

The House Committee on Ways and Means offers the following substitute to HB 169:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated,  
2 relating to general provisions for ad valorem taxation of property, so as to limit exceptions  
3 to the breach of covenants for bona fide conservation use and forest land conservation use  
4 related to the solar generation of energy to existing contracts and to provide for applicability;  
5 to provide for sunsets; to provide for related matters; to repeal conflicting laws; and for other  
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to  
10 general provisions for ad valorem taxation of property, is amended by revising  
11 paragraph (11) of subsection (p) of Code Section 48-5-7.4, relating to preferential assessment  
12 for bona fide conservation use property and bona fide residential transitional property, as  
13 follows:

14 "(11)(A) Allowing part of the property subject to the covenant to be used for solar  
15 generation of energy and conversion of such energy into heat or electricity, and the sale  
16 of the same in accordance with applicable law, provided that, beginning on July 1,

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17 2026, this paragraph shall only apply in the case of obligations of contracts entered into  
 18 prior to July 1, 2026; provided, however, that this paragraph shall continue to apply to  
 19 property for which there is an option contract for a lease for solar generation of energy  
 20 and conversion of such energy into heat or electricity and such option contract is  
 21 included in a deed recorded in the land records of the county where the property is  
 22 located; and provided, further, that this paragraph shall stand repealed on July 1, 2036.  
 23 (B) The provisions of subparagraph (A) of this paragraph shall not allow the portion  
 24 of the property on which such solar energy generating equipment is located, as depicted  
 25 by a boundary survey prepared by a licensed surveyor, and which is subject to an  
 26 existing covenant to remain in the covenant. Such property shall be removed from the  
 27 existing covenant at the time of the installation of the solar energy generating  
 28 equipment and shall be subject to the penalty for breach of the covenant contained in  
 29 subsection (q) of this Code section and shall be subject to ad valorem taxation at fair  
 30 market value; or"

31 **SECTION 2.**

32 Said article is further amended by revising paragraph (6) of subsection (q) of Code  
 33 Section 48-5-7.7, relating to preferential assessment for forest land conservation use  
 34 property, as follows:

35 "(6)(A) Allowing part of the property subject to the covenant to be used for solar  
 36 generation of energy and conversion of such energy into heat or electricity, and the sale  
 37 of the same in accordance with applicable law, provided that, beginning on July 1,  
 38 2026, this paragraph shall only apply in the case of obligations of contracts entered into  
 39 prior to July 1, 2026; provided, however, that this paragraph shall continue to apply to  
 40 property for which there is an option contract for a lease for solar generation of energy  
 41 and conversion of such energy into heat or electricity and such option contract is

42 included in a deed recorded in the land records of the county where the property is  
43 located; and provided, further, that this paragraph shall stand repealed on July 1, 2036.

44 (B) The provisions of subparagraph (A) of this paragraph shall not allow the portion  
45 of the property on which such solar energy generating equipment is located, as depicted  
46 by a boundary survey prepared by a licensed surveyor, and which is subject to an  
47 existing covenant to remain in the covenant. Such property shall be removed from the  
48 existing covenant at the time of the installation of the solar energy generating  
49 equipment and shall be subject to the penalty for breach of the covenant contained in  
50 subsection (r) of this Code section and shall be subject to ad valorem taxation at fair  
51 market value; or"

52 **SECTION 3.**

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