

## A RESOLUTION

1 Proposing an amendment to the Constitution so as to provide that the sales and use tax for  
 2 educational purposes may include a tax credit reduction of the ad valorem tax liability for  
 3 educational purposes of qualified homestead property or other ad valorem tax liability of  
 4 qualified homestead property; to provide for the submission of this amendment for  
 5 ratification or rejection; and for other purposes.

6 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

7 Article VIII, Section VI, Paragraph IV of the Constitution is amended by revising  
 8 subparagraphs (a), (b), and (c) and adding new subparagraphs to read as follows:

9 "(a) The board of education of each school district in a county in which no independent  
 10 school district is located may by resolution and the board of education of each county  
 11 school district and the board of education of each independent school district located within  
 12 such county may by concurrent resolutions impose, levy, and collect a sales and use tax for  
 13 educational purposes of such school districts conditioned upon approval by a majority of  
 14 the qualified voters residing within the limits of the local taxing jurisdiction voting in a  
 15 referendum thereon. This tax shall be at the rate of 1 percent and shall be imposed for a  
 16 period of time not to exceed five years, but in all other respects, except as otherwise  
 17 provided in this Paragraph, shall correspond to and be levied in the same manner as the tax  
 18 provided for by Article 3 of Chapter 8 of Title 48 of the Official Code of Georgia  
 19 Annotated, relating to the special county 1 percent sales and use tax, as now or hereafter  
 20 amended. Proceedings for the reimposition of such tax shall be in the same manner as  
 21 proceedings for the initial imposition of the tax, but the newly authorized tax shall not be  
 22 imposed until the expiration of the tax then in effect.

23 (b) The purpose or purposes for which the proceeds of the tax are to be used and may be  
 24 expended include:

25 (1) Capital outlay projects for educational purposes;

27 (2) The retirement of previously incurred general obligation debt with respect only to  
 28 capital outlay projects of the school system; provided, however, that the tax authorized  
 29 under this Paragraph shall only be expended for the purpose authorized under this  
 30 subparagraph (b)(2) if all ad valorem property taxes levied or scheduled to be levied prior  
 31 to the maturity of any such then outstanding general obligation debt to be retired by the  
 32 proceeds of the tax imposed under this Paragraph shall be reduced by a total amount  
 33 equal to the total amount of proceeds of the tax imposed under this Paragraph to be  
 34 applied to retire such bonded indebtedness. In the event of failure to comply with the  
 35 requirements of this subparagraph (b)(2), as certified by the Department of Revenue, no  
 36 further funds shall be expended under this subparagraph (b)(2) by such county or  
 37 independent board of education and all such funds shall be maintained in a separate,  
 38 restricted account and held solely for the expenditure for future capital outlay projects for  
 39 educational purposes; ~~or~~

40 (3) A credit amount to reduce the ad valorem tax liability for educational purposes of  
 41 qualified homestead property within the school district; or

42 ~~(3)~~(4) A combination of the foregoing.

43 (c) The resolution calling for the imposition of the tax and the ballot question shall each  
 44 describe:

45 (1) The specific capital outlay projects to be funded, or the specific debt to be retired,  
 46 or both, if applicable;

47 (2) The maximum cost of such project or projects and, if applicable, the maximum  
 48 amount of debt to be retired, which cost and amount of debt shall also be the maximum  
 49 amount of net proceeds to be raised by the tax; ~~and~~

50 (3) The maximum period of time, to be stated in calendar years or calendar quarters  
 51 and not to exceed five years; and

52 (4) The percentage of net proceeds to be applied to the credit amount to reduce the ad  
 53 valorem tax liability for educational purposes of qualified homestead property within the  
 54 school district.

55 (c.1) For purposes of this Paragraph, qualified homestead property means a homestead  
 56 qualified for and receiving any statewide homestead exemption provided for by general  
 57 law.

58 (c.2) In the event a taxpayer has no ad valorem tax liability for educational purposes of  
 59 the taxpayer's qualified homestead property, the credit amount shall be applied to ad  
 60 valorem tax liability of that taxpayer for qualified homestead property.

61 (c.3) If a concurrent resolution is required under subparagraph (a) of this Paragraph, the  
 62 items enumerated under subparagraphs (c)(1), (c)(2), and (c)(4) of this Paragraph shall be  
 63 specified separately for the board of education of the county school district and the board

64 of education of an independent school district. The same maximum period of time under  
65 subparagraph (c)(3) of this Paragraph shall be specified by the board of education of the  
66 county school district and the board of education of an independent school district."

67 **SECTION 2.**

68 The above proposed amendment to the Constitution shall be published and submitted as  
69 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the  
70 above proposed amendment shall have written or printed thereon the following:

71 "( ) YES Shall the Constitution of Georgia be amended so as to provide that the sales  
72 ( ) NO and use tax for educational purposes may include a tax credit reduction of  
73 ad valorem tax liability of qualified homestead property?"

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

75 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If  
76 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall  
77 become a part of the Constitution of this state.