

The House Committee on Ways and Means offers the following substitute to HB 997:

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia
2 Annotated, relating to property tax exemptions, so as to provide for a state-wide exemption
3 from all ad valorem taxes for certain equipment used by timber producers to produce or
4 harvest timber; to provide for a referendum; to provide for effective dates, applicability, and
5 automatic repeal; to provide for compliance with constitutional requirements; to provide for
6 related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Part 1 of Article 2 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated,
10 relating to property tax exemptions, is amended by adding a new Code section to read as
11 follows:

12 "48-5-41.3.

13 (a) As used in this Code section, the term:

14 (1) 'Timber equipment' means:

15 (A) Any equipment other than motor vehicles, whether fixed or mobile, which is
16 owned by or held under a lease-purchase agreement by a timber producer and directly
17 used in the production or harvest of timber.

18 (B)(i) Equipment used in harvesting shall include all off-road equipment and related
19 attachments used in every forestry procedure starting with the severing of a tree from
20 the ground until and including the point at which the tree or its parts in any form has
21 been loaded in the field in or on a truck or other vehicle for transport to the place of
22 use.

23 (ii) Such off-road equipment shall include, but not be limited to, skidders, feller
24 bunchers, debarkers, delimiters, chip harvesters, tub-grinders, woods cutters, chippers
25 of all types, loaders of all types, dozers, mid-motor graders, and the related
26 attachments.

27 (2) 'Timber producer' means any one or more individuals or any entity, which is
28 registered to do business in this state, that is primarily engaged in the good faith
29 subsistence or commercial production or harvest of timber products. Such persons may
30 also be engaged in one or more of the following secondary practices:

31 (A) Land conservation and ecological forest management in which commercial
32 production of wood and wood fiber products may be undertaken primarily for
33 conservation and restoration purposes rather than financial gain;

34 (B) The promotion, preservation, or management of wildlife habitat;

35 (C) Carbon sequestration in accordance with the Georgia Carbon Sequestration
36 Registry;

37 (D) Mitigation and conservation banking that results in restoration or conservation of
38 wetlands and other natural resources; or

39 (E) The production and maintenance of ecosystem products and services, such as, but
40 not limited to, clean air and water.

41 (3) 'Timber products' means trees, timber, or other wood and wood fiber products grown
42 from or on the land.
43 (b) On and after January 1, 2023, timber equipment shall be exempt from all ad valorem
44 property taxes in this state."

45 **SECTION 2.**

46 The Secretary of State shall call and conduct an election as provided in this section for the
47 purpose of submitting this Act to the electors of the entire state for approval or rejection. The
48 Secretary of State shall conduct such election on the Tuesday next following the first
49 Monday in November, 2022, and shall issue the call and conduct that election as provided
50 by general law. The Secretary of State shall cause the date and purpose of the election to be
51 published once a week for two weeks immediately preceding the date thereof in the official
52 organ of each county in the state. The ballot shall have written or printed thereon the words:

53 "() YES Shall the Act be approved which grants a state-wide exemption from all ad
54 () NO valorem taxes for certain equipment used by timber producers in the
55 production or harvest of timber?"

56 All persons desiring to vote for approval of the Act shall vote "Yes," and all persons desiring
57 to vote for rejection of the Act shall vote "No." If more than one-half of the votes cast on
58 such question are for approval of the Act, Section 1 of this Act shall become of full force and
59 effect on January 1, 2023, and shall be applicable to all tax years beginning on or after such
60 date. If the Act is not so approved or if the election is not conducted as provided in this
61 section, Section 1 of this Act shall not become effective, and this Act shall be automatically
62 repealed on the first day of January immediately following that election date. It shall be the
63 duty of each county election superintendent to certify the result thereof to the Secretary of
64 State.

65 **SECTION 3.**

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

68 **SECTION 4.**

69 In accordance with the requirements of Article VII, Section II, Paragraph II(a)(1) of the
70 Constitution of the State of Georgia, Section 1 of this Act shall not become law unless it
71 receives the requisite two-thirds' majority vote in both the Senate and the House of
72 Representatives.

73 **SECTION 5.**

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