

House Bill 1281

By: Representative Smith of the 113th

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 relating to certification of assessed taxable value of property and method
4 of computation, resolution or ordinance required for millage rate, and advertisement of intent
5 to increase property tax; to provide an effective date; to provide for applicability; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to
10 general provisions relative to ad valorem taxation of property, is amended by striking Code
11 Section 48-5-32.1, relating to certification of assessed taxable value of property and method
12 of computation, resolution or ordinance required for millage rate, and advertisement of intent
13 to increase property tax, and inserting in lieu thereof the following:

14 "48-5-32.1.

15 (a) As used in this Code section, the term:

16 (1) 'Ad valorem tax' or 'property tax' means a tax imposed upon the assessed value of real
17 property.

18 (2) 'Certified tax digest' means the total net assessed value on the annual property tax
19 digest certified by the tax commissioner of a taxing jurisdiction to the department and
20 authorized by the commissioner for the collection of taxes, or, in the case where the
21 governing authority of a county whose digest has not been approved by the commissioner
22 has petitioned the superior court of the county for an order authorizing the immediate and
23 temporary collection of taxes, the temporary digest so authorized.

24 (3) 'Levy authority' means a county, a municipality, or a consolidated city-county
25 governing authority or other governing authority of a political subdivision of this state

1 that exercises the power to levy ad valorem taxes to carry out the governing authority's
2 purposes.

3 (4) 'Mill' means one one-thousandth of a United States dollar.

4 (5) 'Millage' or 'millage rate' means the levy, in mills, which is established by the
5 governing authority for purposes of financing, in whole or in part, the taxing
6 jurisdiction's expenses for their fiscal year.

7 (6) 'Millage equivalent' means the number of mills which would result when the total net
8 assessed value added by reassessments is divided by the certified tax digest and the result
9 is multiplied by the previous year's millage rate.

10 (7) 'Net assessed value' means the taxable assessed value of property after all
11 exemptions.

12 (8) 'Recommending authority' means a county, independent, or area school board of
13 education that exercises the power to cause the levying authority to levy ad valorem taxes
14 to carry out the purposes of such board of education.

15 (9) 'Roll-back rate' means the previous year's millage rate minus the millage equivalent
16 of the total net assessed value added by reassessments; provided, however, that if the
17 taxing jurisdiction has created a redevelopment area under the provisions of Chapter 44
18 of Title 36 and the roll-back rate that would otherwise result is lower than the minimum
19 millage permissible under such chapter, the roll-back rate shall mean such minimum
20 millage.

21 (10) 'Taxing jurisdiction' means all the real property subject to the levy of a specific
22 levying authority or the recommended levy of a specific recommending authority.

23 (11) 'Total net assessed value added by reassessments' means the total net assessed value
24 added to the certified tax digest as a result of revaluation of existing real property that has
25 not been improved since the previous tax digest year.

26 (b) At the time of certification of the digest, the tax receiver or tax commissioner shall also
27 certify to the recommending authority and levying authority of each taxing jurisdiction the
28 total net assessed value added by reassessments contained in the certified tax digest for that
29 tax digest year of the taxing jurisdiction.

30 (c)(1) Whenever a recommending authority or levying authority shall propose to adopt
31 a millage rate which does not exceed the roll-back rate, it shall adopt that millage rate at
32 an advertised public meeting and at a time and place which is convenient to the taxpayers
33 of the taxing jurisdiction, in accordance with the procedures specified under Code Section
34 48-5-32.

35 (2) In those instances in which the recommending authority or levying authority
36 proposes to establish any millage rate which would require increases beyond the roll-back
37 rate, the recommending authority or levying authority shall advertise its intent to do so

and shall conduct at least three public hearings thereon, at least one of which shall commence between the hours of 6:00 P.M. and 7:00 P.M., inclusive, on a business weekday. The recommending authority or levying authority shall place an advertisement in a newspaper of general circulation serving the residents of the unit of local government, which shall read as follows:

'NOTICE OF PROPERTY TAX INCREASE

The (name of recommending authority or levying authority) has tentatively adopted a millage rate which will require an increase in property taxes by (percentage increase over roll-back rate) percent.

All concerned citizens are invited to the public hearing on this tax increase to be held at (place of meeting) on (date and time).

Times and places of additional public hearings on this tax increase are:

at (place of meeting) on (date and time)

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at (place of meeting) on (date and time)

This tentative increase will result in a millage rate of (proposed millage rate) mills, an increase of (millage rate increase above the rollback rate) mills. Without this tentative tax increase, the millage rate will be no more than (rollback millage rate) mills. The following table lists the dollar amounts of the proposed tax increase for different property valuations:

\$75,000 \$100,000 \$125,000 \$150,000 \$175,000 \$200,000
(\$ increase) (\$ increase) (\$ increase) (\$ increase) (\$ increase) (\$ increase)

\$225,000 \$250,000 \$275,000 \$300,000 \$325,000 \$350,000
(\$ increase) (\$ increase) (\$ increase) (\$ increase) (\$ increase) (\$ increase)

\$375,000 \$400,000 \$450,000 \$500,000 \$600,000 \$. . .
(\$ increase) (\$ increase) (\$ increase) (\$ increase) (\$ increase) (\$ increase)

A copy of the tentative budget may be obtained at (place where budget may be obtained)
between the hours of (times when budget will be available for public inspection) or on
the Internet at (URL for the tentative budget if it is provided on the Internet).'

1 Simultaneously with this notice the recommending authority or levying authority shall
2 provide a press release to the local media.

3 (3) The advertisement shall appear at least one week prior to each hearing, ~~and~~ shall be
4 prominently displayed, be not less than 30 square inches, and ~~shall~~ not be placed in that
5 section of the newspaper where legal notices appear.

6 (3.1) Prior to or contemporaneous with the placement of the advertisement required
7 under paragraph (2) of this subsection, the recommending authority or levying authority
8 shall make its tentative budget available for public viewing at times and places that are
9 convenient to the public. The tentative budget must remain available to the public during
10 the period of public comment. If the recommending authority or levying authority has a
11 taxing jurisdiction containing 30,000 or more people then that recommending authority
12 or levying authority shall also publish its tentative budget on the Internet in addition to
13 making it available for public viewing.

14 (4) No recommending authority shall recommend and no levying authority shall levy a
15 millage rate in excess of the proposed millage rate as established pursuant to paragraph
16 (2) of this subsection without beginning anew the procedures and hearings required by
17 this Code section and those required by Code Section 48-5-32. The commissioner shall
18 not accept a digest for review or issue an order authorizing the collection of taxes if the
19 recommending authority or taxing authority has established a millage rate that is in
20 excess of the correct rollback without complying fully with the procedures required by
21 this Code section and Code Section 48-5-32; provided, however, that the commissioner
22 may accept such a digest and issue an order authorizing the collection of taxes if he or she
23 determines that the discrepancy was a bona fide error in calculation and if the increase
24 in taxes does not exceed the amount of the advertised increase by more than 3 percent of
25 the advertised increase.

26 (5) Any notice or hearing required under this Code section may be combined with any
27 notice or hearing required under Article 1 of Chapter 81 of Title 36 or Code Section
28 48-5-32; provided, however, that all of the requirements of this Code section with respect
29 to advertisement shall be met, and the space in the advertisement for the hearings devoted
30 to the requirements of this Code section shall meet the requirements of paragraph (3) of
31 this subsection.

32 (d) Nothing contained in this Code section shall serve to extend or authorize any millage
33 rate in excess of the maximum millage rate permitted by law or to prevent the reduction of
34 the millage rate.

35 (e) The commissioner shall not accept for review the digest of any county which does not
36 submit simultaneously with such digest evidence of compliance with this Code section by
37 the levying authorities and recommending authorities with the exception of municipal

1 governing authorities. In the event a digest is not accepted for review by the commissioner
2 pursuant to this subsection, it shall be accepted for review upon satisfactory submission by
3 such authorities of such evidence. The levies of each of the levying authorities other than
4 the county governing authority shall be invalid and unenforceable until such time as the
5 provisions of this Code section have been met.

6 (e.1) In the event that the commissioner determines, after having issued an order
7 authorizing the collection of taxes, that the recommending authority or the levying
8 authority has not fully complied with all of the provisions of this Code section, then the
9 commissioner shall rescind the order authorizing the collection of taxes and issue an order
10 requiring that any taxes collected pursuant to the rescinded order authorizing collection of
11 taxes be returned to the taxpayer.

12 (f) The commissioner shall promulgate such rules and regulations as may be necessary for
13 the administration of this Code section."

14 **SECTION 2.**

15 This Act shall become effective on January 1, 2006, and shall apply to all tax years beginning
16 on or after such date.

17 **SECTION 3.**

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