

The Senate Committee on Finance offered the following substitute to SB 382:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad  
2 valorem taxation of property, so as to make the state-wide base year homestead exemption  
3 mandatory for all political subdivisions; to repeal a related tax bill requirement; to make  
4 conforming changes; to amend Article 2B of Chapter 8 of Title 48 of the Official Code of  
5 Georgia Annotated, relating to special district option sales and use tax, so as to remove a  
6 condition precedent to the call for a referendum for such tax; to revise the timing for annual  
7 reduction of the roll-back rate; to provide for effective dates and applicability; 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 Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad valorem  
12 taxation of property, is amended in Code Section 48-5-34, relating to tax bill and procedures  
13 and requirements, by repealing subsection (c).

14

**SECTION 2.**

15 Said chapter is further amended in Code Section 48-5-44.2, relating to base year homestead  
16 exemption, by repealing subsections (h) and (i) and amending subsection (d) as follows:

17 "(d) No person shall receive the exemption granted by subsection (b) of this Code section  
18 unless such person or person's agent files an application with the tax receiver or tax  
19 commissioner of his or her respective local government or governments charged with the  
20 duty of receiving returns of property for taxation giving such information relative to  
21 receiving such exemption as will enable such tax receiver or tax commissioner to make a  
22 determination regarding the initial and continuing eligibility of such person for such  
23 exemption; provided, however, that any person who had previously applied for a  
24 homestead exemption, was allowed such homestead exemption for the ~~2024~~ prior tax year,  
25 and remains eligible for a homestead exemption for that same homestead property in  
26 the ~~2025~~ current tax year shall be automatically allowed the exemption granted under  
27 subsection (b) of this Code section for that homestead without further application. Such  
28 tax receiver or tax commissioner shall provide application forms for this purpose."

29

**SECTION 3.**

30 Article 2B of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to  
31 special district option sales and use tax, is amended in Code Section 48-8-109.31, relating  
32 to imposition of special sales and use tax within special district and limited time and purpose,  
33 by revising subsection (d) as follows:

34 "(d) As ~~conditions~~ a condition precedent to the issuance of the call for the referendum:  
35 (1) ~~The governing authority of the county whose geographical boundary is conterminous~~  
36 ~~with that of the special district and the governing authority or authorities of all~~  
37 ~~municipalities in such county that levy an ad valorem tax on property, other than those~~  
38 ~~municipalities that are excluded from the special district pursuant to subsection (f) of this~~  
39 ~~Code section, shall have in effect a base year value homestead exemption or adjusted~~

40 ~~base year value homestead exemption, except that such condition precedent shall not~~  
41 ~~apply with respect to any municipality that levies an ad valorem tax on property and that~~  
42 ~~represents no more than 5 percent of the special district's residents of municipalities that~~  
43 ~~levy an ad valorem tax on property; and~~

44 (2) ~~The~~ the governing authority of the county whose geographical boundary is  
45 conterminous with that of the special district and the governing authority or authorities,  
46 if any, that represent at least 50 percent of the special district's residents of municipalities  
47 that levy an ad valorem tax on property, other than those municipalities that are excluded  
48 from the special district pursuant to subsection (f) of this Code section, shall enter into  
49 an intergovernmental agreement calling for the tax authorized under this article and  
50 specifying the proposed rate of the tax, the proposed maximum period of time that the tax  
51 is to be levied, and the proposed distribution of the tax."

52

#### SECTION 4.

53 Said article is further amended by revising Code Section 48-8-109.42, relating to use of tax  
54 proceeds, property tax relief requirements, and noncompliance, as follows:

55 "48-8-109.42.

56 (a) Any proceeds received by a political subdivision from the tax authorized by this article  
57 shall be used by such political subdivision exclusively for tax relief and in conjunction with  
58 all limitations provided in the intergovernmental agreement authorizing the tax for such  
59 political subdivision.

60 (b)(1) Each taxpayer's ad valorem tax bill shall clearly state the dollar amount by which  
61 the property tax has been reduced as a result of the imposition of the tax imposed under  
62 this article.

63 (2) The roll-back rate for the political subdivision, which is calculated under Code  
64 Section 48-5-32.1, shall be reduced annually by the millage equivalent of the net  
65 proceeds of the tax authorized under this article, which proceeds were received by the

66 political subdivision during the prior taxable year or through June 30 of the current  
67 taxable year.

68 (c) If any political subdivision is not in compliance with the use of the proceeds of a tax  
69 levied under this article, the commissioner shall not certify the tax digest of such political  
70 subdivision until it complies with this Code section."

71 **SECTION 5.**

72 (a) This Act shall become effective upon its approval by the Governor or upon its becoming  
73 law without such approval and, except as provided in subsection (b) of this section, shall be  
74 applicable on and after such date.

75 (b) Sections 1 and 2 of this Act shall be applicable to taxable years beginning on or after  
76 January 1, 2026.

77 **SECTION 6.**

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