

The House Committee on Ways and Means offers the following substitute to HB 381:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 48 of the Official Code of Georgia Annotated, relating to revenue and
2 taxation, so as to provide for an additional moratorium period during which valuation
3 increases of property shall be limited; to provide for legislative findings; to provide for the
4 authority for this Act; to provide for procedures, conditions, limitations, and exclusions; to
5 provide for applicability; to provide for related matters; to provide for an effective date; to
6 provide for automatic repeal; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 48 of the Official Code of Georgia Annotated, relating to revenue and taxation, is
10 amended by adding a new chapter to read as follows:

11 "CHAPTER 5B

12 48-5B-1.

13 (a) The General Assembly finds that the citizens and property owners of this state are
14 continuing to experience a crisis in the reduction of value of tangible property of
15 unprecedented magnitude and that it is in the best interests of this state that immediate
16 action be taken to secure the economic stability of all Georgians. This crisis is having a
17 continued devastating effect on the economy of the State of Georgia, and this Code section
18 is reenacted in order to provide for more effective regulation and management of the
19 finance and fiscal administration of the state and pursuant to and in furtherance of the
20 provisions of Article III, Section IX, Paragraph II(c) of the Constitution and other
21 provisions of the Constitution.

22 (b) In recognition of the continuing emergency situation and fiscal conditions set forth in
23 subsection (a) of this Code section and pursuant to the authority specified in subsection (a)
24 of this Code section, for taxable years beginning on or after January 1, 2011, and

25 continuing only until the last moment of December 31, 2014, a moratorium is declared on
26 all increases in the assessed value of all classes of all subjects of property which are subject
27 to ad valorem taxation except as specifically permitted under this Code section. The rate
28 of increase of the assessed value of property for county, county school district, municipal,
29 or independent school district ad valorem tax purposes shall not exceed from one taxable
30 year to the succeeding taxable year 0 percent except as otherwise permitted in this Code
31 section.

32 (c) The limitations of this Code section shall not apply to the correction by local tax
33 officials, pursuant to Chapter 5 of this title, of any manifest, factual error or omission in the
34 valuation of property.

35 (d) Nothing in this Code section shall be construed to prohibit the assessed value of
36 property from decreasing.

37 (e) If property or interests therein are sold or transferred, the assessed value of such
38 property for ad valorem tax purposes shall not exceed the fair market value established
39 under the limitations of paragraph (3) of Code Section 48-5-2.

40 (f) Additions or improvements to property shall be valued for ad valorem tax purposes at
41 their fair market value and shall be added to the owner's valuation amount under this Code
42 section.

43 (g) If property is rezoned, subdivided, or combined with other property at the request of
44 the owner of such property and the use of such property is changed to conform with the use
45 authorized or caused by such rezoning, subdivision, or combination with other property,
46 such property shall be valued for ad valorem tax purposes at its fair market value.

47 (h) Nothing in this Code section shall be construed to alter or affect in any manner the
48 authority granted to the General Assembly under Article VII, Section II, Paragraph II of
49 the Constitution to enact homestead exemptions.

50 (i) The provisions of this chapter shall not apply to real property in any county for which
51 a local constitutional amendment has been continued in force and effect as part of the
52 Constitution which imposes millage rate limitations regarding ad valorem property taxes
53 with respect to real property in such county or county school district unless such local
54 constitutional amendment is repealed.

55 (j) During the period of time in which this Code section is in effect, the commissioner shall
56 continue to examine and review county tax digests as required under this chapter; provided,
57 however, that the county board of tax assessors shall not be required to maintain any other
58 valuation other than that required under this Code section. No county shall be subject to
59 one-fourth mill recovery or \$5.00 parcel penalties regarding such deficiency.

60 (k) This chapter shall be repealed in its entirety on January 1, 2015."

61 **SECTION 2.**

62 This Act shall become effective upon its approval by the Governor or upon its becoming law
63 without such approval.

64 **SECTION 3.**

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