

House Bill 893

By: Representatives Beskin of the 54th, Silcox of the 52nd, Golick of the 40th, and Hanson of the 80th

A BILL TO BE ENTITLED
AN ACT

To provide for a new homestead exemption from City of Atlanta independent school district property taxes for educational purposes in an amount equal to the amount by which the current year assessed value of a homestead exceeds the adjusted base year value of such homestead; to provide for definitions; to specify the terms and conditions of the exemption and the procedures relating thereto; to provide for related matters; to provide for applicability; to provide for a referendum, effective dates, and automatic repeal; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

- (a) As used in this Act, the term:
- (1) "Property taxes for educational purposes" means all ad valorem taxes for educational purposes levied by, for, or on behalf of the City of Atlanta independent school district, but excluding any ad valorem taxes to pay interest on and to retire educational bonded indebtedness.
 - (2) "Adjusted base year value" means the previous adjusted base year value adjusted annually by the lesser of 3 percent or the inflation rate, plus the change in homestead value.
 - (3) "Change in homestead value" means value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, derived from additions or improvements to, or the removal of real property of, the homestead after the lowest base year value is determined.
 - (4) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 of the O.C.G.A., as amended, with the additional qualification that it shall include only the primary residence and not more than five contiguous acres of land immediately surrounding such residence.

(5) "Inflation rate" means the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967-100, or a successor index as reported by the United States Department of Labor Bureau of Labor statistics.

(6) "Lowest base year value" means:

(A) Among the 2016, 2017, and 2018 taxable years, the lowest assessed value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of the homestead, with such assessed value being multiplied by 1.0423, which number represents inflation rate data for December, 2015, through December, 2017, with respect to an exemption under this Act which is first granted to a person on that person's homestead in the 2019 taxable year or who thereafter reapplies for and is granted such exemption in the 2020 taxable year, or thereafter, solely because of a change in ownership to a joint tenancy with right of survival; or

(B) In all other cases, the assessed value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of the homestead, from the taxable year immediately preceding the taxable year in which the exemption under this Act is first granted to the most recent owner of such homestead, with respect to an exemption under this Act which is first granted to a person on that person's homestead in the 2020 taxable year or who thereafter reapplies for and is granted such exemption in the 2021 taxable year, or thereafter, solely because of a change in ownership to a joint tenancy with right of survival.

(7) "Previous adjusted base year value" means:

(A) With respect to an exemption under this Act that is first granted to a person on that person's homestead, the lowest base year value; or

(B) In all other cases, the adjusted base year value as calculated in the taxable year immediately preceding the current year.

(b) Each resident of the City of Atlanta independent school district is granted an exemption on that person's homestead from City of Atlanta independent school district property taxes for educational purposes in an amount equal to the amount by which the current year assessed value, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of that homestead exceeds the adjusted base year value of the homestead. The value of that property in excess of such exempted amount shall remain subject to taxation.

(c) The surviving spouse of the person who has been granted the exemption provided for in subsection (b) of this section shall continue to receive the exemption provided under subsection (b) of this section, so long as that surviving spouse continues to occupy the home as a residence and homestead.

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

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

(f) The exemption granted by subsection (b) of this section shall not apply to or affect state ad valorem taxes, county ad valorem taxes for educational purposes, municipal ad valorem taxes for municipal purposes, or county ad valorem taxes for county purposes. The homestead exemption granted by subsection (b) of this section shall be in addition to and not in lieu of any other homestead exemption applicable to property taxes for educational purposes.

(g) The exemption granted by subsection (b) of this section shall apply to all taxable years beginning on or after January 1, 2019.

SECTION 2.

The county election superintendent of Fulton County shall call and conduct an election as provided in this section for the purpose of submitting this Act to the electors of the City of Atlanta independent school district for approval or rejection. The county election superintendent shall conduct such election on November 6, 2018, and shall issue the call and conduct such election as provided by general law. The county election superintendent shall cause the date and purpose of the election to be published once a week for two weeks immediately preceding the date thereof in the official organ of Fulton County. The ballot shall have written or printed thereon the words:

"() YES Do you approve the Act which provides a new homestead exemption from City of Atlanta independent school district property taxes for educational purposes in the amount of the difference between the current year assessed value of a home and the adjusted base year value, which includes an annual interest rate adjustment?"

99 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
100 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes
101 cast on such question are for approval of the Act, Section 1 of this Act shall become of full
102 force and effect on January 1, 2019. If the Act is not so approved or if the election is not
103 conducted as provided in this section, Section 1 of this Act shall not become effective and
104 this Act shall be automatically repealed on the first day of January immediately following
105 that election date. The expense of such election shall be borne by the City of Atlanta
106 independent school district. It shall be the county election superintendent's duty to certify
107 the result thereof to the Secretary of State.

108 **SECTION 3.**

109 Except as otherwise provided in Section 2 of this Act, this Act shall become effective upon
110 its approval by the Governor or upon its becoming law without such approval.

111 **SECTION 4.**

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