

Senate Bill 41

By: Senators Thompson of the 33rd, Meyer von Bremen of the 12th, Hooks of the 14th, Starr of the 44th, Dean of the 31st and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia
2 Annotated, relating to tax exemptions, so as to increase the amount of the state-wide
3 homestead exemption from all ad valorem taxation for state, county, and school purposes
4 from \$2,000.00 to \$20,000.00; to specify the terms and conditions of the exemption and the
5 procedures relating thereto; to provide for applicability; to provide for a referendum; to
6 provide for automatic repeal under certain circumstances; to provide for effective dates; to
7 repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 style="text-align:center">**SECTION 1.**

10 Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated,
11 relating to tax exemptions, is amended by striking Code Section 48-5-44, relating to the
12 state-wide \$2,000.00 homestead exemption from state, county, and school district ad valorem
13 taxes, and inserting in its place a new Code Section 48-5-44 to read as follows:

14 "48-5-44.

15 (a) The homestead of each resident of this state actually occupied by the owner as a
16 residence and homestead shall be exempted from all ad valorem taxation for state, county,
17 and school purposes, except taxes levied by municipalities for school purposes and except
18 to pay interest on and to retire bonded indebtedness, for as long as the residence and
19 homestead is actually occupied by the owner primarily as a residence and homestead. The
20 exemption shall not exceed ~~\$2,000.00~~ \$20,000.00 of the value of the homestead.

21 (b) Should the owner of a dwelling house on a farm who is already entitled to a homestead
22 exemption participate in the program of rural housing and obtain a new house under
23 contract with the local housing authority, ~~he~~ such owner shall be entitled to receive the
24 same homestead exemption as allowed before making the contract.

25 (c) Except as otherwise specifically provided by law, the value of all homestead property
26 in excess of ~~\$2,000.00~~ \$20,000.00 shall remain subject to taxation. The exemption shall

1 be returned and claimed in the manner prescribed by law. This exemption shall not apply
2 to taxes levied by municipalities."

3 **SECTION 2.**

4 Unless prohibited by the federal Voting Rights Act of 1965, as amended, the Secretary of
5 State shall call and conduct a referendum as provided in this section for the purpose of
6 submitting this Act to the electors of the State of Georgia for approval or rejection. The
7 Secretary of State shall conduct that election on the date of the November, 2004, state-wide
8 general election. The Secretary of State shall issue the call and conduct that election as
9 provided by general law. The Secretary of State shall cause the date and purpose of the
10 election to be published in the official organ of each county in the state once a week for two
11 weeks immediately preceding the date of the referendum. The ballot shall have written
12 thereon the following:

13 "() YES Shall the Act be approved which increases the state-wide ad valorem tax
14 exemption from all ad valorem taxation for state, county, and school
15 () NO purposes from \$2,000.00 to \$20,000.00?"

16 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
17 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes
18 cast on such question are for approval of the Act, then Section 1 of this Act shall become
19 effective on January 1, 2005, and shall apply to all tax years beginning on or after that date.
20 If the Act is not so approved or if the election is not conducted as provided in this section,
21 Section 1 of this Act shall not become effective and this Act shall be automatically repealed
22 on the first day of January immediately following that election date.

23 **SECTION 3.**

24 Except as otherwise provided in Section 2 of this Act, this Act shall become effective upon
25 its approval by the Governor or upon its becoming law without such approval.

26 **SECTION 4.**

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