

House Bill 911

By: Representative Heard of the 89th

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 relative to ad valorem taxation of property, so as to change
3 certain provisions excluding nonresident individuals from certain preferential ad valorem
4 property tax assessments; to provide an effective date; to repeal conflicting laws; and for
5 other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to
9 general provisions relative to ad valorem taxation of property, is amended by striking
10 subsection (b) of Code Section 48-5-7.1, relating to tangible real property devoted to
11 agriculture, and inserting in lieu thereof the following:

12 "(b) No property shall qualify for the preferential ad valorem property tax assessment
13 provided for in subsection (b) of Code Section 48-5-7 unless:

- 14 (1) It is owned by one or more ~~natural or naturalized citizens~~ individuals; or
15 (2) It is owned by a family-farm corporation, the controlling interest of which is owned
16 by individuals related to each other within the fourth degree by civil reckoning, and such
17 corporation derived 80 percent or more of its gross income for the year immediately
18 preceding the year in which application for preferential assessment is made from bona
19 fide agricultural pursuits carried out on tangible real property located in this state, which
20 property is devoted to bona fide agricultural purposes."

21 **SECTION 2.**

22 Said article is further amended by striking subparagraph (a)(1)(C) of Code Section 48-5-7.4,
23 relating to bona fide conservation use property, and inserting in lieu thereof the following:

24 "(C) Such property must be owned by:

- 1 (i) One or more ~~natural or naturalized citizens~~ individuals;
- 2 (ii) An estate of which the devisees or heirs are one or more ~~natural or naturalized~~
 3 ~~citizens~~ individuals;
- 4 (iii) A trust of which the beneficiaries are one or more ~~natural or naturalized citizens~~
 5 individuals;
- 6 (iv) A family owned farm entity, such as a family corporation, a family partnership,
 7 a family general partnership, a family limited partnership, a family limited
 8 corporation, or a family limited liability company, all of the interest of which is
 9 owned by one or more ~~natural or naturalized citizens~~ individuals related to each other
 10 by blood or marriage within the fourth degree of civil reckoning, except that, solely
 11 with respect to a family limited partnership, a corporation, limited partnership, limited
 12 corporation, or limited liability company may serve as a general partner of the family
 13 limited partnership and hold no more than a 5 percent interest in such family limited
 14 partnership, an estate of which the devisees or heirs are one or more ~~natural or~~
 15 ~~naturalized citizens~~ individuals, or a trust of which the beneficiaries are one or more
 16 ~~natural or naturalized citizens~~ individuals and which family owned farm entity
 17 derived 80 percent or more of its gross income from bona fide conservation uses,
 18 including earnings on investments directly related to past or future bona fide
 19 conservation uses, within this state within the year immediately preceding the year in
 20 which eligibility is sought; provided, however, that in the case of a newly formed
 21 family farm entity, an estimate of the income of such entity may be used to determine
 22 its eligibility;
- 23 (v) A bona fide nonprofit conservation organization designated under Section
 24 501(c)(3) of the Internal Revenue Code; or
- 25 (vi) A bona fide club organized for pleasure, recreation, and other nonprofitable
 26 purposes pursuant to Section 501(c)(7) of the Internal Revenue Code;"

27 **SECTION 3.**

28 This Act shall become effective upon its approval by the Governor or upon its becoming law
 29 without such approval.

30 **SECTION 4.**

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