

The House Committee on Intragovernmental Coordination - Local Legislation offers following substitute to HB 746:

A BILL TO BE ENTITLED  
AN ACT

1 To provide a homestead exemption from City of Monroe ad valorem taxes for municipal  
2 purposes in an amount equal to the amount by which the current year assessed value of a  
3 homestead exceeds the adjusted base year assessed value of such homestead; to provide for  
4 definitions; to specify the terms and conditions of the exemption and the procedures relating  
5 thereto; to provide for applicability; to provide for compliance with constitutional  
6 requirements; to provide for a referendum, effective dates, automatic repeal, mandatory  
7 execution of election, and judicial remedies regarding failure to comply; to provide for  
8 related matters; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

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

12 (1) "Ad valorem taxes" means all ad valorem taxes levied by, for, or on behalf of the City  
13 of Monroe for municipal purposes, except for any ad valorem taxes levied to pay interest  
14 on and to retire bonded indebtedness.

15 (2) "Adjusted base year assessed value" means the sum of:

16 (A) The previous adjusted base year assessed value;

17 (B) An amount equal to the difference between the current year assessed value of the  
18 homestead and the base year assessed value of the homestead, provided that such amount  
19 shall not exceed the total of the previous adjusted base year assessed value of the  
20 homestead multiplied by the inflation rate for the prior year plus 25 basis points; and

21 (C) The value of any substantial property change, provided that no such value added  
22 improvements to the homestead shall be duplicated as to the same addition or  
23 improvement.

24 (3) "Base year assessed value" means:

25 (A) With respect to an exemption under this section which is first granted to a person on  
26 such person's homestead for the 2026 taxable year, the assessed value for taxable  
27 year 2024, including any final determination of value on appeal pursuant to Code  
28 Section 48-5-311 of the O.C.G.A., of the homestead; or

29 (B) In all other cases, the assessed value, including any final determination of value on  
30 appeal pursuant to Code Section 48-5-311 of the O.C.G.A., of the homestead from the  
31 taxable year immediately preceding the taxable year in which the exemption under this  
32 section is first granted to the applicant.

33 (4) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 of  
34 the O.C.G.A., as amended.

35 (5) "Inflation rate" means the annual inflationary index rate as determined for a given year  
36 by the commissioner of revenue in accordance with subsection (f) of this section.

37 (6) "Previous adjusted base year assessed value" means:

38 (A) With respect to the year for which the exemption under this section is first granted  
39 to a person on such person's homestead, the base year assessed value; or

40 (B) In all other cases, the adjusted base year assessed value of the homestead as  
41 calculated in the taxable year immediately preceding the current year, including any final  
42 determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A.

43 (7) "Substantial property change" means any increase or decrease in the assessed value of  
44 a homestead derived from additions or improvements to, or the removal of real property  
45 from, the homestead which occurred after the year in which the base year assessed value  
46 is determined for the homestead. The assessed value of the substantial property changes  
47 shall be established following any final determination of value on appeal pursuant to Code  
48 Section 48-5-311 of the O.C.G.A.

49 (b)(1) Subject to the limitations provided in this section, each resident of the City of  
50 Monroe is granted an exemption on that person's homestead from ad valorem taxes in an  
51 amount equal to the amount by which the current year assessed value of that homestead,  
52 including any final determination of value on appeal pursuant to Code Section 48-5-311,  
53 exceeds its previous adjusted base year assessed value.

54 (2) Except as provided for in subsection (c) of this section, no exemption provided for in  
55 this subsection shall transfer to any subsequent owner of the property, and the assessed  
56 value of the property shall be as provided by law.

57 (c) No person shall receive the exemption granted by subsection (b) of this section unless  
58 such person or person's agent files an application with the governing authority of the City of  
59 Monroe, or its designee as will enable the governing authority of the City of Monroe, or its  
60 designee to make a determination regarding the initial and continuing eligibility of such  
61 person for such exemption; provided, however, that any person who had previously applied  
62 for a homestead exemption, was allowed such homestead exemption for the 2025 tax year,  
63 and remains eligible for a homestead exemption for that same homestead property in  
64 the 2026 tax year shall be automatically allowed the exemption granted under subsection (b)  
65 of this section for that homestead without further application. The governing authority of the  
66 City of Monroe, or its designee shall provide application forms for this purpose.

67 (d) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1 of  
68 the O.C.G.A., as amended. The exemption shall be automatically renewed from year to year  
69 so long as the person granted the homestead exemption under subsection (b) of this section

70 occupies the residence as a homestead. After such person has filed the proper application as  
71 provided in subsection (c) of this section, it shall not be necessary to make application  
72 thereafter for any year, and such exemption shall continue to be allowed to such person. It  
73 shall be the duty of any such person granted the homestead exemption under subsection (b)  
74 of this section to notify the governing authority of the City of Monroe, or its designee in the  
75 event that such person for any reason becomes ineligible for such exemption. The surviving  
76 spouse of the person who has been granted the exemption provided for in subsection (b) of  
77 this section shall continue to receive the exemption provided under subsection (b) of this  
78 section, so long as that surviving spouse continues to occupy the home as a residence and  
79 homestead.

80 (e)(1) The exemption granted by subsection (b) of this section shall not apply to or affect  
81 any state ad valorem taxes, county ad valorem taxes for county purposes, or county or  
82 independent school district ad valorem taxes for educational purposes.

83 (2) Except as otherwise provided in paragraph (3) of this subsection, the homestead  
84 exemption granted by subsection (b) of this section shall be in addition to and not in lieu  
85 of any other homestead exemption applicable to ad valorem taxes.

86 (3) The homestead exemption granted by subsection (b) of this section shall not be applied  
87 in addition to any other base year value homestead exemption provided by law with respect  
88 to the City of Monroe. In any such event, the governing authority of the City of Monroe,  
89 or its designee shall apply only the base year value homestead exemption that is larger or  
90 more beneficial for the taxpayer with respect to the City of Monroe.

91 (f) For the purposes of this section, the commissioner of revenue shall promulgate a  
92 standardized method for determining annual inflationary index rates which reflect the effects  
93 of inflation and deflation on the cost of living for residents of this state for a given calendar  
94 year. Such method may utilize the Consumer Price Index as reported by the Bureau of Labor  
95 Statistics of the United States Department of Labor or any other similar index established by

96 the federal government if the commissioner of revenue determines that such federal index  
97 fairly reflects the effects of inflation and deflation on residents of this state.

98 (g) The exemption granted by subsection (b) of this section shall apply to all taxable years  
99 beginning on or after January 1, 2026.

100 **SECTION 2.**

101 In accordance with the requirements of Article VII, Section II of the Constitution of the State  
102 of Georgia, this Act shall not become law unless it receives the requisite two-thirds' majority  
103 vote in both the Senate and the House of Representatives.

104 **SECTION 3.**

105 The municipal election superintendent of the City of Monroe shall call and conduct an  
106 election as provided in this section for the purpose of submitting this Act to the electors of  
107 the City of Monroe for approval or rejection. The election superintendent shall conduct that  
108 election on the Tuesday following the first Monday in November of 2025 and shall issue the  
109 call and conduct that election as provided by general law. The election superintendent shall  
110 cause the date and purpose of the election to be published once a week for two weeks  
111 immediately preceding the date thereof in the official organ of Walton County. The ballot  
112 shall have written or printed thereon the words:

113 "( ) YES Shall the Act be approved which provides a homestead exemption from City  
114 of Monroe ad valorem taxes for municipal purposes in an amount equal to  
115 ( ) NO the amount by which the current year assessed value of a homestead  
116 exceeds the adjusted base year assessed value, including any final  
117 determination of value on appeal pursuant to Code Section 48-5-311 of the  
118 O.C.G.A., as amended, of such homestead?"

119 All persons desiring to vote for approval of the Act shall vote "Yes," and all persons desiring  
120 to vote for rejection of the Act shall vote "No." If more than one-half of the votes cast on

121 such question are for approval of the Act, Section 1 of this Act shall become of full force and  
122 effect on January 1, 2026. If the Act is not so approved or if the election is not conducted  
123 as provided in this section, Section 1 of this Act shall not become effective, and this Act shall  
124 be automatically repealed on the 365th calendar day following the election date provided for  
125 in this section. The expense of such election shall be borne by the City of Monroe. It shall  
126 be the election superintendent's duty to certify the result thereof to the Secretary of State.  
127 The provisions of this section shall be mandatory upon the election superintendent and are  
128 not intended as directory. If the election superintendent fails or refuses to comply with this  
129 section, any elector of the City of Monroe may apply for a writ of mandamus to compel the  
130 election superintendent to perform his or her duties under this section. If the court finds that  
131 the election superintendent has not complied with this section, the court shall fashion  
132 appropriate relief requiring the election superintendent to call and conduct such election on  
133 the date required by this section or on the next date authorized for special elections provided  
134 for in Code Section 21-2-540 of the O.C.G.A.

135 **SECTION 4.**

136 Except as otherwise provided in Section 3 of this Act, this Act shall become effective upon  
137 its approval by the Governor or upon its becoming law without such approval.

138 **SECTION 5.**

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