

House Bill 832

By: Representatives Gullett of the 19<sup>th</sup>, New of the 40<sup>th</sup>, Kelley of the 16<sup>th</sup>, Smith of the 18<sup>th</sup>,  
and Momtahan of the 17<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

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

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**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  
13 Paulding County school district for educational purposes, except for any ad valorem taxes  
14 levied to pay interest 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  
19 amount shall not exceed the total of the previous adjusted base year assessed value of  
20 the homestead multiplied by the inflation rate for the prior year; 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  
26 on such person's homestead for the 2027 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  
36 year by the Paulding County tax commissioner in accordance with subsection (f) of this  
37 section.

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

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

41 (B) In all other cases, the adjusted base year assessed value of the homestead as  
42 calculated in the taxable year immediately preceding the current year, including any

43 final determination of value on appeal pursuant to Code Section 48-5-311 of the  
44 O.C.G.A.

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

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

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

59 (c) No person shall receive the exemption granted by subsection (b) of this section unless  
60 such person or person's agent files an application with the tax commissioner of Paulding  
61 County as will enable the tax commissioner to make a determination regarding the initial  
62 and continuing eligibility of such person for such exemption; provided, however, that any  
63 person who had previously applied for a homestead exemption, was allowed such  
64 homestead exemption for the 2026 tax year, and remains eligible for a homestead  
65 exemption for that same homestead property in the 2027 tax year shall be automatically  
66 allowed the exemption granted under subsection (b) of this section for that homestead  
67 without further application. The tax commissioner shall provide application forms for this  
68 purpose.

69 (d) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1  
70 of the O.C.G.A., as amended. The exemption shall be automatically renewed from year  
71 to year so long as the person granted the homestead exemption under subsection (b) of this  
72 section occupies the residence as a homestead. After such person has filed the proper  
73 application as provided in subsection (c) of this section, it shall not be necessary to make  
74 application thereafter for any year, and such exemption shall continue to be allowed to such  
75 person. It shall be the duty of any such person granted the homestead exemption under  
76 subsection (b) of this section to notify the tax commissioner of Paulding County in the  
77 event that such person for any reason becomes ineligible for such exemption. The  
78 unmarried surviving spouse of the person who has been granted the exemption provided  
79 for in subsection (b) of this section shall continue to receive the exemption provided under  
80 subsection (b) of this section, so long as that unmarried surviving spouse continues to  
81 occupy the home as a residence and homestead.

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

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

89 (3) The homestead exemption granted by subsection (b) of this section shall not be  
90 applied in addition to any other base year value homestead exemption provided by law  
91 with respect to the Paulding County school district. In any such event, the Paulding  
92 County tax commissioner shall apply only the base year value homestead exemption that  
93 is larger or more beneficial for the taxpayer with respect to the Paulding County school  
94 district.

95 (f) For the purposes of this section, the Paulding County tax commissioner shall utilize the  
96 Georgia Department of Revenue's promulgated standardized method for determining  
97 annual inflationary index rates which reflect the effects of inflation and deflation on the  
98 cost of living for residents of this state for a given calendar year. Such method may utilize  
99 the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States  
100 Department of Labor or any other similar index established by the federal government if  
101 the Paulding County tax commissioner determines that such federal index fairly reflects the  
102 effects of inflation and deflation on residents of this state.

103 (g) The exemption granted by subsection (b) of this section shall apply to all taxable years  
104 beginning on or after January 1, 2027.

105 **SECTION 2.**

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

109 **SECTION 3.**

110 The election superintendent of Paulding County shall call and conduct an election as  
111 provided in this section for the purpose of submitting this Act to the electors of the Paulding  
112 County school district for approval or rejection. The election superintendent shall conduct  
113 that election on the date of the 2026 general primary and shall issue the call and conduct that  
114 election as provided by general law. The election superintendent shall cause the date and  
115 purpose of the election to be published once a week for two weeks immediately preceding  
116 the date thereof in the official organ of Paulding County. The ballot shall have written or  
117 printed thereon the words:



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**SECTION 5.**

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