

House Bill 788

By: Representatives Riley of the 50th, Ramsey of the 72nd, Abrams of the 89th, Smyre of the 135th, Williams of the 119th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad
2 valorem taxation of property, so as to provide for an ad valorem tax exemption for property
3 owned by the University System of Georgia that is operated by a third party; to provide that
4 such arrangements shall not constitute special franchises; to provide for a state-wide
5 referendum; to provide for an effective date; to provide for automatic repeal under certain
6 circumstances; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad valorem
10 taxation of property, is amended by adding a new subparagraph in paragraph (1) of
11 subsection (a) of Code Section 48-5-41, relating to property exempt from ad valorem
12 taxation, as follows:

13 "(F) All interests in property which is owned by the Board of Regents of the University
14 System of Georgia held by a third party who is contractually obligated to operate such
15 property to serve a public college or university shall be considered to be public property
16 within the meaning of this paragraph."

17 **SECTION 2.**

18 Said chapter is further amended by revising Code Section 48-5-421.1, relating to
19 public-private transportation projects not being designated as special franchises, as follows:
20 "48-5-421.1.

21 Any property which is exempt from ad valorem taxation pursuant to ~~subparagraph~~
22 subparagraphs (a)(1)(E) or (a)(1)(F) of Code Section 48-5-41 shall not constitute a special
23 franchise for purposes of this article and shall not be subject to the provisions of this
24 article."

25

SECTION 3.

26 The Secretary of State shall call and conduct a referendum for the approval or disapproval
 27 of Section 1 of this Act on the date of and in conjunction with the November, 2014, general
 28 election. The Secretary of State shall issue the call and conduct that special election as
 29 provided by general law. The Secretary of State shall cause the date and purpose of the
 30 referendum to be published in the official organ of each county in the state once at least 90
 31 days prior to the date of the referendum and once a week for two weeks immediately
 32 preceding the date of the referendum. The ballot shall have written thereon the following:

33 " YES In order to facilitate public private partnerships to improve operational
 34 efficiencies within the University System of Georgia, shall the Act be
 35 NO approved that extends the exemption from property taxation to all interests
 36 in property of the University System of Georgia which is held by a third
 37 party and operated to serve a public college or university?"

38 All persons desiring to vote for approval of this Act shall vote "Yes" and those persons
 39 desiring to vote for disapproval of this Act shall vote "No". If more than one-half of the
 40 votes cast on such question are for approval of this Act, then Section 1 of this Act shall
 41 become effective on January 1, 2015, and shall apply to all tax years beginning on or after
 42 that date; otherwise Section 1 of this Act shall not become effective and shall be
 43 automatically repealed on January 1, 2015.

44

SECTION 4.

45 This Act shall become effective upon its approval by the Governor or upon its becoming law
 46 without such approval; provided, however, that if Section 1 of this Act does not become
 47 effective and is automatically repealed pursuant to Section 3 of this Act, Section 2 of this Act
 48 shall also not become effective and shall be automatically repealed on January 1, 2015.

49

SECTION 5.

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