

House Bill 169 (COMMITTEE SUBSTITUTE)

By: Representatives Cannon of the 172nd, Dickey of the 134th, Corbett of the 174th, O'Steen of the 169th, Huddleston of the 72nd, and others

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 22 located; and provided, further, that this paragraph shall stand repealed on July 1, 2036.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.