

## House Resolution 1246

By: Representatives Richardson of the 19<sup>th</sup>, O'Neal of the 146<sup>th</sup>, and Ehrhart of the 36<sup>th</sup>

A RESOLUTION

1 Proposing an amendment to the Constitution so as to provide for tax relief from ad valorem  
 2 property taxes; to provide for a short title; to authorize additional tax relief including the  
 3 elimination of ad valorem property taxes for educational purposes; to provide for optional  
 4 homeowner's incentive adjustments; to authorize the limited amending of conflicting local  
 5 constitutional amendments; to provide for the automatic repeal of The Property Tax Reform  
 6 Amendment unless specifically continued by general law; to provide for the revival and  
 7 restoration of certain prior general and local constitutional provisions; to provide for the  
 8 repeal of such provisions; to prohibit the annual levy of state ad valorem taxes except in  
 9 emergencies; to authorize a refundable income tax credit for low-income families for  
 10 qualified food expenses; to provide for motor vehicle tax relief grants; to provide for  
 11 procedures; to provide for effective dates; to provide for the submission of this amendment  
 12 for ratification or rejection; and for other purposes.

13 **BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:**

14 **PART I**  
 15 **SECTION 1-1.**

16 This Part I of this resolution shall be known and may be cited as "The Property Tax Reform  
 17 Amendment."

18 **SECTION 1-2.**

19 The Constitution is amended by adding a new subparagraph to Article VII, Section I,  
 20 Paragraph to read II as follows:

21 "(c) On or after January 1, 2010, upon a determination by the General Assembly that  
 22 sufficient revenues are available, the General Assembly shall be authorized by general law  
 23 to provide for additional tax relief from ad valorem property taxes for educational purposes  
 24 up to and including the abolishment and repeal of ad valorem property taxes for  
 25 educational purposes in addition to the tax relief provided under Article VII, Sections IIA

1 and IIB. Such further tax relief or abolishment and repeal shall take place in accordance  
 2 with such schedule as may be established by the General Assembly and shall apply to any  
 3 or all such ad valorem property taxes for educational purposes as determined by the  
 4 General Assembly except for ad valorem taxes pertaining to general obligation  
 5 indebtedness incurred prior to January 1, 2010, and except for intangible taxes, tax  
 6 allocation districts, or community improvement districts. Any provisions of this  
 7 Constitution to the contrary shall be deemed inapplicable to such general law or laws. It  
 8 is the express purpose and intent of this subparagraph that, upon sufficient revenues  
 9 becoming available, all taxpayers are relieved from all ad valorem property taxes for  
 10 educational purposes in this state; and the General Assembly is granted the authority to  
 11 enact such general laws as are necessary to accomplish this purpose."

### 12 SECTION 1-3.

13 Article VII of the Constitution is amended by revising Section IIA as follows:

### 14 "SECTION IIA.

#### 15 HOMEOWNER'S INCENTIVE ADJUSTMENT

16 Paragraph I. *State grants; adjustment amount.* (a) For each taxable year, a  
 17 homeowner's incentive adjustment ~~may~~ shall be applied to the return of each taxpayer  
 18 claiming such state-wide homestead exemption as may be specified by general law. The  
 19 amount of such adjustment ~~may provide a taxpayer with a benefit equivalent to a~~  
 20 ~~homestead exemption of up to \$18,000.00 of the assessed value of a taxpayer's homestead~~  
 21 ~~or the taxpayer's ad valorem property tax liability on the homestead, whichever is lower~~  
 22 shall be determined pursuant to subparagraph (b) of this Paragraph. The General Assembly  
 23 ~~may~~ shall appropriate such amount each year for grants to local governments and school  
 24 districts as homeowner tax relief grants. The adjustments and grants authorized by this  
 25 Paragraph shall be made in such manner and shall be subject to the procedures and  
 26 conditions as may be specified by general law heretofore or hereafter enacted.

27 (b) Each qualified taxpayer shall receive whichever of the following adjustment amounts  
 28 provides the maximum benefit to that taxpayer on the tax bill for the applicable tax year:

29 (1) A benefit equivalent to a homestead exemption of up to \$30,000.00 of the assessed  
 30 value of the taxpayer's homestead or the taxpayer's ad valorem property tax liability for  
 31 county or municipal purposes, or both if applicable, on the homestead, whichever is  
 32 lower; or

33 (2) A benefit equivalent to an exemption from the full amount of the taxpayer's ad  
 34 valorem property tax liability for educational purposes on the homestead; provided,

1 however, that such benefit shall be determined on the base millage rate. For purposes of  
 2 this benefit determination, the base millage rate shall be the millage rate in effect for the  
 3 2007 taxable year or the current taxable year, whichever is lower, in the school district  
 4 in which the homestead is located. Any additional tax liability attributable to a millage  
 5 rate in excess of the base millage rate used for purposes of calculating such benefit shall  
 6 not be eligible for the tax relief provided by this adjustment amount."

7 **SECTION 1-4.**

8 Article XI, Section I, Paragraph IV of the Constitution is amended by revising subparagraph  
 9 (b) as follows:

10 "(b)(1) Except as otherwise provided in this subparagraph, any ~~Any~~ amendment which  
 11 is continued in force and effect after July 1, 1987, pursuant to the provisions of  
 12 subparagraph (a) of this Paragraph shall be continued in force and effect as a part of this  
 13 Constitution, except that such amendment may thereafter be repealed but may not be  
 14 amended. The repeal of any such amendment shall be accomplished by local Act of the  
 15 General Assembly, the effectiveness of which shall be conditioned on its approval by a  
 16 majority of the qualified voters voting thereon in each of the particular political  
 17 subdivisions affected by the amendment.

18 (2) In the event any amendment which was continued in force and effect after July 1,  
 19 1987, either pursuant to the provisions of subparagraph (a) of this Paragraph or any other  
 20 provision of this Constitution contains provisions which require the rollback of ad  
 21 valorem property taxes for educational purposes as the exclusive use of the proceeds of  
 22 a local tax authorized and imposed pursuant to such amendment, the General Assembly  
 23 is authorized to amend such amendment once for the limited purpose of either authorizing  
 24 the use of such proceeds to roll back other ad valorem property taxes or to repeal such  
 25 amendment. Any such amendatory or repealing local constitutional amendment shall be  
 26 adopted by a majority vote of each house of the General Assembly but shall not require  
 27 approval in a referendum in the affected local jurisdiction. Once a local constitutional  
 28 amendment has been amended once pursuant to this subparagraph (b)(2), such  
 29 amendment shall again become subject to the provisions of subparagraph (b)(1) of this  
 30 Paragraph."

31 **PART II**

32 **SECTION 2-1.**

33 The Constitution is amended by revising subparagraph (a) of Article VII, Section I,  
 34 Paragraph II as follows:



1 **PART III**

2 **SECTION 3-1.**

3 The Constitution is amended by repealing subparagraph (c) of Article VII, Section I,  
4 Paragraph II which reads as follows:

5 "(c) On or after January 1, 2010, upon a determination by the General Assembly that  
6 sufficient revenues are available, the General Assembly shall be authorized by general law  
7 to provide for additional tax relief from ad valorem property taxes for educational purposes  
8 up to and including the abolishment and repeal of ad valorem property taxes for  
9 educational purposes in addition to the tax relief provided under Article VII, Sections IIA  
10 and IIB. Such further tax relief or abolishment and repeal shall take place in accordance  
11 with such schedule as may be established by the General Assembly and shall apply to any  
12 or all such ad valorem property taxes for educational purposes as determined by the  
13 General Assembly except for ad valorem taxes pertaining to general obligation  
14 indebtedness incurred prior to January 1, 2010, and except for intangible taxes, tax  
15 allocation districts, or community improvement districts. Any provisions of this  
16 Constitution to the contrary shall be deemed inapplicable to such general law or laws. It  
17 is the express purpose and intent of this subparagraph that, upon sufficient revenues  
18 becoming available, all taxpayers are relieved from all ad valorem property taxes for  
19 educational purposes in this state; and the General Assembly is granted the authority to  
20 enact such general laws as are necessary to accomplish this purpose."

21 **SECTION 3-2.**

22 Article VII of the Constitution is amended as follows:

23 **"SECTION IIA.**

24 **HOMEOWNER'S INCENTIVE ADJUSTMENT**

25 Paragraph I. *State grants; adjustment amount.* (a) For each taxable year, a  
26 homeowner's incentive adjustment may ~~shall~~ be applied to the return of each taxpayer  
27 claiming such state-wide homestead exemption as may be specified by general law. The  
28 amount of such adjustment may provide a taxpayer with a benefit equivalent to a  
29 homestead exemption of up to \$18,000.00 of the assessed value of a taxpayer's homestead  
30 or the taxpayer's ad valorem property tax liability on the homestead, whichever is lower  
31 ~~shall be determined pursuant to subparagraph (b) of this Paragraph.~~ The General Assembly  
32 may ~~shall~~ appropriate such amount each year for grants to local governments and school  
33 districts as homeowner tax relief grants. The adjustments and grants authorized by this

1 Paragraph shall be made in such manner and shall be subject to the procedures and  
2 conditions as may be specified by general law heretofore or hereafter enacted.

3 ~~(b) Each qualified taxpayer shall receive whichever of the following adjustment amounts  
4 provides the maximum benefit to that taxpayer on the tax bill for the applicable tax year:~~

5 ~~(1) A benefit equivalent to a homestead exemption of up to \$30,000.00 of the assessed  
6 value of the taxpayer's homestead or the taxpayer's ad valorem property tax liability for  
7 county or municipal purposes, or both if applicable, on the homestead, whichever is  
8 lower; or~~

9 ~~(2) A benefit equivalent to an exemption from the full amount of the taxpayer's ad  
10 valorem property tax liability for educational purposes on the homestead; provided,  
11 however, that such benefit shall be determined on the base millage rate. For purposes of  
12 this benefit determination, the base millage rate shall be the millage rate in effect for the  
13 2007 taxable year or the current taxable year, whichever is lower, in the school district  
14 in which the homestead is located. Any additional tax liability attributable to a millage  
15 rate in excess of the base millage rate used for purposes of calculating such benefit shall  
16 not be eligible for the tax relief provided by this adjustment amount."~~

### 17 SECTION 3-3.

18 Article XI, Section I, Paragraph IV of the Constitution is amended by revising subparagraph  
19 (b) as follows:

20 ~~"(b)(1) Except as otherwise provided in this subparagraph, any Any amendment which  
21 is continued in force and effect after July 1, 1987, pursuant to the provisions of  
22 subparagraph (a) of this Paragraph shall be continued in force and effect as a part of this  
23 Constitution, except that such amendment may thereafter be repealed but may not be  
24 amended. The repeal of any such amendment shall be accomplished by local Act of the  
25 General Assembly, the effectiveness of which shall be conditioned on its approval by a  
26 majority of the qualified voters voting thereon in each of the particular political  
27 subdivisions affected by the amendment.~~

28 ~~(2) In the event any amendment which was continued in force and effect after July 1,  
29 1987, either pursuant to the provisions of subparagraph (a) of this Paragraph or any other  
30 provision of this Constitution contains provisions which require the rollback of ad  
31 valorem property taxes for educational purposes as the exclusive use of the proceeds of  
32 a local tax authorized and imposed pursuant to such amendment, the General Assembly  
33 is authorized to amend such amendment once for the limited purpose of either authorizing  
34 the use of such proceeds to roll back other ad valorem property taxes or to repeal such  
35 amendment. Any such amendatory or repealing local constitutional amendment shall be  
36 adopted by a majority vote of each house of the General Assembly but shall not require~~

1 approval in a referendum in the affected local jurisdiction. Once a local constitutional  
 2 amendment has been amended once pursuant to this subparagraph (b)(2), such  
 3 amendment shall again become subject to the provisions of subparagraph (b)(1) of this  
 4 Paragraph."

5 **PART IV**  
 6 **SECTION 4-1.**

7 Article XI, Section I, of the Constitution is amended by adding a new paragraph to read as  
 8 follows:

9 "Paragraph IVA. *Continuation or repeal of The Property Tax Reform Amendment;*  
 10 *former provisions restored.* (a) The amendments to this Constitution in force and effect  
 11 as a result of the ratification of The Property Tax Reform Amendment shall continue in  
 12 force and effect as part of this Constitution until the last moment of December 31, 2012,  
 13 at which time said amendments contained in The Property Tax Reform Amendment shall  
 14 be repealed and shall be deleted as a part of this Constitution unless The Property Tax  
 15 Reform Amendment shall be specifically continued in force and effect without amendment  
 16 by a general law enacted prior to December 31, 2012. If so continued in force and effect  
 17 as a part of this Constitution, such provisions may thereafter be amended in the same  
 18 manner as any other provision of this Constitution. If not so continued in force and effect  
 19 as a part of this Constitution, then effective January 1, 2013, all provisions of this  
 20 Constitution which were amended by The Property Tax Reform Amendment shall be  
 21 revived and restored in their entirety in the form in which such provisions existed  
 22 immediately prior to their amendment by The Property Tax Reform Amendment. Such  
 23 revival and restoration shall also include any local constitutional amendment which was  
 24 amended pursuant to the limited authority of the provisions of Article XI, Section I,  
 25 Paragraph IV(b)(2). Any such amendment to such local constitutional amendment shall  
 26 be repealed effective at the last moment of December 31, 2012, and effective January 1,  
 27 2013, the former provisions of such local constitutional amendment shall be revived and  
 28 restored in their entirety in the form in which such provisions existed immediately prior to  
 29 their amendment pursuant to said Paragraph IV(b)(2). Once a local constitutional  
 30 amendment has been so revived and restored, such amendment shall again become subject  
 31 to the provisions of Article IX, Section I, Paragraph IV(b).

32 (b) This Paragraph shall stand repealed in its entirety on January 1, 2013."

1 **PART V**

2 **SECTION 5-1.**

3 (a) The above proposed amendment to the Constitution shall be published and submitted as  
 4 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the  
 5 above proposed amendment shall have written or printed thereon the following:

6 "( ) YES Shall the Constitution of Georgia be amended so as to comprehensively  
 7 reform the property tax system of Georgia to provide immediate property  
 8 ( ) NO tax relief and to authorize future property tax relief by implementing The  
 9 Property Tax Reform Amendment?"

10 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."

11 All persons desiring to vote against ratifying the proposed amendment shall vote "No."

12 (b) If such amendment shall be ratified as provided in said Paragraph of the Constitution,  
 13 it shall become effective and a part of the Constitution of this state as follows:

14 (1) Part I: Sections 1-1, 1-2, and 1-4 on January 1, 2009;

15 (2) Part I: Section 1-3 on January 1, 2010;

16 (3) Part II, Part IV, and this Part on January 1, 2009; and

17 (4) Part I shall stand repealed only under the circumstances provided in Part IV;  
 18 otherwise, Part I shall remain effective as provided in Part IV. If Part I is repealed as  
 19 provided in Part IV, then Part III shall become effective January 1, 2013; otherwise, Part  
 20 III shall not become effective.