

Senate Bill 317

By: Senators Albers of the 56th, Millar of the 40th, Beach of the 21st, Shafer of the 48th, James of the 35th and others

AS PASSED SENATE

A BILL TO BE ENTITLED

AN ACT

1 To provide for a homestead exemption from Fulton County school district ad valorem taxes
 2 for educational purposes in an amount equal to the amount by which the current year
 3 assessed value of a homestead exceeds the adjusted base year assessed value of such
 4 homestead; to provide for definitions; to specify the terms and conditions of the exemption
 5 and the procedures relating thereto; to provide for related matters; to provide for
 6 applicability; to provide for a referendum, effective dates, and automatic repeal; to repeal
 7 conflicting laws; and for other purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

10 (a) As used in this Act, the term:

11 (1) "Property taxes for educational purposes" means all ad valorem taxes for educational
 12 purposes levied by, for, or on behalf of the Fulton County school district, but excluding
 13 any ad valorem taxes to pay interest on and to retire educational bonded indebtedness.

14 (2) "Base year" means:

15 (A) The 2016 taxable year with respect to an exemption under this Act which is first
 16 granted to a person on that person's homestead in the 2019 taxable year or who
 17 reapplies for and is granted such exemption in the 2020 taxable year solely because of
 18 a change in ownership to a joint tenancy with right of survival; or

19 (B) In all other cases, the taxable year immediately preceding the taxable year in which
 20 the exemption under this Act is first granted to the most recent owner of such
 21 homestead;

22 provided, however, that the tax commissioner shall adjust the base year assessed value
 23 annually by the lesser of 3 percent or the percentage increase, if any, in the Consumer
 24 Price Index for all urban consumers, U.S. City Average, all items 1967-100, or a
 25 successor index as reported by the United States Department of Labor Bureau of Labor
 26 Statistics.

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27 (3) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 of
28 the O.C.G.A., as amended, with the additional qualification that it shall include only the
29 primary residence and not more than five contiguous acres of land immediately
30 surrounding such residence.

31 (4) "Inflation rate" means the Consumer Price Index for all urban consumers, U.S. City
32 Average, all items 1967-100, or a successor index as reported by the United States
33 Department of Labor Bureau of Labor statistics.

34 (b) Each resident of the Fulton County school district is granted an exemption on that
35 person's homestead from Fulton County school district property taxes for educational
36 purposes in an amount equal to the amount by which the current year assessed value of that
37 homestead exceeds the adjusted base year assessed value, including any final determination
38 of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of the
39 homestead. This exemption shall not apply to taxes assessed on improvements to the
40 homestead or additional land that is added to the homestead after January 1 of the base year.
41 If any real property is removed from the homestead, the base year assessed value, including
42 any final determination of value on appeal pursuant to Code Section 48-5-311 of the
43 O.C.G.A., as amended, shall be adjusted to reflect such removal and the exemption shall be
44 recalculated accordingly. The value of that property in excess of such exempted amount
45 shall remain subject to taxation.

46 (c) The unremarried surviving spouse of the person who has been granted the exemption
47 provided for in subsection (b) of this section shall continue to receive the exemption provided
48 under subsection (b) of this section, so long as that unremarried surviving spouse continues
49 to occupy the home as a residence and homestead.

50 (d) A person shall not receive the homestead exemption granted by subsection (b) of this
51 section unless the person or person's agent files an application with the tax commissioner of
52 Fulton County giving such information relative to receiving such exemption as will enable
53 the governing authority, or its designee, to make a determination regarding the initial and
54 continuing eligibility of such owner for such exemption. The tax commissioner of Fulton
55 County shall provide application forms for this purpose.

56 (e) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1 of
57 the O.C.G.A., as amended. The exemption shall be automatically renewed from year to year
58 so long as the owner occupies the residence as a homestead. After a person has filed the
59 proper application as provided in subsection (d) of this section, it shall not be necessary to
60 make application thereafter for any year and the exemption shall continue to be allowed to
61 such person. It shall be the duty of any person granted the homestead exemption under
62 subsection (b) of this section to notify the tax commissioner of Fulton County in the event
63 that person for any reason becomes ineligible for that exemption.

64 (f) The exemption granted by subsection (b) of this section shall not apply to or affect state
 65 ad valorem taxes, municipal or independent school district ad valorem taxes for educational
 66 purposes, or county ad valorem taxes for county purposes. The homestead exemption
 67 granted by subsection (b) of this section shall be in addition to and not in lieu of any other
 68 homestead exemption applicable to property taxes for educational purposes.

69 (g) The exemption granted by subsection (b) of this section shall apply to all taxable years
 70 beginning on or after January 1, 2019.

71 **SECTION 2.**

72 The county election superintendent of Fulton County shall call and conduct an election as
 73 provided in this section for the purpose of submitting this Act to the electors of the Fulton
 74 County school district for approval or rejection. The county election superintendent shall
 75 conduct such election on November 6, 2018, and shall issue the call and conduct such
 76 election as provided by general law. The county election superintendent shall cause the date
 77 and purpose of the election to be published once a week for two weeks immediately
 78 preceding the date thereof in the official organ of Fulton County. The ballot shall have
 79 written or printed thereon the words:

80 " YES Do you approve the Act which provides a new homestead exemption from
 81 Fulton County school district property taxes for educational purposes in the
 82 NO amount of the difference between the current year assessed value of a home
 83 and its 2016 base year assessed value, provided the base year assessed value
 84 shall be adjusted each year by the lesser of 3 percent or any percentage
 85 increase in the inflation rate?"

86 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
 87 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes
 88 cast on such question are for approval of the Act, Section 1 of this Act shall become of full
 89 force and effect on January 1, 2019. If the Act is not so approved or if the election is not
 90 conducted as provided in this section, Section 1 of this Act shall not become effective and
 91 this Act shall be automatically repealed on the first day of January immediately following
 92 that election date. The expense of such election shall be borne by the Fulton County school
 93 district. It shall be the county election superintendent's duty to certify the result thereof to
 94 the Secretary of State.

95 **SECTION 3.**

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

98

SECTION 4.

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