

Senate Bill 83

By: Senators Rogers of the 21st, Williams of the 19th, Chance of the 16th, Pearson of the 51st, Hill of the 4th and others

AS PASSED SENATE

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia
2 Annotated, relating to tax exemptions, so as to increase the amount of the state-wide
3 homestead exemption from ad valorem taxation for state, county, and school purposes from
4 \$2,000.00 to \$4,000.00 with automatic future adjustment and make such exemption
5 applicable to ad valorem taxes for municipal purposes and independent school district
6 purposes; to specify the terms and conditions of the exemption and the procedures relating
7 thereto; to provide for applicability; to provide for a special election; to provide for automatic
8 repeal under certain circumstances; to provide for effective dates; to provide for applicability;
9 to repeal conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated,
13 relating to tax exemptions, is amended by revising Code Section 48-5-44, relating to the
14 state-wide \$2,000.00 homestead exemption from state, county, and school district ad valorem
15 taxes, as follows:

16 "48-5-44.

17 (a) The homestead of each resident of this state actually occupied by the owner as a
18 residence and homestead shall be exempted from all ad valorem taxation for state, county,
19 municipal, and county or independent school district purposes, except taxes levied by
20 municipalities for school purposes and except to pay interest on and to retire bonded
21 indebtedness, for as long as the residence and homestead is actually occupied by the owner
22 primarily as a residence and homestead. The exemption shall not exceed \$2,000.00
23 \$4,000.00 of the value of the homestead for the taxable year beginning January 1, 2009.
24 For all taxable years beginning on or after January 1, 2010, the exemption amount shall be
25 increased by a percentage equal to the cost-of-living index. No adjustment shall be made
26 in any year in which the cost-of-living index decreases from the percentage amount of such

27 index for the preceding year. The commissioner shall establish and maintain rules
 28 governing cost-of-living adjustments. Such rules shall include the determination and use
 29 of an appropriate cost-of-living index which reflects the effects of inflation and deflation
 30 on persons receiving benefits in the State of Georgia. The rules may use for this purpose
 31 the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States
 32 Department of Labor or any other similar index established by the federal government, if
 33 the commissioner determines that such federal index reflects the effects of inflation and
 34 deflation on persons receiving benefits in the State of Georgia.

35 (b) Should the owner of a dwelling house on a farm who is already entitled to a homestead
 36 exemption participate in the program of rural housing and obtain a new house under
 37 contract with the local housing authority, he such owner shall be entitled to receive the
 38 same homestead exemption as allowed before making the contract.

39 (c) Except as otherwise specifically provided by law, the value of all homestead property
 40 in excess of ~~\$2,000.00~~ the amount exempted under subsection (a) of this Code section shall
 41 remain subject to taxation. The exemption shall be returned and claimed in the manner
 42 prescribed by law. ~~This exemption shall not apply to taxes levied by municipalities.~~

43 (d) The homestead exemption granted by this Code section shall be in addition to and not
 44 in lieu of any other homestead exemption regardless of any provision of any local Act to
 45 the contrary."

46 SECTION 2.

47 Unless prohibited by the federal Voting Rights Act of 1965, as amended, the Secretary of
 48 State shall call and conduct a special election as provided in this section for the purpose of
 49 submitting this Act to the electors of the State of Georgia for approval or rejection. The
 50 Secretary of State shall conduct that special election on the third Tuesday in June, 2009. The
 51 Secretary of State shall issue the call and conduct that special election as provided by general
 52 law. The Secretary of State shall cause the date and purpose of the special election to be
 53 published in the official organ of each county in the state once a week for two weeks
 54 immediately preceding the date of the special election. The ballot shall have written thereon
 55 the following:

56 "() YES Shall the Act be approved which increases the state homestead exemption
 57 from \$2,000.00 to \$4,000.00 with automatic future adjustments and makes
 58 () NO the exemption apply to city and city school district taxes?"

59 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
 60 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes
 61 cast on such question are for approval of the Act, then Section 1 of this Act shall become
 62 effective immediately and shall be applicable to all taxable years beginning on or after

63 January 1, 2009. If the Act is not so approved or if the special election is not conducted as
64 provided in this section, Section 1 of this Act shall not become effective and this Act shall
65 be automatically repealed on the first day of January immediately following that special
66 election date.

67 **SECTION 3.**

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

70 **SECTION 4.**

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