

House Bill 641

By: Representative Powell of the 23rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-5-7.4 of the Official Code of Georgia Annotated, relating to bona
2 fide conservation use property, so as to provide for additional qualifications with respect to
3 ownership; to provide an effective date; to repeal conflicting laws; and for other purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

6 Code Section 48-5-7.4 of the Official Code of Georgia Annotated, relating to bona fide
7 conservation use property, is amended by striking subparagraph (a)(1)(C) and inserting in
8 its place a new subparagraph (a)(1)(C) to read as follows:

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

10 (i) One or more natural or naturalized citizens;

11 (ii) An estate of which the devisees or heirs are one or more natural or naturalized
12 citizens;

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

14 (iv) A trust held by a family partnership, a family general partnership, or a family
15 limited partnership, all of the interest of which is owned by one or more natural or
16 naturalized citizens related to each other by blood or marriage within the fourth
17 degree of civil reckoning;

18 ~~(iv)~~(v) A family owned farm entity, such as a family corporation, a family
19 partnership, a family general partnership, a family limited partnership, a family
20 limited corporation, or a family limited liability company, all of the interest of which
21 is owned by one or more natural or naturalized citizens related to each other by blood
22 or marriage within the fourth degree of civil reckoning, except that, solely with
23 respect to a family limited partnership, a corporation, limited partnership, limited
24 corporation, or limited liability company may serve as a general partner of the family
25 limited partnership and hold no more than a 5 percent interest in such family limited
26 partnership, an estate of which the devisees or heirs are one or more natural or

1 naturalized citizens, or a trust of which the beneficiaries are one or more natural or
2 naturalized citizens and which family owned farm entity derived 80 percent or more
3 of its gross income from bona fide conservation uses, including earnings on
4 investments directly related to past or future bona fide conservation uses, within this
5 state within the year immediately preceding the year in which eligibility is sought;
6 provided, however, that in the case of a newly formed family farm entity, an estimate
7 of the income of such entity may be used to determine its eligibility;

8 ~~(v)~~(vi) A bona fide nonprofit conservation organization designated under Section
9 501(c)(3) of the Internal Revenue Code; or

10 ~~(vi)~~(vii) A bona fide club organized for pleasure, recreation, and other non-profitable
11 purposes pursuant to Section 501(c)(7) of the Internal Revenue Code;"

12 **SECTION 2.**

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

15 **SECTION 3.**

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