House Bill 1365 (AS PASSED HOUSE AND SENATE)

By: Representatives Channell of the 77th and Hudson of the 95th

A BILL TO BE ENTITLED

AN ACT

To provide for a homestead exemption from Putnam County School District ad valorem taxes for educational purposes in an amount equal to the amount by which the current year assessed value of a homestead exceeds the adjusted base year assessed value of such homestead; to provide for definitions; to specify the terms and conditions of the exemption and the procedures relating thereto; to provide for applicability; to provide for a referendum, effective dates, and automatic repeal; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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

(1) "Ad valorem taxes for educational purposes" means all ad valorem taxes for educational purposes levied by, for, or on behalf of the Putnam County School District, including, but not limited to, any ad valorem taxes to pay interest on and to retire county school district bonded indebtedness.

(2) "Base year" means the taxable year immediately preceding the taxable year in which the exemption under this Act is first granted to the most recent owner of such homestead; provided, however, that the tax commissioner shall adjust the base year assessed value annually by the lesser of 3 percent or the percentage change in the Consumer Price Index for all urban consumers, U. S. City Average, all items 1967-100, or successor report as reported by the United States Department of Labor Bureau of Labor Statistics.

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

(b) Each resident of the Putnam County School District is granted an exemption on that person´s homestead from Putnam County School District taxes for educational purposes in an amount equal to the amount by which the current year assessed value of that homestead

exceeds the adjusted base year assessed value of the homestead. This exemption shall not apply to taxes assessed on improvements to the homestead or additional land that is added to the homestead after January 1 of the base year. If any real property is removed from the homestead, the base year assessed value shall be adjusted to reflect such removal and the exemption shall be recalculated accordingly. The value of that property in excess of such exempted amount shall remain subject to taxation.

(c) A person shall not receive the homestead exemption granted by subsection (b) of this section unless the person or person´s agent files an application with the tax commissioner of Putnam County giving such information relative to receiving such exemption as will enable the tax commissioner to make a determination regarding the initial and continuing eligibility of such owner for such exemption. The tax commissioner of Putnam County shall provide application forms for this purpose.

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

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

(f) The exemption granted by subsection (b) of this section shall apply to all taxable years beginning on or after January 1, 2005.

SECTION 2.

Unless prohibited by the federal Voting Rights Act of 1965, as amended, the election superintendent of Putnam County shall call and conduct an election as provided in this section for the purpose of submitting this Act to the electors of the Putnam County School District for approval or rejection. The election superintendent shall conduct that election on the date of the November, 2004, state-wide general election, and shall issue the call and conduct that election as provided by general law. The superintendent shall cause the date and purpose of the election to be published once a week for two weeks immediately preceding

the date thereof in the official organ of Putnam County. The ballot shall have written or printed thereon the words:

"( ) YES ( ) NO Shall the Act be approved which provides a homestead exemption from Putnam County School District taxes for educational purposes in an amount equal to the amount by which the current year assessed value of a homestead exceeds the adjusted base year assessed value of such homestead?"

All persons desiring to vote for approval of the Act shall vote "Yes," and those persons desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes cast on such question are for approval of the Act, Section 1 of this Act shall become of full force and effect on January 1, 2005. If the Act is not so approved or if the election is not conducted as provided in this section, Section 1 of this Act shall not become effective and this Act shall be automatically repealed on the first day of January immediately following that election date. The expense of such election shall be borne by Putnam County. It shall be the election superintendent´s duty to certify the result thereof to the Secretary of State.

SECTION 3.

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

SECTION 4.

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