

House Bill 75

By: Representative Greene of the 149th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 48-5-7.4 of the Official Code of Georgia Annotated, relating to ad
2 valorem taxation of bona fide conservation use property, residential transitional property,
3 application procedures, penalties for breach of covenant, classification on tax digest, and
4 annual report, so as to revise certain provisions relating to farms included within the
5 definition of "bona fide conservation use property"; to provide for applicability and an
6 effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 48-5-7.4 of the Official Code of Georgia Annotated, relating to ad valorem
10 taxation of bona fide conservation use property, residential transitional property, application
11 procedures, penalties for breach of covenant, classification on tax digest, and annual report,
12 is amended by revising division (a)(1)(C)(iv) as follows:

13 "(iv) A family owned farm entity, such as a family corporation, a family partnership,
14 a family general partnership, a family limited partnership, a family limited
15 corporation, or a family limited liability company, ~~all of the~~ controlling interest of
16 which is owned by one or more natural or naturalized citizens related to each other
17 by blood or marriage within the fourth degree of civil reckoning, ~~except that, solely~~
18 ~~with respect to a family limited partnership, a corporation, limited partnership, limited~~
19 ~~corporation, or limited liability company may serve as a general partner of the family~~
20 ~~limited partnership and hold no more than a 5 percent interest in such family limited~~
21 ~~partnership,~~ an estate of which the devisees or heirs are one or more natural or
22 naturalized citizens, or a trust of which the beneficiaries are one or more natural or
23 naturalized citizens and which family owned farm entity derived 80 percent or more
24 of its gross income from bona fide conservation uses, including earnings on
25 investments directly related to past or future bona fide conservation uses, within this
26 state within the year immediately preceding the year in which eligibility is sought;

27 provided, however, that in the case of a newly formed family farm entity, an estimate
28 of the income of such entity may be used to determine its eligibility;"

29 **SECTION 2.**

30 This Act shall become effective on January 1, 2010, and shall apply to all taxable years
31 beginning on or after such date.

32 **SECTION 3.**

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