; to provide  
4 for a technical correction and clarify certain provisions with respect to an ad valorem tax  
5 exemption for certain farm equipment owned and used by family owned qualified farm  
6 products producers; to provide for effective dates; to repeal conflicting laws; and for other  
7 purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

10 Part 1 of Article 2 of Chapter 5 of Title 48 the Official Code of Georgia Annotated, relating  
11 to property tax exemptions, is amended by striking paragraph (12) of subsection (a) of Code  
12 Section 48-5-41, relating to ad valorem tax exemptions, and inserting in its place a new  
13 paragraph (12) to read as follows:

14 "(12)(A) Property of a nonprofit home for the aged used in connection with its  
15 operation when the home for the aged has no stockholders and no income or profit  
16 which is distributed to or for the benefit of any private person and when the home is  
17 qualified as an exempt organization under the United States Internal Revenue Code,  
18 Section 501(c)(3), as amended, and Code Section 48-7-25, and is subject to the laws of  
19 this state regulating nonprofit and charitable corporations;";

20 (B) Property exempted by this paragraph shall not include property of a home for the  
21 aged held primarily for investment purposes or used for purposes unrelated to the  
22 providing of residential or health care to the aged;";

23 (C) For purposes of this paragraph, indirect ownership of such home for the aged  
24 through a limited liability company that is fully owned by such exempt organization  
25 shall be considered direct ownership;".

**SECTION 2.**

Said part is further amended by striking subsection (c) of Code Section 48-5-41.1, relating to exemption of certain agricultural products from ad valorem taxation, and inserting in its place a new subsection (c) to read as follows:

"(c) Farm tractors, combines, and all other farm equipment other than motor vehicles, whether fixed or mobile, which ~~is~~ are owned by and directly used in the production of agricultural products by family owned qualified farm products producers shall be exempt from all ad valorem property taxes in this state."

**SECTION 3.**

(a) Except as otherwise provided in subsection (b) of this section, this Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

(b) Section 1 of this Act shall become effective January 1, 2002.

**SECTION 4.**

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