

The House Committee on Ways & Means offers the following substitute to HB 547:

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 regarding ad valorem taxation of property, so as to revise the
3 definition of bona fide conservation use property to include carbon sequestration; to permit
4 the combination of multiple covenants of a single owner into a single, new, ten-year
5 covenant; to provide for exceptions; to provide for the change of forest land use assessment
6 property to current use assessment property after a transfer of ownership; to provide for
7 related matters; to provide for an effective date and applicability; to repeal conflicting laws;
8 and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Article 1 of Chapter 5 of Title 48 of the Official Code of Georgia Annotated, relating to
12 general provisions regarding ad valorem taxation of property, is amended in Code Section
13 48-5-7.4, relating to preferential assessment for bona fide conservation use property and bona
14 fide residential transitional property, by revising subparagraph (a)(1)(F) and adding a new
15 subsection to read as follows:

16 “(F) The primary purpose described in this paragraph includes land conservation and
17 ecological forest management in which commercial production of wood and wood fiber
18 products may be undertaken primarily for conservation and restoration purposes rather
19 than financial gain. Such property may, in addition, have as a secondary use carbon
20 sequestration in accordance with the Georgia Carbon Sequestration Registry or a carbon
21 sequestration program; or”

22 “(e.1)(1) A single owner, as described in subparagraph (a)(1)(C) of this Code section,
23 who has multiple parcels of bona fide conservation use property that are collectively
24 subject to more than one valid covenant under this Code section may combine such
25 parcels and covenants in whole under a single, new, ten-year covenant for bona fide
26 conservation use without constituting a breach of any of the covenants, provided that all
27 such property would be otherwise eligible to be placed under a renewal covenant under
28 this Code section by the owner upon the natural expiration of the original covenant.

29 (2) The provisions of this subsection shall not be permitted or be construed to:

30 (A) Allow any portion of property held under a covenant to be removed from the
31 covenant without being combined into the new covenant;

32 (B) Change any requirements for what constitutes qualified property; or

33 (C) Change any requirements for what constitutes qualifying use for purposes of this
34 Code section.

35 (3) A single owner, as described in subparagraph (a)(1)(C) of this Code section, desiring
36 to proceed with combining parcels pursuant to paragraph (1) of this subsection shall first
37 file a real property tax return with the appropriate board of tax assessors on or before the
38 deadline to file a real property tax return.

39 (4) Parcels on which delinquent taxes are owed shall not be eligible to be combined
40 pursuant to paragraph (1) of this subsection.”

41 **SECTION 2.**

42 Said article is further amended in Code Section 48-5-7.7, relation to preferential assessment
43 for forest land conservation use property, by revising subsection (f) as follows:

44 "(f)(1) A qualified owner shall not be authorized to make application for and receive
45 conservation use assessment under this Code section for any property which at the time
46 of such application is receiving preferential assessment under Code Section 48-5-7.1 or
47 current use assessment under Code Section 48-5-7.4; provided, however, that, if any
48 property is subject to a covenant under either of those Code sections, it may be changed
49 from such covenant and placed under a covenant under this Code section if it is otherwise
50 qualified. Any such change shall terminate the existing covenant and shall not constitute
51 a breach thereof. No property may be changed more than once under this paragraph.

52 (2) Any property that is subject to a covenant under this Code section and subsequently
53 fails to adhere to the qualifying purpose, as defined in paragraph (5) of subsection (b) of
54 this Code section, may be changed from the covenant under this Code section and placed
55 under a covenant provided for in Code Section 48-5-7.4 if the property otherwise
56 qualifies under the provisions of that Code section. In such a case, the existing covenant
57 under this Code section shall be terminated, and the change shall not constitute a breach
58 thereof. No property may be changed more than once under this paragraph.

59 (3) A qualified owner under this Code section may obtain ownership of property
60 receiving preferential assessment under Code Section 48-5-7.1 or current use assessment
61 under Code Section 48-5-7.4 and have 180 days from the time ownership is acquired to
62 change from such covenant and place under a covenant under this Code section if it is
63 otherwise qualified and would not constitute a breach thereof even if the qualified owner
64 does not qualify for the preferential assessment under Code Section 48-5-7.1 or current
65 use assessment under Code Section 48-5-7.4."

66

SECTION 3.

67 This Act shall become effective upon its approval by the Governor or upon its becoming law
68 without such approval and shall be applicable to all taxable years beginning on or after
69 January 1, 2027.

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SECTION 4.

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