

## House Resolution 51

By: Representatives Powell of the 171<sup>st</sup>, England of the 116<sup>th</sup>, McCall of the 33<sup>rd</sup>, Williams of the 119<sup>th</sup>, and Greene of the 151<sup>st</sup>

## A RESOLUTION

1 Proposing an amendment to the Constitution so as to remove the prescribed methodology for  
2 establishing forest land fair market value; to permit the withholding of a portion of assistance  
3 grants to provide for the costs of establishing forest land fair market value; to provide for  
4 related matters; to provide for the submission of this amendment for ratification or rejection;  
5 and for other purposes.

6 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

## SECTION 1.

8 Article VII, Section I, Paragraph III of the Constitution is amended by revising  
9 subparagraph (f) as follows:

10 "(f)(1) The General Assembly shall provide by general law for the definition and  
11 methods of assessment and taxation, such methods to include a formula based on current  
12 use, annual productivity, and real property sales data, of 'forest land conservation use  
13 property' to include only forest land each tract of which exceeds 200 acres of a qualified  
14 owner. Such methods of assessment and taxation shall be subject to the following  
15 conditions:

16 (A) A qualified owner shall consist of any individual or individuals or any entity  
17 registered to do business in this state;

18 (B) A qualified owner desiring the benefit of such methods of assessment and  
19 taxation shall be required to enter into a covenant to continue the property in forest land  
20 use;

21 (C) All contiguous forest land conservation use property of an owner within a county  
22 for which forest land conservation use assessment is sought under this subparagraph  
23 shall be in a single covenant;

24 (D) A breach of such covenant within 15 years shall result in a recapture of the tax  
25 savings resulting from such methods of assessment and taxation and may result in other  
26 appropriate penalties; and

(E) The General Assembly may provide by general law for a limited exception to the 200 acre requirement in the case of a transfer of ownership of all or a part of the forest land conservation use property during a covenant period to another owner qualified to enter into an original forest land conservation use covenant if the original covenant is continued by both such acquiring owner and the transferor for the remainder of the term, in which event no breach of the covenant shall be deemed to have occurred even if the total size of a tract from which the transfer was made is reduced below 200 acres.

(2) No portion of an otherwise eligible tract of forest land conservation use property shall be entitled to receive simultaneously special assessment and taxation under this subparagraph and either subparagraph (c) or (e) of this Paragraph.

(3)(A) The General Assembly shall appropriate an amount for assistance grants to counties, municipalities, and county and independent school districts to offset revenue loss attributable to the implementation of this subparagraph. Such grants shall be made in such manner and shall be subject to such procedures as may be specified by general law.

(B) If the forest land conservation use property is located in a county, municipality, or county or independent school district where forest land conservation use value causes an ad valorem tax revenue reduction of 3 percent or less due to the implementation of this subparagraph, in each taxable year in which such reduction occurs, the assistance grants to the county, each municipality located therein, and the county or independent school districts located therein shall be in an amount equal to 50 percent of the amount of such reduction.

(C) If the forest land conservation use property is located in a county, municipality, or county or independent school district where forest land conservation use value causes an ad valorem tax revenue reduction of more than 3 percent due to the implementation of this subparagraph, in each taxable year in which such reduction occurs, the assistance grants to the county, each municipality located therein, and the county or independent school districts located therein shall be as follows:

(i) For the first 3 percent of such reduction amount, in an amount equal to 50 percent of the amount of such reduction; and

(ii) For the remainder of such reduction amount, in an amount equal to 100 percent of the amount of such remaining reduction amount.

(D) The General Assembly may provide by general law for a fee, not to exceed 1 percent, to be withheld from such assistance grants to provide for the costs to the state of administering the provisions of this subparagraph.

~~(4) Such revenue reduction shall be calculated by utilizing forest land fair market value. For purposes of this subparagraph, forest land fair market value means the 2008~~

fair market value of the forest land. Such 2008 valuation may increase from one taxable year to the next by a rate equal to the percentage change in the price index for gross output of state and local government from the prior year to the current year as defined by the National Income and Product Accounts and determined by the United States Bureau of Economic Analysis and indicated by the Price Index for Government Consumption Expenditures and General Government Gross Output (Table 3.10.4). Such revenue reduction shall be determined by subtracting the aggregate forest land conservation use value of qualified properties from the aggregate forest land fair market value of qualified properties for the applicable tax year and the resulting amount shall be multiplied by the millage rate of the county, municipality, or county or independent school district.

(5)(4) For purposes of this subparagraph, the forest land conservation use value shall not include the value of the standing timber located on forest land conservation use property."

## SECTION 2.

The above proposed amendment to the Constitution shall be published and submitted as provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the above proposed amendment shall have written or printed thereon the following:

"( ) YES Shall the Constitution of Georgia be amended so as to remove the prescribed methodology for establishing forest land fair market value and ( ) NO to provide that up to 1 percent of assistance grants may be withheld to provide for state administrative costs?"

All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."  
All persons desiring to vote against ratifying the proposed amendment shall vote "No." If such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall become a part of the Constitution of this state.