

House Bill 1582 (AS PASSED HOUSE AND SENATE)

By: Representatives Bonner of the 73rd, Mathiak of the 82nd, Jackson of the 68th, and Bazemore of the 69th

A BILL TO BE ENTITLED
AN ACT

1 To provide a homestead exemption from Fayette County school district ad valorem taxes for
2 educational purposes in a floating proportional amount based upon any increased property
3 tax collections that exceed the value of property taxes collected in tax year 2025; to provide
4 for definitions; to specify the terms and conditions of the exemption and the procedures
5 relating 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 style="text-align:center">**SECTION 1.**

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

12 (1) "Ad valorem taxes for educational purposes" means all ad valorem taxes for
13 educational purposes levied by, for, or on behalf of the Fayette County school district,
14 including, but not limited to, any ad valorem taxes to pay interest on and to retire county
15 school district bonded indebtedness.

16 (2) "Base year" means the taxable year beginning on January 1, 2025.

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

19 (b) Each resident of the Fayette County school district is granted an exemption on such
20 person's homestead from Fayette County school district ad valorem taxes for educational
21 purposes in an amount authorized by and calculated pursuant to subsection (c) of this section
22 as determined by the tax commissioner of Fayette County in coordination with the Fayette
23 County Board of Education. Such homestead exemption shall commence on January 1,
24 2027. The value of that property in excess of such exempted amount shall remain subject to
25 taxation.

26 (c)(1) In any tax year subsequent to the base year, the tax commissioner of Fayette County
27 shall determine the amount of ad valorem taxes for educational purposes collected from all
28 properties that is in excess of the ad valorem taxes for educational purposes collected from
29 all properties in the base year.

30 (2) If the excess amount of ad valorem taxes for educational purposes collected from all
31 properties in a particular tax year exceeds 100 percent of the ad valorem taxes for
32 educational purposes collected from all properties in the base year, the full value of such
33 tax collections exceeding such amount shall be segregated from all other proceeds of the
34 ad valorem taxes for educational purposes collected in such tax year, and such segregated
35 funds shall be maintained to offset the cost of the exemption provided by this Act in the
36 next subsequent tax year. As soon as the tax digest for the next subsequent tax year is
37 approved, the Fayette County Board of Education in coordination with the tax
38 commissioner of Fayette County, shall calculate the dollar value to be equally applied to
39 all properties receiving the exemption provided for by this Act in such next subsequent tax
40 year. The value of the exemption to be provided each year shall be at the discretion of the
41 Fayette County Board of Education and which value may be set at an amount that does not
42 use all of the segregated funds provided for in this paragraph. In the event that the value
43 of the exemption set in a particular year does not use all of the segregated funds, the

44 remainder of such funds shall be deposited in the general fund of the school district. In no
45 event shall the value of the exemption be set at an amount that would exceed the value of
46 the segregated funds provided for in this subparagraph for a particular year. The tax
47 commissioner of Fayette County shall then provide such segregated amount from the
48 previous tax year, plus any interest earned on such segregated funds, to the Fayette County
49 Board of Education to be utilized as provided for in this subparagraph.

50 (3) If the excess amount of ad valorem taxes for educational purposes collected from all
51 properties in a particular tax year is negative or does not exceed 100 percent of the ad
52 valorem taxes for educational purposes collected from all properties in the base year, the
53 value of the homestead exemption provided by this Act for the next subsequent tax year
54 shall be zero dollars.

55 (d) A person shall not receive the homestead exemption granted by subsection (b) of this
56 section unless such person or person's agent files an application with the tax commissioner
57 of Fayette County, giving such information relative to receiving such exemption as will
58 enable the tax commissioner of Fayette County to make a determination regarding the initial
59 and continuing eligibility of such person for such exemption. The tax commissioner of
60 Fayette County shall provide application forms for this purpose.

61 (e) The exemption shall be claimed and returned as provided in Code Section 48-5-50.1 of
62 the O.C.G.A., as amended. The exemption shall be automatically renewed from year to year
63 so long as the person granted the homestead exemption under subsection (b) of this section
64 occupies such residence as a homestead. After a person has filed the proper application as
65 provided in subsection (d) of this section, it shall not be necessary to make application
66 thereafter for any year, and such exemption shall continue to be allowed to such person. It
67 shall be the duty of any person granted the homestead exemption under subsection (b) of this
68 section to notify the tax commissioner of Fayette County in the event that such person for
69 any reason becomes ineligible for such exemption.

70 (f) The exemption granted by subsection (b) of this section shall not apply to or affect any
71 state ad valorem taxes, county ad valorem taxes for county purposes, municipal ad valorem
72 taxes for municipal purposes, or independent school district ad valorem taxes for educational
73 purposes. The homestead exemption granted by subsection (b) of this section shall be in
74 addition to and not in lieu of any other homestead exemption applicable to Fayette County
75 school district ad valorem taxes for educational purposes.

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

78 **SECTION 2.**

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

82 **SECTION 3.**

83 The election superintendent of Fayette County shall call and conduct an election as provided
84 in this section for the purpose of submitting this Act to the electors of the Fayette County
85 school district for approval or rejection. The election superintendent shall conduct that
86 election on the Tuesday following the first Monday in November, 2026, and shall issue the
87 call and conduct that election as provided by general law. The election superintendent shall
88 cause the date and purpose of the election to be published once a week for two weeks
89 immediately preceding the date thereof in the official organ of Fayette County. The ballot
90 shall have written or printed thereon the words:

115

SECTION 5.

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