

House Resolution 1244

By: Representatives McCollum of the 30<sup>th</sup>, Oliver of the 84<sup>th</sup>, Olaleye of the 59<sup>th</sup>, Panitch of the 51<sup>st</sup>, Gullett of the 19<sup>th</sup>, and others

## A RESOLUTION

1 Proposing an amendment to the Constitution of the State of Georgia so as to provide that any  
2 business enterprise, including, but not limited to, private equity, having an interest in 1,000  
3 or more single-family residential properties within this state used primarily for purposes of  
4 generating rental income shall be subject to an ad valorem tax assessment of 100 percent; to  
5 provide for the subclassification of business enterprise property for ad valorem taxation  
6 purposes; to require that any proceeds from the ad valorem taxation of business enterprise  
7 property be used to reduce the ad valorem property tax bill on homesteads in the taxing  
8 jurisdiction within which such business enterprise property is located before such proceeds  
9 may be used for any other purpose; to provide for related matters; to provide for submission  
10 of this amendment for ratification or rejection; and for other purposes.

11 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

### 12 SECTION 1.

13 Article VII, Section I, Paragraph III of the Constitution is amended by adding a new  
14 subparagraph to read as follows:

15 "(f.2)(1)(A) The General Assembly shall be authorized by general law to establish a  
16 separate class of property for ad valorem taxation purposes that includes only tangible  
17 real property that is owned, wholly or partially, by a business enterprise that holds an

18 interest in 1,000 or more single-family residential properties within this state which are  
19 used for the primary purpose of generating rental income and meets such further  
20 requirements as may be prescribed by general law. Such property shall be known as  
21 'business enterprise property.' The General Assembly may provide by general law for  
22 definitions of the terms 'affiliate,' 'business enterprise,' 'business enterprise property,'  
23 'homestead,' and any other terms necessary to effectuate the terms of this subparagraph.

24 (B) Business enterprise property shall be assessed at 100 percent of its fair market  
25 value and shall be taxed on a levy made by each respective taxing jurisdiction  
26 according to 100 percent of the property's fair market value; provided, however, that  
27 the proceeds from any tax collected on such property shall be used to reduce the ad  
28 valorem property tax bill on homesteads in the taxing jurisdiction within which the  
29 business enterprise property is located before such proceeds may be used for any other  
30 purpose.

31 (2) The only purposes authorized by the subclassification of business enterprise  
32 property as provided by this subparagraph shall be to allow the General Assembly by  
33 general law to:

34 (A) Provide that the Department of Revenue or its successor shall appraise business  
35 enterprise property at its fair market value using any combination of appraisal  
36 methodologies otherwise provided by general law for establishing the fair market value  
37 of real property, provided that such methodology is not subject to an exception  
38 authorized by subparagraph (b), (c), (d), (e), (f), (f.1), or (g) of this Paragraph;

39 (B) Provide for a separate system by which to appeal appraisals of and determinations  
40 made related to business enterprise property;

41 (C) Require that any proceeds collected from an ad valorem tax on business  
42 enterprise property be primarily used to reduce the ad valorem property tax bill on  
43 homesteads in the taxing jurisdiction; and

44 (D) Provide for penalties and other means of enforcement."

45 **SECTION 2.**

46 The above proposed amendment to the Constitution shall be published and submitted as  
47 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the  
48 above proposed amendment shall have written or printed thereon the following:

49 "( ) YES Shall the Constitution of Georgia be amended so as to provide that any  
50 business enterprise, including, but not limited to, private equity, having an  
51 ( ) NO interest in 1,000 or more single-family residential properties within this state  
52 used primarily for purposes of generating rental income shall be subject to  
53 an ad valorem tax assessment of 100 percent, the proceeds of which would  
54 be required to be used to reduce Georgians' residential property taxes?"

55 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."  
56 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If  
57 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall  
58 become a part of the Constitution of this state.