

The House Committee on Intragovernmental Coordination - Local Legislation offers the following substitute to HB 711:

A BILL TO BE ENTITLED
AN ACT

1 To provide for a new homestead exemption from City of Mountain Park ad valorem taxes
2 for municipal purposes in an amount equal to the amount by which the current year assessed
3 value of a homestead exceeds the adjusted base year value of such homestead; to provide for
4 definitions; to specify the terms and conditions of the exemption and the procedures relating
5 thereto; to provide for related matters; to provide for applicability; to provide for a
6 referendum, effective dates, and automatic repeal; to repeal conflicting laws; and for other
7 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 city purposes" means all ad valorem taxes for municipal purposes
12 levied by, for, or on behalf of the City of Mountain Park, but excluding any ad valorem
13 taxes to pay interest on and to retire municipal bonded indebtedness.

14 (2) "Adjusted base year value" means the previous adjusted base year value adjusted
15 annually by the lesser of 3 percent or the inflation rate, plus any change in homestead
16 value, provided that no such change in homestead value shall be duplicated as to the same
17 addition or improvement.

18 (3) "Change in homestead value" means value, including any final determination of
19 value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, derived
20 from additions or improvements to, or the removal of real property of, the homestead
21 after the lowest base year value is determined.

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

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

29 (6) "Lowest base year value" means:

30 (A) Among the 2016, 2017, and 2018 taxable years, the lowest assessed value,
 31 including any final determination of value on appeal pursuant to Code Section 48-5-311
 32 of the O.C.G.A., as amended, of the homestead, with such assessed value being
 33 multiplied by 1.0423, which number represents inflation rate data for December, 2015,
 34 through December, 2017, with respect to an exemption under this Act which is first
 35 granted to a person on that person's homestead in the 2019 taxable year or who
 36 thereafter reapplies for and is granted such exemption in the 2020 taxable year, or
 37 thereafter, solely because of a change in ownership to a joint tenancy with right of
 38 survival; or

39 (B) In all other cases, the lower of the assessed value, including any final determination
 40 of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of
 41 the homestead, from the taxable year immediately preceding the taxable year in which
 42 the exemption under this Act is first granted to the most recent owner of such
 43 homestead or the assessed value, including any final determination of value on appeal
 44 pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of the homestead,
 45 from the taxable year in which the exemption under this Act is first granted to the most
 46 recent owner of such homestead, with respect to an exemption under this Act which is
 47 first granted to a person on that person's homestead in the 2020 taxable year or who
 48 thereafter reapplies for and is granted such exemption in the 2021 taxable year, or
 49 thereafter, solely because of a change in ownership to a joint tenancy with right of
 50 survival.

51 (7) "Previous adjusted base year value" means:

52 (A) With respect to an exemption under this Act that is first granted to a person on that
 53 person's homestead, the lowest base year value; or

54 (B) In all other cases, the adjusted base year value as calculated in the taxable year
 55 immediately preceding the current year.

56 (b) Each resident of the City of Mountain Park is granted an exemption on that person's
 57 homestead from City of Mountain Park property taxes for city purposes in an amount equal
 58 to the amount by which the current year assessed value, including any final determination
 59 of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of that
 60 homestead exceeds the adjusted base year value of the homestead. The value of that
 61 property in excess of such exempted amount shall remain subject to taxation.

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

66 (d) A person shall not receive the homestead exemption granted by subsection (b) of this
 67 section unless the person or person's agent files an application with the governing authority,
 68 or its designee, of the City of Mountain Park giving such information relative to receiving
 69 such exemption as will enable the governing authority, or its designee, to make a
 70 determination regarding the initial and continuing eligibility of such owner for such
 71 exemption. The governing authority, or its designee, of the City of Mountain Park shall
 72 provide application forms for this purpose.

73 (e) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1
 74 of the O.C.G.A., as amended. The exemption shall be automatically renewed from year
 75 to year so long as the owner occupies the residence as a homestead. After a person has
 76 filed the proper application as provided in subsection (d) of this section, it shall not be
 77 necessary to make application thereafter for any year and the exemption shall continue to
 78 be allowed to such person. It shall be the duty of any person granted the homestead
 79 exemption under subsection (b) of this section to notify the governing authority, or its
 80 designee, of the municipality in the event that person for any reason becomes ineligible for
 81 that exemption.

82 (f) The exemption granted by subsection (b) of this section shall not apply to or affect state
 83 ad valorem taxes, county or independent school district ad valorem taxes for educational
 84 purposes, or county ad valorem taxes for county purposes. The homestead exemption
 85 granted by subsection (b) of this section shall be in addition to and not in lieu of any other
 86 homestead exemption applicable to property taxes for city purposes.

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

89 **SECTION 2.**

90 The municipal election superintendent of the City of Mountain Park shall call and conduct
 91 an election as provided in this section for the purpose of submitting this Act to the electors
 92 of the City of Mountain Park for approval or rejection. The municipal election
 93 superintendent shall conduct such election on November 6, 2018, and shall issue the call and
 94 conduct such election as provided by general law. The municipal election superintendent
 95 shall cause the date and purpose of the election to be published once a week for two weeks
 96 immediately preceding the date thereof in the official organ of the City of Mountain Park.
 97 The ballot shall have written or printed thereon the words:

98 " () YES Do you approve a new homestead exemption from City of Mountain Park
 99 property taxes for city purposes in the amount of the difference between the
 100 () NO current year assessed value of a home and its lowest base year value,
 101 provided that the lowest base year value will be adjusted yearly by the lesser
 102 of 3 percent or the inflation rate?"

103 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
 104 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes
 105 cast on such question are for approval of the Act, Section 1 of this Act shall become of full
 106 force and effect on January 1, 2019. If the Act is not so approved or if the election is not
 107 conducted as provided in this section, Section 1 of this Act shall not become effective and
 108 this Act shall be automatically repealed on the first day of January immediately following
 109 that election date. The expense of such election shall be borne by the City of Mountain Park.
 110 It shall be the municipal election superintendent's duty to certify the result thereof to the
 111 Secretary of State.

112 **SECTION 3.**

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

115 **SECTION 4.**

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