

The House Committee on Ways and Means offers the following substitute to HB 1211:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Titles 48 and 36 of the Official Code of Georgia Annotated, relating, respectively,  
2 to revenue and taxation and local government, so as to provide for the special assessment of  
3 forest land conservation use property; to provide for a short title; to change certain definitions  
4 regarding ad valorem taxation; to provide for valuation tables; to provide for procedures,  
5 conditions, and limitations; to provide for powers, duties, and authority of county tax  
6 commissioners and the state revenue commissioner with respect to the foregoing; to provide  
7 for tax relief grants for forest land property; to provide for related matters; to provide for  
8 contingent effective dates and applicability; to provide for automatic repeal under certain  
9 circumstances; to repeal conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Title 48 Official Code of Georgia Annotated, relating to revenue and taxation, is amended  
13 in Code Section 48-5-2, relating to definitions regarding ad valorem taxation of property, by  
14 adding new paragraphs to read as follows:

15 "(5) 'Forest land conservation value' of forest land conservation use property means the  
16 amount determined in accordance with the specifications and criteria provided for in  
17 Code Section 48-5-271 and Article VII, Section I, Paragraph III(f) of the Constitution.  
18 (6) 'Forest land fair market value' means the 2008 fair market value of the forest land.  
19 Such 2008 valuation may increase from one taxable year to the next by a rate equal to the  
20 percentage change in the price index for gross output of state and local government from  
21 the prior year to the current year as defined by the National Income and Product Accounts  
22 and determined by the United States Bureau of Economic Analysis and indicated by the  
23 Price Index for Government Consumption Expenditures and General Government Gross  
24 Output (Table 3.10.4)."

**SECTION 2.**

Said title is further amended by adding a new Code section to read as follows:

"48-5-7.7.

(a) This Code section shall be known and may be cited as the 'Georgia Forest Land Protection Act of 2008.'

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

(1) 'Forest land conservation use property' means forest land each tract of which consists of more than 200 acres of tangible real property of an owner subject to the following qualifications:

(A) Such property must be owned by an individual or individuals or by any entity registered to do business in this state;

(B) Such property excludes the entire value of any residence located on the property;

(C) Such property has as its primary use:

(i) The promotion, preservation, or management of wildlife habitat;

(ii) The good faith subsistence or commercial production of trees, timber, or other wood and wood fiber products from or on the land;

(iii) Carbon sequestration in accordance with the Georgia Carbon Sequestration Registry;

(iv) Mitigation and conservation banking that results in restoration or conservation of wetlands and other natural resources; or

(v) The production and maintenance of ecosystem products and services such as, but not limited to, clean air and water.

'Forest land conservation use property' may include, but not be limited to, land that has been certified as environmentally sensitive property by the Department of Natural Resources or which is managed in accordance with a recognized sustainable forestry certification program such as the Sustainable Forestry Initiative, Forest Stewardship Council, American Tree Farm Program, or an equivalent sustainable forestry certification program approved by the Georgia Forestry Commission.

(2) 'Qualified owner' means any individual or individuals or any entity registered to do business in this state.

(c) The following additional rules shall apply to the qualification of forest land conservation use property for conservation use assessment:

(1) All contiguous forest land conservation use property of an owner within a county for which forest land conservation use assessment is sought under this Code section shall be in a single covenant;

(2) When one-half or more of the area of a single tract of real property is used for the qualifying purpose, then such tract shall be considered as used for such qualifying

1 purpose unless some other type of business is being operated on the unused portion;  
2 provided, however, that such unused portion must be minimally managed so that it does  
3 not contribute significantly to erosion or other environmental or conservation problems.

4 The lease of hunting rights or the use of the property for hunting purposes shall not  
5 constitute another type of business. The charging of admission for use of the property for  
6 fishing purposes shall not constitute another type of business. The production of pine  
7 straw shall not constitute another type of business; and

8 (3) No otherwise qualified forest land conservation use property shall be denied  
9 conservation use assessment on the grounds that no soil map is available for the county  
10 in which such property is located; provided, however, that if no soil map is available for  
11 the county in which such property is located, the board of tax assessors shall use the  
12 current soil classification applicable to such property.

13 (d) No property shall qualify for conservation use assessment under this Code section  
14 unless and until the qualified owner of such property agrees by covenant with the  
15 appropriate taxing authority to maintain the eligible property in forest land conservation  
16 use for a period of 15 years beginning on the first day of January of the year in which such  
17 property qualifies for such conservation use assessment and ending on the last day of  
18 December of the final year of the covenant period. After the qualified owner has applied  
19 for and has been allowed conservation use assessment provided for in this Code section,  
20 it shall not be necessary to make application thereafter for any year in which the covenant  
21 period is in effect and conservation use assessment shall continue to be allowed such  
22 qualified owner as specified in this Code section. At least 60 days prior to the expiration  
23 date of the covenant, the county board of tax assessors shall send by first-class mail written  
24 notification of such impending expiration. Upon the expiration of any covenant period, the  
25 property shall not qualify for further conservation use assessment under this Code section  
26 unless and until the qualified owner of the property has entered into a renewal covenant for  
27 an additional period of 15 years; provided, however, that the qualified owner may enter  
28 into a renewal contract in the fourteenth year of a covenant period so that the contract is  
29 continued without a lapse for an additional 15 years.

30 (e) Subject to the limitations of paragraph (1) of subsection (c) of this Code section, a  
31 qualified owner shall be authorized to enter into more than one covenant under this Code  
32 section for forest land conservation use property. Any such qualified property may include  
33 a tract or tracts of land which are located in more than one county.

34 (f) A qualified owner shall not be authorized to make application for and receive  
35 conservation use assessment under this Code section for any property which at the time of  
36 such application is receiving preferential assessment under Code Section 48-5-7.1 or  
37 current use assessment under Code Section 48-7-7.4; provided, however, that if any

1 property is subject to a covenant under either of those Code sections, it may be changed  
2 from such covenant and placed under a covenant under this Code section if it is otherwise  
3 qualified. Any such change shall terminate the existing covenant and shall not constitute  
4 a breach thereof. No property may be changed more than once under this subsection.

5 (g) Except as otherwise provided in this subsection, no property shall maintain its  
6 eligibility for conservation use assessment under this Code section unless a valid covenant  
7 remains in effect and unless the property is continuously devoted to forest land  
8 conservation use during the entire period of the covenant.

9 (h) If any breach of a covenant occurs, the existing covenant shall be terminated and all  
10 qualification requirements must be met again before the property shall be eligible for  
11 conservation use assessment under this Code section.

12 (i) If ownership of all or a part of the forest land conservation use property, which  
13 transferred tract exceeds 200 acres, is acquired during a covenant period by another  
14 qualified owner, then the original covenant may be continued by such acquiring qualified  
15 owner for the remainder of the term, in which event no breach of the covenant by either the  
16 former qualified owner or the acquiring qualified owner shall be deemed to have occurred  
17 even if the total size of a tract from which the transfer was made is reduced below 200  
18 acres. Following the expiration of such covenant, no new covenant shall be entered with  
19 respect to the tract from which the transfer was made unless such tract exceeds 200 acres.

20 (j)(1) All applications for conservation use assessment under this Code section, including  
21 the covenant agreement required under this Code section, shall be filed on or before the  
22 last day for filing ad valorem tax returns in the county for the tax year for which such  
23 conservation use assessment is sought, except that in the case of property which is the  
24 subject of a reassessment by the board of tax assessors an application for conservation use  
25 assessment may be filed in conjunction with or in lieu of an appeal of the reassessment.  
26 An application for continuation of such conservation use assessment upon a change in  
27 ownership of all or a part of the qualified property shall be filed on or before the last date  
28 for filing tax returns in the year following the year in which the change in ownership  
29 occurred. Applications for conservation use assessment under this Code section shall be  
30 filed with the county board of tax assessors who shall approve or deny the application.  
31 The county board of tax assessors shall file a copy of the approved application in the  
32 office of the clerk of the superior court in the county in which the eligible property is  
33 located. The clerk of the superior court shall file and index such application in the real  
34 property records maintained in the clerk's office. If the application is not so recorded in  
35 the real property records, a transferee of the property affected shall not be bound by the  
36 covenant or subject to any penalty for its breach. The fee of the clerk of the superior  
37 court for recording such applications shall be paid by the qualified owner of the eligible

1 property with the application for conservation use assessment under this Code section and  
2 shall be paid to the clerk by the board of tax assessors when the application is filed with  
3 the clerk. If the application is denied, the board of tax assessors shall notify the applicant  
4 in the same manner that notices of assessment are given pursuant to Code Section  
5 48-5-306 and shall return any filing fees advanced by the owner. Appeals from the denial  
6 of an application by the board of tax assessors shall be made in the same manner that  
7 other property tax appeals are made pursuant to Code Section 48-5-311.

8 (2) In the event such application is approved, the qualified owner shall continue to  
9 receive annual notification of any change in the forest land fair market value of such  
10 property and any appeals with respect to such valuation shall be made in the same manner  
11 as other property tax appeals are made pursuant to Code Section 48-5-311.

12 (k) The commissioner shall by regulation provide uniform application and covenant forms  
13 to be used in making application for conservation use assessment under this Code section.

14 (l) In the case of an alleged breach of the covenant, the qualified owner shall be notified  
15 in writing by the board of tax assessors. The qualified owner shall have a period of 30 days  
16 from the date of such notice to cease and desist the activity alleged in the notice to be in  
17 breach of the covenant or to remediate and correct the condition or conditions alleged in  
18 the notice to be in breach of the covenant. Following a physical inspection of property, the  
19 board of tax assessors shall notify the qualified owner that such activity or activities have  
20 or have not properly ceased or that the condition or conditions have or have not been  
21 remediated or corrected. The qualified owner shall be entitled to appeal the decision of the  
22 board of tax assessors and file an appeal disputing the findings of the board of tax  
23 assessors. Such appeal shall be conducted in the same manner that other property tax  
24 appeals are made pursuant to Code Section 48-5-311.

25 (m)(1) A penalty shall be imposed under this subsection if during the period of the  
26 covenant entered into by a qualified owner the covenant is breached.

27 (2) The penalty shall be applicable to the entire tract which is the subject of the covenant  
28 and:

29 (A) If breached during years one through five, shall for each covenant year beginning  
30 with year one be three times the difference between the total amount of tax paid  
31 pursuant to conservation use assessment under this Code section and the total amount  
32 of taxes which would otherwise have been due under this chapter for each completed  
33 or partially completed year of the covenant period;

34 (B) If breached during years six through ten, shall for each covenant year beginning  
35 with year one be 2.5 times the difference between the total amount of tax paid pursuant  
36 to conservation use assessment under this Code section and the total amount of taxes

1 which would otherwise have been due under this chapter for each year or partially  
2 completed year of the covenant period; and

3 (C) If breached during years 11 through 15, shall for each covenant year beginning  
4 with year one be twice the difference between the total amount of tax paid pursuant to  
5 conservation use assessment under this Code section and the total amount of taxes  
6 which would otherwise have been due under this chapter for each completed year or  
7 partially completed year of the covenant period.

8 (3) Any such penalty shall bear interest at the rate specified in Code Section 48-2-40  
9 from the date the covenant is breached.

10 (n) In any case of a breach of the covenant where a penalty under subsection (m) of this  
11 Code section is imposed, an amount equal to the amount of reimbursement to each county,  
12 municipality, and board of education in each year of the covenant shall be collected under  
13 subsection (o) of this Code section and paid over to the commissioner who shall deposit  
14 such amount in the general fund.

15 (o) Penalties and interest imposed under this Code section shall constitute a lien against  
16 the property and shall be collected in the same manner as unpaid ad valorem taxes are  
17 collected. Except as provided in subsection (n) of this Code section, such penalties and  
18 interest shall be distributed pro rata to each taxing jurisdiction wherein conservation use  
19 assessment under this Code section has been granted based upon the total amount by which  
20 such conservation use assessment has reduced taxes for each such taxing jurisdiction on  
21 the property in question as provided in this Code section.

22 (p) The penalty imposed by subsection (m) of this Code section shall not apply in any case  
23 where a covenant is breached solely as a result of:

- 24 (1) The acquisition of part or all of the property under the power of eminent domain;
- 25 (2) The sale of part or all of the property to a public or private entity which would have  
26 had the authority to acquire the property under the power of eminent domain; or
- 27 (3) The death of a qualified owner who was a party to the covenant.

28 (q) The following shall not constitute a breach of a covenant:

- 29 (1) Mineral exploration of the property subject to the covenant or the leasing of the  
30 property subject to the covenant for purposes of mineral exploration if the primary use  
31 of the property continues to be the good faith production from or on the land of timber;
- 32 (2) Allowing all or part of the property subject to the covenant to lie fallow or idle for  
33 purposes of any forestry conservation program, for purposes of any federal agricultural  
34 assistance program, or for other agricultural management purposes;
- 35 (3) Allowing all or part of the property subject to the covenant to lie fallow or idle due  
36 to economic or financial hardship if the qualified owner notifies the board of tax assessors  
37 on or before the last day for filing a tax return in the county where the land lying fallow

1 or idle is located and if such qualified owner does not allow the land to lie fallow or idle  
2 for more than two years of any five-year period;

3 (4)(A) Any property which is subject to a covenant for forest land conservation use  
4 being transferred to a place of religious worship or burial or an institution of purely  
5 public charity if such place or institution is qualified to receive the exemption from ad  
6 valorem taxation provided for under subsection (a) of Code Section 48-5-41. No  
7 qualified owner shall be entitled to transfer more than 25 acres of such person's  
8 property in the aggregate under this paragraph.

9 (B) Any property transferred under subparagraph (A) of this paragraph shall not be  
10 used by the transferee for any purpose other than for a purpose which would entitle  
11 such property to the applicable exemption from ad valorem taxation provided for under  
12 subsection (a) of Code Section 48-5-41 or subsequently transferred until the expiration  
13 of the term of the covenant period. Any such use or transfer shall constitute a breach  
14 of the covenant; or

15 (5) Leasing a portion of the property subject to the covenant, but in no event more than  
16 six acres of every unit of 2,000 acres, for the purpose of placing thereon a cellular  
17 telephone transmission tower. Any such portion of such property shall cease to be  
18 subject to the covenant as of the date of execution of such lease and shall be subject to  
19 ad valorem taxation at fair market value.

20 (r) In the following cases, the penalty specified by subsection (m) of this Code section  
21 shall not apply and the penalty imposed shall be the amount by which conservation use  
22 assessment has reduced taxes otherwise due for the year in which the covenant is breached,  
23 such penalty to bear interest at the rate specified in Code Section 48-2-40 from the date of  
24 the breach:

25 (1) Any case in which a covenant is breached solely as a result of the foreclosure of a  
26 deed to secure debt or the property is conveyed to the lienholder without compensation  
27 and in lieu of foreclosure, if:

28 (A) The deed to secure debt was executed as a part of a bona fide commercial loan  
29 transaction in which the grantor of the deed to secure debt received consideration equal  
30 in value to the principal amount of the debt secured by the deed to secure debt;

31 (B) The loan was made by a person or financial institution who or which is regularly  
32 engaged in the business of making loans; and

33 (C) The deed to secure debt was intended by the parties as security for the loan and  
34 was not intended for the purpose of carrying out a transfer which would otherwise be  
35 subject to the penalty specified by subsection (m) of this Code section;

36 (2) Any case in which a covenant is breached solely as a result of a medically  
37 demonstrable illness or disability which renders the qualified owner of the real property

1 physically unable to continue the property in the qualifying use, provided that the board  
2 of tax assessors shall require satisfactory evidence which clearly demonstrates that the  
3 breach is the result of a medically demonstrable illness or disability;

4 (3) Any case in which a covenant is breached solely as a result of a qualified owner  
5 electing to discontinue the property in its qualifying use, provided such qualified owner  
6 has renewed without an intervening lapse at least once the covenant for land conservation  
7 use, has reached the age of 65 or older, and has kept the property in the qualifying use  
8 under the renewal covenant for at least three years. Such election shall be in writing and  
9 shall not become effective until filed with the county board of tax assessors; or

10 (4) Any case in which a covenant is breached solely as a result of a qualified owner  
11 electing to discontinue the property in its qualifying use, provided such qualified owner  
12 entered into the covenant for forest land conservation use for the first time after reaching  
13 the age of 67 and has either owned the property for at least 15 years or inherited the  
14 property and has kept the property in the qualifying use under the covenant for at least  
15 three years. Such election shall be in writing and shall not become effective until filed  
16 with the county board of tax assessors.

17 (s) Property which is subject to forest land conservation use assessment under this Code  
18 section shall be separately classified from all other property on the tax digest; and such  
19 separate classification shall be such as will enable any person examining the tax digest to  
20 ascertain readily that the property is subject to conservation use assessment under this Code  
21 section. Covenants shall be public records and shall be indexed and maintained in such  
22 manner as will allow members of the public to locate readily the covenant affecting any  
23 particular property subject to conservation use assessment under this Code section. Based  
24 on information submitted by the county boards of tax assessors, the commissioner shall  
25 maintain a central registry of conservation use property, indexed by qualified owners, so  
26 as to ensure that the 200 acre minimum requirements of this Code section are complied  
27 with on a state-wide basis.

28 (t) The commissioner shall annually submit a report to the Governor, the Department of  
29 Agriculture, the Georgia Agricultural Statistical Service, the Georgia Forestry Commission,  
30 the Department of Natural Resources, and the University of Georgia Cooperative Extension  
31 Service and the House Ways and Means, Natural Resources and Environment, and  
32 Agriculture and Consumer Affairs committees and the Senate Finance, Natural Resources  
33 and Environment, and Agriculture and Consumer Affairs committees and shall make such  
34 report available to other members of the General Assembly, which report shall show the  
35 fiscal impact of the assessments provided for in this Code section. The report shall include  
36 the amount of assessed value eliminated from each county's digest as a result of such  
37 assessments; approximate tax dollar losses, by county, to all local governments affected by



1 such assessments; and any recommendations regarding state and local administration of  
 2 this Code section, with emphasis upon enforcement problems, if any, attendant with this  
 3 Code section. The report shall also include any other data or facts which the commissioner  
 4 deems relevant.

5 (u) A public notice containing a brief, factual summary of the provisions of this Code  
 6 section shall be posted in a prominent location readily viewable by the public in the office  
 7 of the board of tax assessors and in the office of the tax commissioner of each county in  
 8 this state.

9 (v) At such time as the property ceases to be eligible for forest land conservation use  
 10 assessment or when any 15 year covenant period expires and the property does not qualify  
 11 for further forest land conservation use assessment, the qualified owner of the property  
 12 shall file an application for release of forest land conservation use treatment with the  
 13 county board of tax assessors who shall approve the release upon verification that all taxes  
 14 and penalties with respect to the property have been satisfied. After the application for  
 15 release has been approved by the board of tax assessors, the board shall file the release in  
 16 the office of the clerk of the superior court in the county in which the original covenant was  
 17 filed. The clerk of the superior court shall file and index such release in the real property  
 18 records maintained in the clerk's office. No fee shall be paid to the clerk of the superior  
 19 court for recording such release. The commissioner shall by regulation provide uniform  
 20 release forms.

21 (w) The commissioner shall have the power to make and publish reasonable rules and  
 22 regulations for the implementation and enforcement of this Code section. Without limiting  
 23 the commissioner's authority with respect to any other such matters, the commissioner may  
 24 prescribe soil maps and other appropriate sources of information for documenting  
 25 eligibility as a forest land conservation use property. The commissioner also may provide  
 26 that advance notice be given to a qualified owner of the intent of a board of tax assessors  
 27 to deem a change in use as a breach of a covenant."

### 28 **SECTION 3.**

29 Said title is further amended by adding a new Code section to read as follows:

30 "48-5-271.

31 (a) The commissioner shall promulgate and county tax officials shall follow uniform rules  
 32 and regulations establishing a table of values for the conservation use value of forest land  
 33 conservation use property. Such values shall be the same as provided for forest land values  
 34 under Code Section 48-5-269.

35 (b) In no event may the forest land conservation use value of any forest land conservation  
 36 use property in the table of values established by the commissioner under this Code section

1 for the taxable year beginning January 1, 2010, or any subsequent taxable year increase or  
 2 decrease by more than 3 percent from its forest land conservation use value as set forth in  
 3 the table of values established by the commissioner under this Code section. The  
 4 limitations imposed by this subsection shall apply to the total value of all the forest land  
 5 conservation use property that is the subject of an individual covenant."

#### 6 SECTION 4.

7 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended  
 8 by adding a new chapter to read as follows:

#### 9 "CHAPTER 89A

10 36-89A-1.

11 As used in this chapter, the term:

12 (1) 'Applicable rollback' means a:

13 (A) Rollback of an ad valorem tax millage rate pursuant to subsection (a) of Code  
 14 Section 48-8-91 in a county or municipality that levies a local option sales tax;

15 (B) Rollback of an ad valorem tax millage rate pursuant to subparagraph (c)(2)(C) of  
 16 Code Section 48-8-104 in a county or municipality that levies a homestead option sales  
 17 tax;

18 (C) Subtraction from an ad valorem millage rate pursuant to Code Section 20-2-334  
 19 in a local school system that receives a state school tax credit;

20 (D) Reduction of an ad valorem tax millage rate pursuant to the development of a  
 21 service delivery strategy under Code Section 36-70-24; and

22 (E) Reduction of an ad valorem tax millage rate pursuant to paragraph (2) of subsection  
 23 (a) of Code Section 33-8-8.3 in a county that collects insurance premium tax.

24 (2) 'County millage rate' means the net ad valorem tax millage rate, after deducting  
 25 applicable rollbacks, levied by a county for county purposes and applying to forest land  
 26 conservation use properties in the county, including any millage levied for those special  
 27 districts reported on the 2004 ad valorem tax digest certified to and received by the state  
 28 revenue commissioner on or before December 31, 2004, but not including any millage  
 29 levied for purposes of bonded indebtedness and not including any millage levied on  
 30 behalf of a county school district for educational purposes.

31 (3) 'Eligible assessed value' means for each forest land conservation use property in the  
 32 state an amount equal to the difference between the forest land fair market value of that  
 33 property and the forest land conservation use value of that property. The eligible  
 34 assessed value shall not include the value of standing timber on such property. The

1 amount of the eligible assessed value for any given year shall be fixed in that year's  
 2 General Appropriations Act as determined pursuant to Article VII, Section I, Paragraph  
 3 III(f)(4) of the Constitution.

4 (4) 'Fiscal authority' means the individual authorized to collect ad valorem taxes for a  
 5 county or municipality which levies ad valorem taxes.

6 (5) 'Forest land conservation use property' means a forest land conservation use property  
 7 qualified for special assessment and taxation under Code Section 48-5-7.7 and Article  
 8 VII, Section I, Paragraph III(f) of the Constitution.

9 (6) 'Forest land conservation use value' means the same as such term is defined in  
 10 paragraph (5) of Code section 48-5-2.

11 (7) 'Forest land fair market value' means the same as such term is defined in paragraph  
 12 (6) of Code Section 48-5-2.

13 (8) 'Municipal millage rate' means the net ad valorem tax millage rate, after deducting  
 14 applicable rollbacks, levied by a municipality for municipal purposes and applying to  
 15 forest land conservation use properties in the municipality, including any millage levied  
 16 for those special tax districts reported on the 2004 City and Independent School Millage  
 17 Rate Certification certified to and received by the state revenue commissioner on or  
 18 before December 31, 2004, but not including any millage levied for purposes of bonded  
 19 indebtedness and not including any millage levied on behalf of an independent school  
 20 district for educational purposes.

21 (9) 'School millage rate' means the net ad valorem tax millage rate, after deducting  
 22 applicable rollbacks, levied on behalf of a county or independent school district for  
 23 educational purposes and applying to forest land conservation use properties in the county  
 24 or independent school district, not including any millage levied for purposes of bonded  
 25 indebtedness and not including any millage levied for county or municipal purposes.

26 (10) 'State millage rate' means the state millage levy.

27 36-89A-2.

28 In each year the General Assembly shall appropriate funds for forest land conservation use  
 29 tax relief grants to taxpayers, counties, municipalities, and county or independent school  
 30 districts, in order to provide for more effective regulation and management of the finance  
 31 and fiscal administration of the state and pursuant to and in furtherance of the provisions  
 32 of Article III, Section IX, Paragraph II(c) of the Constitution; Article VII, Section III,  
 33 Paragraph III of the Constitution; Article VII, Section I, Paragraph III(f) of the  
 34 Constitution; Article VIII, Section I, Paragraph I of the Constitution; and other provisions  
 35 of the Constitution.

1 36-89A-3.

2 In each year the General Assembly shall appropriate to the Department of Revenue funds  
3 to provide forest land conservation use tax relief grants to taxpayers, counties,  
4 municipalities, and county or independent school districts. The General Appropriations  
5 Act shall specify the amount appropriated and the eligible assessed value of each forest  
6 land conservation use property in the state for the specified tax year.

7 36-89A-4.

8 (a)(1) When funds are appropriated as provided in Code Section 36-89A-3, such grants  
9 shall be allotted to each county, municipality, and county or independent school district  
10 in the state as follows:

11 (A) Immediately following the actual preparation of ad valorem property tax bills, each  
12 county fiscal authority shall notify the Department of Revenue of the total amount of  
13 tax revenue which would be generated by applying the sum of the state and county  
14 millage rates to the eligible assessed value of each forest land conservation use property  
15 in the county. The total amount of actual tax credits, so calculated, given to all forest  
16 land conservation use properties in the county shall be the amount of the grant to that  
17 county;

18 (B) Immediately following the actual preparation of ad valorem property tax bills, each  
19 county or independent school district's fiscal authority shall notify the Department of  
20 Revenue of the total amount of tax revenue which would be generated by applying the  
21 school millage rate to the eligible assessed value of each forest land conservation use  
22 property in the county or independent school district. The total amount of actual tax  
23 credits, so calculated, given to all forest land conservation use properties in the county  
24 or independent school district shall be the amount of the grant to that county or  
25 independent school district; and

26 (C) Immediately following the actual preparation of ad valorem property tax bills, each  
27 municipality's fiscal authority shall notify the Department of Revenue of the total  
28 amount of tax revenue which would be generated by applying the municipal millage  
29 rate to the eligible assessed value of each forest land conservation use property in the  
30 municipality. The total amount of actual tax credits, so calculated, given to all forest  
31 land conservation use properties in the municipality shall be the amount of the grant to  
32 that municipality.

33 (2) Credit amounts computed under paragraph (1) of this subsection shall be applied to  
34 reduce the otherwise applicable tax liability on a dollar-for-dollar basis, but the credit  
35 granted shall not in any case exceed the amount of the otherwise applicable tax liability

1 after the granting of all applicable exemptions and after the granting of all applicable  
2 millage rollbacks.

3 (b) The grant of funds to each county shall be conditioned on the county's fiscal authority  
4 reducing each forest land conservation use property's otherwise applicable liability for  
5 county taxes for county purposes by a credit amount calculated in subparagraph (a)(1)(A)  
6 of this Code section.

7 (c) The grant of funds to each county or independent school district shall be conditioned  
8 on the county or independent school district's fiscal authority reducing each forest land  
9 conservation use property's otherwise applicable liability for school taxes by a credit  
10 amount calculated in subparagraph (a)(1)(B) of this Code section.

11 (d) The grant of funds to each municipality shall be conditioned on the municipality's  
12 fiscal authority reducing each forest land conservation use property's otherwise applicable  
13 liability for municipal taxes by a credit amount calculated in subparagraph (a)(1)(C) of this  
14 Code section.

15 (e) Each fiscal authority shall show the credit amount on the tax bill, together with a  
16 prominent notice in substantially the following form: 'This reduction in your bill is the  
17 result of forest land conservation use property's tax relief enacted by the Governor and the  
18 General Assembly of the State of Georgia.'

19 (f) In addition to the grant of funds pursuant to subsections (a) through (e) of this Code  
20 section, an additional reimbursement of funds shall be made to counties, municipalities,  
21 and county or independent school districts in the state as follows:

22 (1) With respect to each tax credit granted under subparagraphs (a)(1)(A), (a)(1)(B), and  
23 (a)(1)(C) of this Code section, if the property is located in a county where the total tax  
24 digest of such county is reduced by more than 3 percent due to the implementation of  
25 Article VII, Section I, Paragraph III(f) of the Constitution, the Department of Revenue  
26 shall reimburse the county, each municipality located therein, and the county or  
27 independent school districts located therein in an amount equal to 100 percent of the  
28 eligible assessed value; and

29 (2) With respect to each tax credit granted under subparagraphs (a)(1)(A), (a)(1)(B), and  
30 (a)(1)(C) of this Code section, if the property is located in a county where the total tax  
31 digest of such county is reduced by 3 percent or less due to the implementation of Article  
32 VII, Section I, Paragraph II (f) of the Constitution, the Department of Revenue shall  
33 reimburse the county, each municipality located therein, and the county or independent  
34 school districts located therein in an amount equal to 50 percent of the eligible assessed  
35 value.

1 36-89A-5.

2 (a) The state revenue commissioner shall administer this chapter and shall adopt rules and  
3 regulations for the administration of this chapter, including specific instructions to local  
4 governments. The state revenue commissioner may adopt procedures for partial or  
5 installment distribution of grants when the commissioner determines that a full distribution  
6 will only result in the necessity of return of funds under subsection (b) of this Code section.

7 (b) If any excess funds remain from the funds granted to any county, municipality, or  
8 county or independent school district under this chapter, after the county, municipality, or  
9 county or independent school district complies with the credit requirements of Code  
10 Section 36-89A-4, such excess funds shall be returned by the county, municipality, or  
11 county or independent school district to the Department of Revenue.

12 36-89A-6.

13 Any credit under this chapter which is erroneously or illegally granted shall be recoverable  
14 by the political subdivision granting such credit in the same manner as any other delinquent  
15 tax."

16 **SECTION 5.**

17 This Act shall become effective on January 1, 2009, and shall be applicable to all taxable  
18 years beginning on or after January 1, 2009; provided, however, that this Act shall only  
19 become effective on January 1, 2009, upon the ratification of a resolution at the November,  
20 2008, state-wide general election, which resolution amends the Constitution so as to provide  
21 for the special assessment and taxation of forest land conservation use property and for forest  
22 land conservation use tax relief adjustments. If such resolution is not so ratified, this Act  
23 shall not become effective and shall stand repealed in its entirety on January 1, 2009.

24 **SECTION 6.**

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