

House Bill 325 (COMMITTEE SUBSTITUTE)

By: Representative Stephens of the 164th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated,
2 relating to general provisions concerning ad valorem taxation of property, so as to change
3 a definition; to provide for related matters; to repeal conflicting laws; and for other purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

5 SECTION 1.

6 Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to
7 general provisions concerning ad valorem taxation of property, is amended by revising
8 paragraph (3) of Code Section 48-5-2, relating to definitions, as follows:

9 "(3) 'Fair market value of property' means the amount a knowledgeable buyer would pay
10 for the property and a willing seller would accept for the property at an arm's length, bona
11 fide sale. The income approach, if data is available, shall be ~~considered~~ utilized in
12 determining the fair market value of income-producing property, and, if actual income
13 and expense data are voluntarily supplied by the property owner, such data shall be
14 considered in such determination. Notwithstanding any other provision of this chapter
15 to the contrary, the transaction amount of the most recent arm's length, bona fide sale in
16 any year shall be the maximum allowable fair market value for the next taxable year.
17 With respect to the valuation of equipment, machinery, and fixtures when no ready
18 market exists for the sale of the equipment, machinery, and fixtures, fair market value
19 may be determined by resorting to any reasonable, relevant, and useful information
20 available, including, but not limited to, the original cost of the property, any depreciation
21 or obsolescence, and any increase in value by reason of inflation. Each tax assessor shall
22 have access to any public records of the taxpayer for the purpose of discovering such
23 information."

24 SECTION 2.

25 All laws and parts of laws in conflict with this Act are repealed.