

House Bill 1116

By: Representatives Blackmon of the 146th, Burns of the 159th, Efstation of the 104th, Hatchett of the 155th, Cannon of the 172nd, and others

A BILL TO BE ENTITLED

AN ACT

1 To amend Chapters 5 and 8 of Title 48 of the Official Code of Georgia Annotated, relating
2 to ad valorem taxation of property and sales and use taxes, respectively, so as to provide for
3 the acceptance of tax digests in the event of a publication error made by a newspaper; to
4 provide for a 2026 homeowner tax relief grant; to revise required information for bills and
5 notices of assessment for ad valorem tax of property; to increase the amount of a state-wide
6 homestead exemption from certain ad valorem taxes; to provide for annual submissions and
7 review of homestead information across the state; to expand the period of time within which
8 taxpayers may apply for homestead exemptions; to provide for penalties for failing to report
9 ineligibility for a homestead exemption; to provide for conforming changes; to revise
10 provisions regarding the maximum period of time, imposition, timing for imposition and
11 termination, and use of tax proceeds regarding special district option sales and use tax; to
12 amend Part 4 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,
13 relating to financing under the "Quality Basic Education Act," so as to exclude amounts
14 attributable to certain exemptions from ad valorem taxation from the equalized adjusted
15 school property tax digest for the purpose of calculating the local five mill share and
16 equalization grants; to require certain municipalities and counties to annually provide
17 information relating to such exemptions to the Department of Revenue; to require the
18 Department of Revenue to annually verify, certify as correct, and furnish the State Board of

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19 Education such information relating to such exemptions; to require the proposed annual
20 operating budget resolution of a local board of education to be approved in a referendum
21 election if such resolution would increase certain revenues raised by the local board of
22 education by an amount that is 3 percent or more greater than the amount of revenues raised
23 by the local board of education in the previous fiscal year; to provide for an exception to
24 public meetings requirements; to provide for construction; to amend Article 1 of Chapter 81
25 of Title 36 of the Official Code of Georgia Annotated, relating to local government budgets
26 and audits, so as to provide that certain proposed increases in revenue collections by local
27 governments must be approved by the voters of such local government; to provide for a short
28 title; to provide for an effective date and applicability; to provide for related matters; to
29 repeal conflicting laws; and for other purposes.

30 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

31 **PART I**
32 **SECTION 1-1.**

33 This Act shall be known and may be cited as the "Homeownership Opportunity and Market
34 Equalization Act of 2026."

35 **PART II**
36 **SECTION 2-1.**

37 Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad valorem
38 taxation of property, is amended by revising Code Section 48-5-44, relating to exemption of
39 homestead occupied by owner and effect of participation in rural housing program on
40 homestead exemption, and limits, as follows:

41 "48-5-44.

42 (a) The homestead of each resident of this state actually occupied by the owner as a
 43 residence and homestead shall be exempted from all ad valorem taxation for state, county,
 44 municipal, and school purposes, ~~except taxes levied by municipalities for school purposes~~
 45 ~~and~~ except to pay interest on and to retire bonded indebtedness, for as long as the residence
 46 and homestead is actually occupied by the owner primarily as a residence and homestead.
 47 The exemption shall not exceed ~~\$2,000.00 of the value of the homestead~~ the amounts
 48 provided for in subsection (b) of this Code section. Should the owner of a dwelling house
 49 on a farm who is already entitled to a homestead exemption participate in the program of
 50 rural housing and obtain a new house under contract with the local housing authority, he
 51 or she shall be entitled to receive the same homestead exemption as allowed before making
 52 the contract. Except as otherwise specifically provided by law, the value of all homestead
 53 property in excess of ~~\$2,000.00~~ the amounts provided for in subsection (b) of this Code
 54 section shall remain subject to taxation. The exemption shall be returned and claimed in
 55 the manner prescribed by law. This exemption shall not apply to taxes levied by
 56 municipalities.

57 (b) In no event shall the amount of the exemption provided for by this Code section
 58 exceed:

59 (1) For calendar years 2026 through 2028, \$10,000.00 of the value of the homestead;

60 (2) For calendar years 2029 and 2030, \$30,000.00 of the value of the homestead; and

61 (3) For calendar year 2031 and thereafter, \$60,000.00 of the value of the homestead."

62 **PART III**

63 **SECTION 3-1.**

64 Part 4 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,
 65 relating to financing under the "Quality Basic Education Act," is amended in Code Section

66 20-2-164, relating to local five mill share funds, by revising subsections (d), (e), and (g) as
67 follows:

68 "(d) Each municipality having an independent school system and each county government
69 shall annually provide the Department of Revenue with the following information for each
70 local school system within its jurisdiction:

71 (1) The total number of granted state-wide constitutional homestead exemptions for
72 occupied homes pursuant to Code Section 48-5-44 exclusive of those homestead
73 exemptions provided pursuant to Code Sections 48-5-47, 48-5-48, and 48-5-52;

74 (2) The total number of granted state-wide constitutional homestead exemptions for
75 disabled veterans pursuant to Code Section 48-5-48;

76 (3) The amounts of tax and nontax revenues by source which have been distributed by
77 said local government to local school systems for educational maintenance and operation;
78 provided, further, that if the total tax revenues collected by a municipal government
79 exceed the amount of all revenues distributed to its school system, the total amount of tax
80 revenues collected by the municipal government shall also be submitted to the
81 Department of Revenue. Such data shall be submitted to the Department of Revenue no
82 later than the date required for the submission of the local tax digests to the Department
83 of Revenue; and

84 (4) The difference between the actual assessed valuation of agricultural property and the
85 valuation that would be assessed if all agricultural property were assessed at 40 percent
86 of its fair market value as provided in Code Section 48-5-7; provided, however, that if the
87 taxing authority of a local school system assesses property at a legal standard other than
88 40 percent of fair market value, the actual assessed valuation used in this calculation shall
89 be reduced to represent the amount which would be assessed if the jurisdiction assessed
90 property at 40 percent of fair market value;

91 (5) The difference between the assessed value and the net taxable value of all properties
92 for which an exemption pursuant to Code Section 48-5-44.2 was granted for that year;

- 93 (6) The difference between the assessed value and the net taxable value of all properties
94 for which an exemption was granted in that year pursuant to Article VII, Section II,
95 Paragraph II(a) of the Constitution or a local constitutional amendment that has been
96 continued in effect pursuant to Article XI, Section I, Paragraph IV(d) of the Constitution;
97 and
- 98 (7) The value of all tangible personal property for which level 1 freeport exemptions
99 pursuant to Code Sections 48-5-48.1 and 48-5-48.2 were granted for that year.
- 100 (e) The Department of Revenue shall annually verify, certify as correct, and furnish the
101 State Board of Education with the following data for each local school system by
102 November 15:
- 103 (1) All tax and nontax revenues by source for the preceding fiscal year which were
104 distributed for educational maintenance and operation; provided, however, that such tax
105 and nontax revenues shall exclude any state revenue collections which were previously
106 distributed to the state general fund and then appropriated or allocated to local school
107 systems; and provided, further, that, if the total tax revenues collected by a municipal
108 government exceed the amount of all revenues which it distributed to its school system,
109 the total amount of revenues distributed to the school system shall be designated as tax
110 revenues in the report of the Department of Revenue to the state board;
- 111 (2) The number of exemptions granted for state-wide constitutional homestead
112 exemptions for owner occupied homes pursuant to Code Section 48-5-44, exclusive of
113 those homestead exemptions provided pursuant to Code Sections 48-5-47, 48-5-48, and
114 48-5-52, for the preceding calendar year;
- 115 (3) The number of exemptions granted for state-wide constitutional homestead
116 exemptions for disabled veterans pursuant to Code Section 48-5-48 for the preceding
117 calendar year; ~~and~~
- 118 (4) The difference between the actual assessed valuation of agricultural property and the
119 valuation that would be assessed if all agricultural property were assessed at 40 percent

120 of its fair market value as provided in Code Section 48-5-7, adjusted pursuant to
121 paragraph (4) of subsection (d) of this Code section;

122 (5) The difference between the assessed value and the net taxable value of all properties
123 for which an exemption pursuant to Code Section 48-5-44.2 was granted for that year;

124 (6) The difference between the assessed value and the net taxable value of all properties
125 for which an exemption authorized pursuant to a local constitutional amendment or
126 Article VII, Section II, Paragraph II(a) of the Constitution was granted in that year; and

127 (7) The value of all tangible personal property for which level 1 freeport exemptions
128 pursuant to Code Sections 48-5-48.1 and 48-5-48.2 were granted for that year."

129 "(g) For purposes of calculation under this Code section and Code Section 20-2-165, the
130 equalized adjusted school property tax digest, adjusted by paragraph (1) of subsection (a)
131 of this Code section, shall be reduced by the sum of the following products:

132 (1) The product of the number of constitutional homestead exemptions for owner
133 occupied homes pursuant to Code Section 48-5-44 granted for that year, exclusive of
134 those homestead exemptions provided pursuant to Code Sections 48-5-47, 48-5-48, and
135 48-5-52, multiplied by the amount per exemption authorized under Code Section 48-5-44;
136 provided, further, that, in any city operating an independent school system which
137 provides a homestead exemption through local legislation comparable to that provided
138 in Code Section 48-5-44, the product calculated in this paragraph shall represent the
139 number of homestead exemptions provided through the applicable local legislation
140 multiplied by the amount per exemption authorized in Code Section 48-5-44, or by the
141 amount per exemption authorized in the applicable local legislation, whichever is less;
142 and provided, further, that, if the amount per exemption authorized in Code Section
143 48-5-44 has been changed subsequent to the year of the applicable digest, the more
144 recently adopted amount per exemption shall be used for the product calculated in this
145 paragraph;

- 146 (2) The product of the number of constitutional homestead exemptions for disabled
147 veterans pursuant to Code Section 48-5-48 granted for that year, multiplied by the amount
148 per exemption authorized under that Code section; provided, further, that, in any city
149 operating an independent school system which provides a homestead exemption through
150 local legislation comparable to that provided in Code Section 48-5-48, the product
151 calculated in this paragraph shall represent the number of homestead exemptions
152 provided through the applicable local legislation multiplied by the amount per exemption
153 authorized in the applicable local legislation, whichever is less; and provided, further,
154 that, if the amount per exemption authorized in Code Section 48-5-48 has been changed
155 subsequent to the year of the applicable digest, the more recently adopted amount per
156 exemption shall be used for the product calculated in this paragraph;
- 157 (3) The product of the estimated number of persons age 65 or older residing in the local
158 school system during that year multiplied by 5,000;
- 159 (4) The product which results from the following calculations:
- 160 (A) Subtract the estimated state-wide percentage that persons age 65 or older is of the
161 total population, excluding military personnel and institutional population, from the
162 respective percentage for the local school system. If the respective percentage for the
163 local school system is less than the state-wide percentage, a difference of zero shall be
164 used in the calculations in this paragraph;
- 165 (B) Multiply the difference which results from subparagraph (A) of this paragraph by
166 1,000; and
- 167 (C) Multiply the product which results from subparagraph (B) of this paragraph by the
168 estimated number of persons age 65 or older residing in the local school system during
169 that year; and
- 170 (5) The product which results from the following calculations:

171 (A) Divide the amount reported in paragraph (4) of subsection (e) of this Code section
 172 by the average ratio of assessed value to true value used to calculate the most recent
 173 equalized adjusted school property tax digest pursuant to Code Section 48-5-274; and
 174 (B) Multiply the quotient which results from subparagraph (A) of this paragraph by .4;
 175 (6) The difference between the assessed value and the net taxable value of all properties
 176 for which an exemption pursuant to Code Section 48-5-44.2 was granted for that year;
 177 (7) The difference between the assessed value and the net taxable value of all properties
 178 for which an exemption authorized pursuant to a local constitutional amendment or
 179 Article VII, Section II, Paragraph II(a) of the Constitution was granted in that year; and
 180 (8) The product of the value of all tangible personal property for which level 1 freeport
 181 exemptions pursuant to Code Sections 48-5-48.1 and 48-5-48.2 were granted for that
 182 year, multiplied by .4."

183 **PART IV**

184 **SECTION 4-1.**

185 Article 2B of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to
 186 special district option sales and use taxes, is amended in Code Section 48-8-109.32, relating
 187 to maximum period of time of the tax, submission to voters to determine imposition of tax,
 188 ballot language, expenses of election, and resolution, by revising subsection (a) and adding
 189 a new subsection to read as follows:

190 "(a) The Except as otherwise provided in subsection (a.1) of this Code section, the
 191 intergovernmental agreement required by this article shall specify the maximum period of
 192 time of the tax, to be stated in calendar years or calendar quarters not to exceed five years
 193 in total.

194 (a.1) Any imposition of a tax approved in taxable year 2027 or thereafter shall be for a
 195 period of ten years."

196

SECTION 4-2.

197 Said article is further amended in Code Section 48-8-109.33, relating to timing for imposition
 198 of tax following approval and termination of tax, by revising subsection (c) as follows:

199 "(c)(1) Except as otherwise provided in paragraph (2) of this subsection, for For any
 200 special district in which a tax authorized by this article is in effect, the General Assembly
 201 may pass a local Act calling for a reimposition of a tax as authorized by this article upon
 202 the termination of the tax then in effect, and a referendum may be held for this purpose
 203 while the tax is in effect. Proceedings for such reimposition shall be in the same manner
 204 as proceedings for the initial imposition of the tax as provided for in Code Sections
 205 48-8-109.31 and 48-8-109.32. Such newly authorized tax shall not be imposed until the
 206 expiration of the tax then in effect.

207 (2)(A) Except as otherwise provided in subparagraph (B) of this paragraph, for any
 208 special district in which a tax authorized by this article is imposed after approval
 209 pursuant to subsection (a.1) of Code Section 48-8-109.32, such tax shall be
 210 automatically reimposed for an additional period of ten years, unless otherwise
 211 provided by passage during the ninth calendar year of the original imposition of the tax
 212 by a local Act of the General Assembly calling for termination of the tax.

213 (B) For any special district in which a tax authorized by this article is imposed after
 214 approval pursuant to subsection (a.1) of Code Section 48-8-109.32 after taxable year
 215 2032, such tax shall be automatically reimposed for an additional period of five years,
 216 unless otherwise provided by passage during the ninth calendar year of the original
 217 imposition of the tax by a local Act of the General Assembly calling for termination of
 218 the tax."

219

SECTION 4-3.

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

222 "48-8-109.42.

223 (a) Any proceeds received by a political subdivision from the tax authorized by this article
224 shall be used by such political subdivision exclusively for tax relief for homestead
225 properties and in conjunction with all limitations provided in the intergovernmental
226 agreement authorizing the tax for such political subdivision. The proceeds of such tax may
227 be used to provide a homestead exemption of an amount to be determined from the amount
228 of sales and use tax collected under this article. Any such homestead exemption under this
229 article shall be in addition to and not in lieu of any other homestead exemption applicable
230 to county taxes for county purposes, municipal taxes for municipal purposes, and school
231 system taxes for educational purposes. If the proceeds of the tax authorized by this article
232 exceed the amount necessary to provide a full exemption from ad valorem property
233 taxation to all homestead properties within the jurisdiction, then the jurisdiction shall roll
234 back its millage rate pursuant to subsection (b) of this Code section.

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

238 (2) The roll-back rate for the political subdivision, which is calculated under Code
239 Section 48-5-32.1, shall be reduced annually by the millage equivalent of the net
240 proceeds of the tax authorized under this article, which proceeds were received by the
241 political subdivision during the prior taxable year.

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

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PART V
SECTION 5-1.

247 Part 4 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,
248 relating to financing under the "Quality Basic Education Act," is amended in Code Section
249 20-2-167.1, relating to public meetings on proposed annual operating budget, notice,
250 electronic copies, and exception for certain nonprofits, by revising subsection (b) as follows:

251 "(b)(1) Each governing body shall hold at least two public meetings, which shall not
252 occur within the same week, for the purpose of providing an opportunity for public input
253 on its proposed annual operating budget before adopting any budget; provided, however,
254 that any other public meeting or hearing held that is related to the budget as required by
255 law shall satisfy all or a portion of such requirement. The governing body of a charter
256 school with a state-wide attendance zone and students residing in 25 percent or more of
257 Georgia's counties or in three or more counties which are not geographically contiguous
258 shall conduct one such public meeting virtually and one such public meeting in the
259 county in which its primary business office is located. The public meetings shall be
260 advertised in a local newspaper of general circulation which shall be the same newspaper
261 in which other legal announcements of the board of education are advertised.

262 (2)(A) On and after January 1, 2032, no proposed annual operating budget resolution
263 that would result in an increase in the revenues raised by the local board of education
264 from the levy and collection of ad valorem property taxes by an amount that is 3
265 percent or more greater than the amount of such revenues raised by the local board of
266 education in the previous fiscal year or that would exceed the roll-back rate established
267 pursuant to Code Section 48-5-306.2 shall go into effect until the electors of the local
268 school system have approved such budget resolution in a referendum election. The call
269 for and conduct of any such election shall be in the manner authorized under Code
270 Section 21-2-540. The exact ballot language shall be prescribed by the local board of

271 education but shall contain, at a minimum, the projected amount of revenue to be
272 generated by the budget resolution; the amount of revenue received by the local board
273 of education in the previous fiscal year; and a statement as to whether or not such
274 projected revenue increase is the result of an increase in the levy or rate of ad valorem
275 property taxes. All persons desiring to vote in favor of the budget resolution shall vote
276 'Yes' and all persons opposed to the budget resolution shall vote 'No.' If more than
277 one-half of the votes cast are in favor of the budget resolution, then the budget
278 resolution shall go into effect as provided by law; otherwise, the budget resolution shall
279 not go into effect and the local board of education shall prepare a new proposed budget
280 which is projected not to increase the revenues raised by the local board of education
281 by an amount that is 3 percent or more greater than the amount of revenues raised by
282 the local board of education in the previous fiscal year.

283 (B) A local board of education shall not be required to hold either or both of the public
284 meetings required under paragraph (1) of this subsection after a proposed annual
285 operating budget resolution has been approved in a referendum election required under
286 subparagraph (A) of this paragraph.

287 (C) Nothing in this paragraph shall be construed to require that the public meetings of
288 a local board of education required under paragraph (1) of this subsection shall be held
289 at any particular time either prior to or following the referendum election required
290 under subparagraph (A) of this paragraph."

291 **SECTION 5-2.**

292 Article 1 of Chapter 81 of Title 36 of the Official Code of Georgia Annotated, relating to
293 local government budgets and audits, is amended in Code Section 36-81-3, relating to
294 establishment of fiscal year, requirement of annual balanced budget, adoption of budget
295 ordinances or resolutions generally, budget amendments, and uniform chart of accounts, by
296 revising subsection (d) as follows:

297 "(d) Nothing contained in this Code section shall preclude a local government from
 298 amending its budget so as to adapt to changing governmental needs during the budget
 299 period; provided, however, that, on and after January 1, 2032, no such amendment shall
 300 result in an increase in the revenues raised by the unit of local government from the levy
 301 and collection of ad valorem property taxes by an amount that is 3 percent or more greater
 302 than the amount of such revenues raised by the unit of local government in the previous
 303 fiscal year that would exceed the roll-back rate established pursuant to Code Section
 304 48-5-306.2. Amendments shall be made as follows, unless otherwise provided by charter
 305 or local law:

- 306 (1) Any increase in appropriation at the legal level of control of the local government,
 307 whether accomplished through a change in anticipated revenues in any fund or through
 308 a transfer of appropriations among departments, shall require the approval of the
 309 governing authority. Such amendment shall be adopted by ordinance or resolution;
 310 (2) Transfers of appropriations within any fund below the local government's legal level
 311 of control shall require only the approval of the budget officer; and
 312 (3) The governing authority of a local government may amend the legal level of control
 313 to establish a more detailed level of budgetary control at any time during the budget
 314 period. Said amendment shall be adopted by ordinance or resolution."

315 **SECTION 5-3.**

316 Said article is further amended by revising Code Section 36-81-6, relating to adoption of
 317 budget ordinance or resolution and form of budget, as follows:

318 "36-81-6.

- 319 (a) On a date after the conclusion of the hearing required in subsection (f) of Code
 320 Section 36-81-5, the governing authority shall adopt a budget ordinance or resolution
 321 making appropriations in such sums as the governing authority may deem sufficient,
 322 whether greater or less than the sums presented in the proposed budget. The budget

323 ordinance or resolution shall be adopted at a public meeting which shall be advertised in
324 accordance with the procedures set forth in subsection (e) of Code Section 36-81-5 at least
325 one week prior to the meeting; provided, however, that, on and after January 1, 2032, if
326 such budget ordinance is projected to result in an increase in the revenues raised by the unit
327 of local government from the levy and collection of ad valorem property taxes by an
328 amount that is 3 percent or more greater than the amount of such revenues raised by the
329 unit of local government in the previous fiscal year that would exceed the roll-back rate
330 established pursuant to Code Section 48-5-306.2, then such budget ordinance shall not go
331 into effect until the electors of the unit of local government have approved such budget
332 ordinance in a referendum election. The call for and conduct of any such election shall be
333 in the manner authorized under Code Section 21-2-540. The exact ballot language shall
334 be prescribed by the governing authority adopting the budget ordinance but shall contain,
335 at a minimum, the projected amount of revenue to be generated by the budget ordinance;
336 the amount of revenue received by the unit of local government in the previous fiscal year;
337 and a statement as to whether or not such projected revenue increase is the result of an
338 increase in the levy or rate of ad valorem property taxes. All persons desiring to vote in
339 favor of the budget ordinance shall vote 'Yes' and all persons opposed to the budget
340 ordinance shall vote 'No.' If more than one-half of the votes cast are in favor of the budget
341 ordinance, then the budget ordinance shall go into effect as provided by law; otherwise, the
342 budget ordinance shall not go into effect and the governing authority shall prepare a new
343 proposed budget pursuant to Code Section 36-81-5 which is projected not to increase the
344 revenues raised by the unit of local government by an amount that is 3 percent or more
345 greater than the amount of revenues raised by the unit of local government in the previous
346 fiscal year.

347 (b) The budget may be prepared in any form that the governing authority deems most
348 efficient in enabling it to make the fiscal policy decisions embodied in the budget, but such
349 budget shall be subject to the provisions of this article."

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PART VI
SECTION 6-1.

352 Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to ad valorem
353 taxation of property, is amended by adding a new Code section to read as follows:

354 "48-5-32.2.

355 Notwithstanding the provisions of Code Sections 48-5-32 and 48-5-32.1, in the event that
356 a digest is not accepted for review by the commissioner on the basis that a newspaper
357 publication did not satisfy the requirements of this chapter, the commissioner shall accept
358 the digest for review upon satisfactory submission of documentation by the county
359 establishing that the inadequacy did not result from an error or omission on the part of the
360 respective levying authority or recommending authority. A newspaper publication that has
361 been redressed pursuant to this Code section shall not constitute grounds for contesting the
362 validity of the digest or levy."

363

SECTION 6-2.

364 Said chapter is further amended by revising Code Section 48-5-34, relating to tax bill and
365 procedures and requirements, as follows:

366 "48-5-34.

367 (a) In addition to any other requirements provided by law, the ad valorem property tax bill
368 form shall be prepared annually by the county tax commissioner or collector and furnished
369 to each taxpayer who owes state, county, or county school tax for the current tax year. The
370 form shall provide for each given levying authority and recommending authority:

371 (1) The the total amount of such taxes levied on property owned by the taxpayer;

372 (2) The the amount of property tax credit granted by Act of the 1973 Session of
373 Georgia's General Assembly, by which such taxes were reduced as a result of exemptions
374 and credits that were applied to such property; and

375 ~~(3) The net amount of such taxes due for the current tax year.~~

376 (b) In addition to the requirements of subsection (a) of this Code section, if the millage rate
 377 adopted by a taxing authority exceeds the estimated roll-back rate ~~and such estimated~~
 378 ~~roll-back rate was provided in the annual notice of assessment~~, such tax bill shall include
 379 a notice containing the name of such taxing authority and the following statement in bold
 380 print: 'The adopted millage rate that is being imposed on your property by (insert name of
 381 taxing authority) exceeds ~~the its~~ estimated roll-back rate ~~as stated in the annual notice of~~
 382 ~~assessment that you previously received for this taxable year, which will result in an~~
 383 ~~increase in the amount of property tax that you will owe.'~~

384 ~~(c)(1) If the governing authority of a county, consolidated government, municipality, or~~
 385 ~~school district elected to opt out of the homestead exemption provided for in Code~~
 386 ~~Section 48-5-44.2 and there is not in effect for such political subdivision a base year~~
 387 ~~value homestead exemption or adjusted base year value homestead exemption that is~~
 388 ~~generally applicable for homestead residents, each ad valorem property tax bill issued by~~
 389 ~~such political subdivision for homestead properties shall contain a notice in bold print~~
 390 ~~that corresponds with the following statement: '[Name of the political subdivision] chose~~
 391 ~~to opt out of property tax relief for homeowners related to HB 581 (2024). If you have~~
 392 ~~concerns about that decision, please call [the main telephone number for the levying or~~
 393 ~~recommending authority of the political subdivision].'~~

394 (2) The provisions of paragraph (1) of this subsection shall not apply for any taxable year
 395 beginning after December 31, 2029."

396 **SECTION 6-3.**

397 Said chapter is further amended in Code Section 48-5-45, relating to application for
 398 homestead exemption and unlawful to solicit fee to file application for homestead for
 399 another, by revising subsections (a) and (b) as follows:

400 "(a)(1) An applicant seeking a homestead exemption as provided in Code Section
 401 48-5-44 and qualifying under the provisions of Code Section 48-5-40 shall file a written
 402 application and schedule with the tax receiver or tax commissioner charged with the duty
 403 of receiving returns of property for taxation ~~at any time~~ during the calendar year
 404 subsequent to the property becoming the primary residence of the applicant up to and
 405 including:

406 (A) The ~~the~~ date for the closing of the books for the return of taxes for the calendar
 407 year, ~~except that,; or~~

408 (B) In in the case of a property which is subject to a reassessment by the board of tax
 409 assessors, the final date to file an appeal of the annual notice of current reassessment.

410 Any such application and schedule may be filed in conjunction with or in lieu of an
 411 appeal of the reassessment.

412 (2) The failure to file properly the application and schedule on or before the ~~date for the~~
 413 ~~closing of the books for the return of taxes of a calendar year in which the taxes are due~~
 414 applicable deadline under paragraph (1) of this subsection shall constitute a waiver of the
 415 homestead exemption on the part of the applicant failing to make the application for such
 416 exemption for that year.

417 (b) The owner of a homestead which is actually occupied by the owner as a residence and
 418 homestead shall not have to apply for the exemption more than once so long as the owner
 419 remains in continuous occupation of the residence as a homestead. The exemption shall
 420 automatically be renewed from year to year so long as the owner continuously occupies the
 421 residence as a homestead. It shall be the duty of any person granted the exemption to
 422 notify the tax receiver or tax commissioner in the event such person for any reason
 423 becomes ineligible for such exemption."

424 **SECTION 6-4.**

425 Said chapter is further amended by adding a new Code section to read as follows:

426 "48-5-51.1.
427 For tax years beginning on and after January 1, 2026, in the event that a person fails to
428 report his or her loss of eligibility for a homestead exemption that is listed on the property's
429 annual notice of current reassessment for such property by the final date to file an appeal
430 of such notice, the property shall be properly assessed and billed for all taxes and interest
431 due and a penalty shall be imposed on such person as follows:
432 (1) For a first offense, the property shall be assessed a penalty of 10 percent of the
433 amount by which taxes were to be reduced from exemptions and credits that were
434 improperly applied;
435 (2) For a second offense, the property shall be assessed a penalty of 50 percent of the
436 amount by which taxes were to be reduced from exemptions and credits that were
437 improperly applied; and
438 (3) For a third offense, the property shall be assessed a penalty of 100 percent of the
439 amount by which taxes were to be reduced from exemptions and credits that were
440 improperly applied and the person shall be disqualified from obtaining any homestead
441 exemption for the subsequent seven tax years."

442 **SECTION 6-5.**

443 Said chapter is further amended by adding a new Code section to read as follows:

444 "48-5-57.
445 Recognizing the importance and value of properly granting and continually allowing
446 homestead exemptions, each local tax official charged by law with the duty of reviewing
447 applications for homestead exemptions shall submit to the department a list of taxpayers
448 that have been granted or denied a homestead exemption for property within its
449 jurisdiction. Such submissions shall be made annually for each taxing jurisdiction within
450 30 days of the final date to file an appeal of the annual notice of assessment. The
451 commissioner shall maintain a database of homestead exemption information in a manner

452 which allows local tax officials access to review and ensure accuracy of their jurisdiction's
 453 properties receiving homestead exemptions. Each such local tax official shall review said
 454 database prior to approving a homestead exemption and on an annual basis prior to issuing
 455 the notices of assessment for the taxing jurisdiction."

456 **SECTION 6-6.**

457 Said chapter is further amended in Code Section 48-5-306, relating to annual notice of
 458 current assessment, contents, posting notice, and new assessment description, by revising
 459 subsection (b) as follows:

460 **"(b) Contents of notice.**

461 (1) The annual notice of current assessment required to be given by the county board of
 462 tax assessors under subsection (a) of this Code section shall be dated and shall contain
 463 the name and last known address of the taxpayer. The annual notice shall be given on the
 464 applicable state-wide assessment notice form which shall be established by the
 465 commissioner by rule and regulation and shall contain:

466 (A) The fair market value used for amount of the previous assessment following any
 467 completed appeal;

468 (B) The fair market value used for amount of the current assessment;

469 (C) The year for which the new assessment is applicable;

470 (D) A brief description of the assessed property broken down into real and personal
 471 property classifications;

472 (E) A list of each exemption and credit granted and allowed for the property as of the
 473 date of creation of the notice of assessment;

474 (F) The current and prior year's fair market value of property of the taxpayer subject
 475 to taxation and the assessed value of the taxpayer's property subject to taxation after
 476 being reduced by any exemptions and credits granted and allowed for the property;

477 ~~(F)~~(G) The name, ~~phone~~ telephone number, and contact information of the person in
 478 the assessors' office who is administratively responsible for the handling of the appeal
 479 and who the taxpayer may contact if the taxpayer has questions about the reasons for
 480 the assessment change or the appeals process;

481 ~~(G)~~(H) If available, the public website address of the office of the county board of tax
 482 assessors; and

483 ~~(H)~~(I) A statement that all documents and records used to determine the current value
 484 are available upon request; ~~and~~

485 ~~(I)(i)~~ The current year's estimated roll-back rate for each levying or recommending
 486 authority that certified its estimated roll-back rate for the current year to the county
 487 board of tax assessors and county tax commissioner by the date specified under Code
 488 Section ~~48-5-306.2~~; or

489 ~~(ii)~~ For each levying or recommending authority that did not certify its estimated
 490 roll-back rate to the county board of tax assessors and county tax commissioner by the
 491 date specified in Code Section ~~48-5-306.2~~, the millage rate that was actually levied
 492 by or on behalf of such authority for the previous tax year, and an estimate of the
 493 amount of ad valorem taxes due for the assessed property based on such millage rate
 494 and the amount of the current assessment.

495 (2) In addition to the items required under paragraph (1) of this subsection, the notice
 496 shall contain a statement of the taxpayer's right to an appeal which shall be in
 497 substantially the following form:

498 'The amount of your ad valorem tax bill for this year will be based on the appraised and
 499 assessed values specified in this notice and may be reduced by certain exemptions and
 500 credits. You have the right to appeal these values to the county board of tax assessors.
 501 You may apply for homestead exemptions if your property was owned and occupied as
 502 your family's primary residence and homestead as of January 1 of (insert current tax
 503 year). You are required by law to notify (insert name of appropriate local tax official) if

504 you are ineligible for any homestead exemption listed in this notice and subject to
 505 penalties for failing to do so.

506 At the time of filing your appeal you must select one of the following options:

- 507 (A) An appeal to the county board of equalization with appeal to the superior court;
 508 (B) To arbitration without an appeal to the superior court; or
 509 (C) To a hearing officer with appeal to the superior court, for For a parcel of
 510 nonhomestead property with a fair market value in excess of \$500,000.00 as shown on
 511 the taxpayer's annual notice of current assessment under this Code section, or for one
 512 or more account numbers of wireless property as defined in subparagraph (e.1)(1)(B)
 513 of Code Section 48-5-311 with an aggregate fair market value in excess of \$500,000.00
 514 as shown on the taxpayer's annual notice of current assessment under this Code section;
 515 ~~to a hearing officer with appeal to the superior court.~~

516 If you wish to file an appeal or application for a homestead exemption, you must do so
 517 in writing no later than 45 days after the date of this notice. If you do not file an appeal
 518 or apply for homestead exemptions by this date, your right to file an appeal and obtain
 519 applicable homestead exemptions for this year will be lost. For further information on
 520 the proper method for filing an appeal, applying for homestead exemptions, or reporting
 521 your ineligibility for a homestead exemption, you may contact the county board of tax
 522 assessors which is located at: (insert address) and which may be contacted by telephone
 523 at: (insert telephone number).'

524 (3) The annual notice required under this Code section shall be mailed no later than
 525 July 1; provided, however, that the annual notice required under this Code section may
 526 be sent later than July 1 for the purpose of notifying property owners of corrections and
 527 mapping changes."

528

PART VII

529

SECTION 7-1.

530 (a) This Act shall become effective upon its approval by the Governor or upon its becoming
531 law without such approval.

532 (b) Parts II, IV, and VI of this Act shall be applicable to taxable years beginning on or after
533 January 1, 2026.

534 (c) Part III and Section 5-1 of this Act shall be applicable to calculations based upon taxable
535 years beginning on or after January 1, 2027.

536

SECTION 7-2.

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