

The House Committee on Ways and Means offers the following substitute to HB 1281:

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 repeal conflicting laws; and for other  
6 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) 'Levying 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 (A) As calculated and certified to the commissioner by the tax commissioner for  
22 county and educational tax purposes; and

23 (B) As calculated by the collecting officer of the municipality for municipal tax  
24 purposes.

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

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

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

34 (c)(1) Whenever a recommending authority or levying authority shall propose to adopt  
35 a millage rate which does not exceed the roll-back rate, it shall adopt that millage rate at  
36 an advertised public meeting and at a time and place which is convenient to the taxpayers

1 of the taxing jurisdiction, in accordance with the procedures specified under Code Section  
2 48-5-32.

3 (2) In those instances in which the recommending authority or levying authority  
4 proposes to establish any millage rate which would require increases beyond the roll-back  
5 rate, the recommending authority or levying authority shall advertise its intent to do so  
6 and shall conduct at least three public hearings thereon, at least one of which shall  
7 commence between the hours of 6:00 P.M. and 7:00 P.M., inclusive, on a business  
8 weekday. The recommending authority or levying authority shall place an advertisement  
9 in a newspaper of general circulation serving the residents of the unit of local  
10 government, which shall read as follows:

11 **NOTICE OF PROPERTY TAX INCREASE**

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

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

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

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

19 This tentative increase will result in a millage rate of (proposed millage rate) mills, an  
20 increase of (millage rate increase above the rollback rate) mills. Without this tentative  
21 tax increase, the millage rate will be no more than (rollback millage rate) mills. The  
22 proposed tax increase for a home with a fair market value of \$100,000.00 is  
23 approximately \$(increase).'

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

26 (3) The advertisement shall appear at least one week prior to each hearing, ~~and shall be~~  
27 ~~prominently displayed,~~ be not less than 30 square inches, and ~~shall~~ not be placed in that  
28 section of the newspaper where legal notices appear. In addition to the advertisement  
29 specified under this paragraph, the levying or recommending authority may include in the  
30 notice reasons or explanations for such tax increase.

31 (4) No recommending authority shall recommend and no levying authority shall levy a  
32 millage rate in excess of the proposed millage rate as established pursuant to paragraph  
33 (2) of this subsection without beginning anew the procedures and hearings required by  
34 this Code section and those required by Code Section 48-5-32. The commissioner shall  
35 not accept a digest for review or issue an order authorizing the collection of taxes if the

1 recommending authority or levying authority other than municipal governing authorities  
2 has established a millage rate that is in excess of the correct rollback without complying  
3 fully with the procedures required by this Code section and Code Section 48-5-32;  
4 provided, however, that the commissioner may accept such a digest and issue an order  
5 authorizing the collection of taxes if the commissioner determines that the discrepancy  
6 was a bona fide error in calculation or if the increase in taxes does not exceed the amount  
7 of the advertised increase by more than 3 percent.

8 (5) Any notice or hearing required under this Code section may be combined with any  
9 notice or hearing required under Article 1 of Chapter 81 of Title 36 or Code Section  
10 48-5-32; provided, however, that all of the requirements of this Code section with respect  
11 to advertisement shall be met, and the space in the advertisement for the hearings devoted  
12 to the requirements of this Code section shall meet the requirements of paragraph (3) of  
13 this subsection.

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

17 (e) The commissioner shall not accept for review the digest of any county which does not  
18 submit simultaneously with such digest evidence of compliance with this Code section by  
19 the levying authorities and recommending authorities with the exception of municipal  
20 governing authorities. In the event a digest is not accepted for review by the commissioner  
21 pursuant to this subsection, it shall be accepted for review upon satisfactory submission by  
22 such authorities of such evidence. The levies of each of the levying authorities other than  
23 the county governing authority shall be invalid and unenforceable until such time as the  
24 provisions of this Code section have been met.

25 (e.1) In the event the commissioner determines, after having issued an order authorizing  
26 the collection of taxes, that the recommending authority or the levying authority has not  
27 fully complied with all of the provisions of this Code section, then the commissioner may  
28 declare the increase above the roll-back rate null and void and require that any taxes  
29 collected above the roll-back rate be returned to the taxpayer. The recommending authority  
30 or levying authority which is the subject of such finding by the commissioner shall bear the  
31 cost of such refund and all administrative costs associated with providing such refund.

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

1 **SECTION 2.**

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

4 **SECTION 3.**

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