

Senate Bill 306

By: Senator Robertson of the 29th

AS PASSED

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 require
4 certified notices of impending expiration; to provide for the reinstatement of certain
5 covenants and preferential assessments in certain limited circumstances; to provide for
6 appeals and refunds; to prohibit additional fees or interest; to permit the combination of
7 multiple covenants of a single owner into a single, new, ten-year covenant; to provide for
8 exceptions; to provide for the change of forest land use assessment property to current use
9 assessment property after a transfer of ownership; to amend Code Section 48-7-29.6 of the
10 Official Code of Georgia Annotated, relating to tax credits for qualified low-income
11 buildings, so as to provide for an annual aggregate cap; to provide for related matters; to
12 provide for an effective date and applicability; to repeal conflicting laws; and for other
13 purposes.

14 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

S. B. 306

- 1 -

SECTION 1.

15

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

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

27 "(d) No property shall qualify for current use assessment under this Code section unless
28 and until the owner of such property agrees by covenant with the appropriate taxing
29 authority to maintain the eligible property in bona fide qualifying use for a period of ten
30 years beginning on the first day of January of the year in which such property qualifies for
31 such current use assessment and ending on the last day of December of the final year of the
32 covenant period. After the owner has applied for and has been allowed current use
33 assessment provided for in this Code section, it shall not be necessary to make application
34 thereafter for any year in which the covenant period is in effect and current use assessment
35 shall continue to be allowed such owner as specified in this Code section. At least 60 days
36 prior to the expiration date of the covenant, the county board of tax assessors shall send by
37 first-class mail written notification of such impending expiration; provided, however, that
38 the county board of tax assessors shall send such written notification by certified mail, if
39 requested by the taxpayer. Additionally, the county board of tax assessors shall send an
40 electronic copy of such notification to the taxpayer if the taxpayer has submitted a current
41 email address and requested such electronic notification. Upon the expiration of any

42 covenant period, the property shall not qualify for further current use assessment under this
43 Code section unless and until the owner of the property has entered into a renewal covenant
44 for an additional period of ten years; provided, however, that the owner may enter into a
45 renewal contract in the ninth year of a covenant period so that the contract is continued
46 without a lapse for an additional ten years.

47 (d.1)(1) This subsection shall apply in the case of any property:

48 (A) For which the covenant required under subsection (d) of this Code section expired
49 during the two years immediately preceding July 1, 2025; and

50 (B) That, during the period after the expiration of the covenant required under
51 subsection (d) of this Code section, continued to qualify for current use assessment
52 under this Code section; and

53 (C) The owner of such property can demonstrate by sworn affidavit from the
54 designated mail carrier that the mailbox was inoperable or unavailable at the time such
55 notice of expiration should have been delivered.

56 (2) Notwithstanding any other provision of this chapter to the contrary, for a property
57 that meets the requirements of paragraph (1) of this subsection the covenant required
58 under subsection (d) of this Code section shall be deemed to be reinstated and the owner
59 of the property shall only be liable for the taxes that would have been imposed if such
60 covenant had not expired.

61 (3) Notwithstanding the procedures and requirements for appeals provided in this chapter
62 to the contrary, the owner of any property that meets the requirements of paragraph (1)
63 of this subsection may appeal the assessment of such property for the time period stated
64 in subparagraph (A) of paragraph (1) of this subsection. The county board of tax
65 commissioners shall refund to the owner any amount of taxes paid in excess of such
66 amount, and no other costs, fees, or interest shall be imposed on such owner in relation
67 to such appeal."

68 "(e.1)(1) A single owner, as described in subparagraph (a)(1)(C) of this Code section,
69 who has multiple parcels of bona fide conservation use property that are collectively
70 subject to more than one valid covenant under this Code section may combine such
71 covenants in whole under a single, new, ten-year covenant for bona fide conservation use
72 without constituting a breach of any of the covenants, provided that all such property
73 would be otherwise eligible to be placed under a renewal covenant under this Code
74 section by the owner upon the natural expiration of the original covenant.

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

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

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

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

81 (3) A single owner, as described in subparagraph (a)(1)(C) of this Code section, desiring
82 to proceed with combining covenants pursuant to paragraph (1) of this subsection shall
83 first file a real property tax return with the appropriate board of tax assessors on or before
84 the deadline to file such return.

85 (4) Parcels on which delinquent taxes are owed shall not be eligible to be combined
86 pursuant to paragraph (1) of this subsection."

87 **SECTION 2.**

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

90 "(f)(1) A qualified owner shall not be authorized to make application for and receive
91 conservation use assessment under this Code section for any property which at the time
92 of such application is receiving preferential assessment under Code Section 48-5-7.1 or
93 current use assessment under Code Section 48-5-7.4; provided, however, that, if any

94 property is subject to a covenant under either of those Code sections, it may be changed
 95 from such covenant and placed under a covenant under this Code section if it is otherwise
 96 qualified. Any such change shall terminate the existing covenant and shall not constitute
 97 a breach thereof. No property may be changed more than once under this paragraph.

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

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

112 SECTION 3.

113 Code Section 48-7-29.6 of the Official Code of Georgia Annotated, relating to tax credits for
 114 qualified low-income buildings, is amended by revising paragraph (5) of subsection (b) as
 115 follows:

116 "(5) The ~~aggregate~~ annual amount of tax credits ~~allowed~~ initially awarded pursuant to
 117 this Code section shall not exceed \$100 million for each of the taxable years 2026
 118 through 2028."

119 **SECTION 4.**

120 This Act shall become effective upon its approval by the Governor or upon its becoming law
121 without such approval, and Sections 1 and 2 of this Act shall be applicable to all taxable
122 years beginning on or after January 1, 2027.

123 **SECTION 5.**

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