

House Bill 1518

By: Representative Crawford of the 16<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To provide for a homestead exemption from Polk County ad valorem taxes for county  
2 purposes in an amount that will increase in certain years when the current year assessed value  
3 of a homestead exceeds the prior year's assessed value of such homestead under certain  
4 conditions; to provide for definitions; to specify the terms and conditions of the exemption  
5 and the procedures relating thereto; to provide for applicability; to provide for a referendum,  
6 effective dates, and automatic repeal; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 (a) As used in this Act, the term:

10 (1) "Ad valorem taxes for county purposes" means all ad valorem taxes for county  
11 purposes levied by, for, or on behalf of Polk County, including, but not limited to, any  
12 ad valorem taxes to pay interest on and to retire county bonded indebtedness.

13 (2) "Base year value" means:

14 (A)(i) With respect to any homestead property for which the exemption under this  
15 Act is first sought, applied for, and granted on for the 2012 tax year, the initial base  
16 year value of the homestead shall be the 2012 assessed value of the homestead; and  
17 except where subparagraph (B) of this paragraph applies, with respect to any  
18 homestead property for which the exemption under this Act is first sought, applied  
19 for, and granted for a tax year subsequent to the 2012 tax year, the initial base year  
20 value of the homestead shall be the assessed value of the homestead for that tax year;  
21 or

22 (ii) If the homestead property with an initial base year value under division (i) of this  
23 subparagraph is sold and if the purchase price of such sales transaction was an arm's  
24 length, bona fide sale carried out by unrelated or unaffiliated parties, as by a willing  
25 buyer and a willing seller, each acting in his or her own self-interest, the base year

26 value for the purchaser who seeks, applies for, and is granted an exemption under this  
27 Act shall be such purchase price; or

28 (B) With respect to any homestead property which is sold on or after January 1, 2013,  
29 for which the exemption under this Act is sought, applied for, and granted on or after  
30 January 1, 2013, the base year value of the homestead shall be the purchase price of  
31 such sales transaction if it was an arm's length, bona fide sale carried out by unrelated  
32 or unaffiliated parties, as by a willing buyer and a willing seller, each acting in his or  
33 her own self-interest.

34 (3) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 of  
35 the O.C.G.A., as amended.

36 (b)(1) Each resident of Polk County is granted an exemption on that person's homestead  
37 from Polk County ad valorem taxes for county purposes as provided in this subsection.

38 (2) In the year in which the exemption under this section is first granted to the taxpayer,  
39 the exemption shall be in the amount by which the current year assessed value exceeds  
40 the base year value. For each year thereafter, the exemption amount shall remain the  
41 same unless the current year assessed value has increased by more than 5 percent from  
42 the preceding year's assessed value. In that event, the exemption amount in that year  
43 shall be in amount equal to the difference between the current year assessed value and  
44 105 percent of the prior year's assessed value if the current year assessed value is higher.  
45 That amount shall continue as the exemption amount from year to year except in the case  
46 of a further 5 percent increase in assessed value from one taxable year to the next in  
47 which case the homestead exemption amount shall again be recalculated as an amount  
48 equal to the difference between the current year assessed value and 105 percent of the  
49 prior year's assessed value if the current year assessed value is higher.

50 (3) This exemption shall not apply to taxes assessed on improvements to such homestead  
51 or additional land that is added to such homestead after January 1 of the base year.

52 (4) The value of that property in excess of such exempted amount shall remain subject  
53 to taxation.

54 (c) A person shall not receive the homestead exemption granted by subsection (b) of this  
55 section unless such person or person's agent files an application with the tax commissioner  
56 of Polk County, giving such information relative to receiving such exemption as will enable  
57 the tax commissioner of Polk County to make a determination regarding the initial and  
58 continuing eligibility of such person for such exemption. The tax commissioner of Polk  
59 County shall provide application forms for this purpose.

60 (d) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1 of  
61 the O.C.G.A., as amended. The exemption shall be automatically renewed from year to year  
62 as long as the person granted the homestead exemption under subsection (b) of this section

63 occupies the residence as a homestead. After a person has filed the proper application as  
 64 provided in subsection (c) of this section, it shall not be necessary to make application  
 65 thereafter for any year, and the exemption shall continue to be allowed to such person. It  
 66 shall be the duty of any person granted the homestead exemption under subsection (b) of this  
 67 section to notify the tax commissioner of Polk County in the event that person for any reason  
 68 becomes ineligible for such exemption.

69 (e) The exemption granted by subsection (b) of this section shall not apply to or affect any  
 70 state ad valorem taxes, county or independent school district ad valorem taxes for educational  
 71 purposes, or municipal ad valorem taxes for municipal purposes. The homestead exemption  
 72 granted by subsection (b) of this section shall be in addition to and not in lieu of any other  
 73 homestead exemption applicable to Polk County ad valorem taxes for county purposes.

74 (f) The exemption granted by subsection (b) of this section shall apply to all taxable years  
 75 beginning on or after January 1, 2012.

## 76 SECTION 2.

77 Unless prohibited by the federal Voting Rights Act of 1965, as amended, the election  
 78 superintendent of Polk County shall call and conduct an election as provided in this section  
 79 for the purpose of submitting this Act to the electors of Polk County for approval or  
 80 rejection. The election superintendent shall conduct that election as authorized under  
 81 subparagraph (c)(2)(A) of Code Section 21-2-540 of the O.C.G.A. on either the third  
 82 Tuesday in March, 2011, or the Tuesday after the first Monday in November, 2011,  
 83 whichever is most practicable and shall issue the call and conduct that election as provided  
 84 by general law. The election superintendent shall cause the date and purpose of the election  
 85 to be published once a week for two weeks immediately preceding the date thereof in the  
 86 official organ of Polk County. The ballot shall have written or printed thereon the words:

87 " YES Shall the Act be approved which provides a homestead exemption from  
 88 Polk County ad valorem taxes for county purposes in an amount that will  
 89  NO increase in certain years when the current year assessed value of a  
 90 homestead exceeds the prior year's assessed value of such homestead under  
 91 certain conditions?"

92 All persons desiring to vote for approval of the Act shall vote "Yes," and all persons desiring  
 93 to vote for rejection of the Act shall vote "No." If more than one-half of the votes cast on  
 94 such question are for approval of the Act, Section 1 of this Act shall become of full force and  
 95 effect on January 1, 2012. If the Act is not so approved or if the election is not conducted  
 96 as provided in this section, Section 1 of this Act shall not become effective, and this Act shall  
 97 be automatically repealed on the first day of January immediately following that election

98 date. The expense of such election shall be borne by Polk County. It shall be the election  
99 superintendent's duty to certify the result thereof to the Secretary of State.

100 **SECTION 3.**

101 Except as otherwise provided in Section 2 of this Act, this Act shall become effective upon  
102 its approval by the Governor or upon its becoming law without such approval.

103 **SECTION 4.**

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