

House Bill 1148

By: Representatives Momtahan of the 17th, Kelley of the 16th, Smith of the 18th, New of the 64th, and Gullett of the 19th

A BILL TO BE ENTITLED
AN ACT

1 To provide for a new homestead exemption from Paulding County school district ad valorem
2 taxes for educational purposes in an amount equal to the amount by which the current year
3 assessed value of a homestead exceeds the adjusted base year assessed value of such
4 homestead; to provide for definitions; to specify the terms and conditions of the exemption
5 and the procedures relating thereto; to provide for applicability; to provide for compliance
6 with constitutional requirements; to provide for a referendum, effective dates, automatic
7 repeal, mandatory execution of election, and judicial remedies regarding failure to comply;
8 to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **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 Paulding County school district,
14 except for any ad valorem taxes to pay interest on and to retire county school district
15 bonded indebtedness.

16 (2) "Base year" means:

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17 (A) Between the 2020 and 2021 taxable years, the lowest assessed value of the
18 homestead, including any final determination of value on appeal pursuant to Code
19 Section 48-5-311 of the O.C.G.A., as amended, with respect to an exemption pursuant
20 to this Act which is first granted to a person on such person's homestead in the 2025
21 taxable year or who thereafter reapplies for and is granted such exemption in the 2026
22 taxable year, or thereafter, solely because of a change in ownership to a joint tenancy
23 with right of survival; or

24 (B) In all other cases, the taxable year immediately preceding the taxable year in which
25 the exemption under this Act is first granted to the most recent owner of such
26 homestead;

27 provided, however, that the tax commissioner shall adjust the base year assessed value
28 annually by no greater than 50 percent of the annual inflationary index rate determined
29 by the tax commissioner; provided, further, that, in any taxable year in which the assessed
30 value of the homestead is less than the base year assessed value for the prior year, such
31 year's lesser assessed value shall become the base year assessed value for the then-current
32 year. The tax commissioner shall establish a method for determining annual inflationary
33 index rates which reflect the effects of inflation and deflation on the cost of living for
34 residents of the Paulding County school district for a given calendar year. Such method
35 may utilize the Consumer Price Index, as reported by the Bureau of Labor Statistics of
36 the United States Department of Labor or any other similar index established by the
37 federal government, if the tax commissioner determines that such federal index fairly
38 reflects the effects of inflation and deflation on the cost of living for residents of the
39 Paulding County school district. This exemption shall apply to taxes assessed on
40 improvements to the homestead or additional land that is added to the homestead after
41 January 1 of the base year, provided that the base year for assessing the value of such
42 improvements or additions shall be the taxable year such improvements or additions were
43 made. If any real property is removed from the homestead, the base year assessed value,

44 including any final determination of value on appeal pursuant to Code Section 48-5-311
45 of the O.C.G.A., as amended, shall be adjusted to reflect such removal and the exemption
46 shall be recalculated accordingly. The value of that property in excess of such exempted
47 amount shall remain subject to taxation.

48 (3) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 of
49 the O.C.G.A., as amended, with the additional qualification that it shall include only the
50 primary residence and not more than five contiguous acres of land immediately
51 surrounding such residence.

52 (b) Each resident of the Paulding County school district is granted an exemption on that
53 person's homestead from Paulding County school district ad valorem taxes for educational
54 purposes in an amount equal to the amount by which the current year assessed value of that
55 homestead exceeds the adjusted base year assessed value, including any final determination
56 of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of the
57 homestead. This exemption shall not apply to taxes assessed on improvements to the
58 homestead or additional land that is added to the homestead after January 1 of the base year.
59 If any real property is removed from the homestead, the base year assessed value, including
60 any final determination of value on appeal pursuant to Code Section 48-5-311 of the
61 O.C.G.A., as amended, shall be adjusted to reflect such removal and the exemption shall be
62 recalculated accordingly. The value of that property in excess of such exempted amount
63 shall remain subject to taxation.

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

68 (d) A person shall not receive the homestead exemption granted by subsection (b) of this
69 section unless the person or person's agent files an application with the tax commissioner of
70 Paulding County, giving such information relative to receiving such exemption as will enable

71 the tax commissioner to make a determination regarding the initial and continuing eligibility
72 of such person for such exemption. The tax commissioner of Paulding County shall provide
73 application forms for this purpose.

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

82 (f) The exemption granted by subsection (b) of this section shall not apply to or affect state
83 ad valorem taxes, county ad valorem taxes for county purposes, independent school district
84 ad valorem taxes for educational purposes, or municipal ad valorem taxes for municipal
85 purposes. The homestead exemption granted by subsection (b) of this section shall be in
86 addition to and not in lieu of any other homestead exemption applicable to Paulding County
87 school district ad valorem taxes for educational purposes.

88 (g) The exemption granted by subsection (b) of this section shall apply to all taxable years
89 beginning on or after January 1, 2025.

90

SECTION 2.

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

94 **SECTION 3.**

95 The election superintendent of Paulding County shall call and conduct an election as
 96 provided in this section for the purpose of submitting this Act to the electors of the Paulding
 97 County school district for approval or rejection. The election superintendent shall conduct
 98 such election on the Tuesday after the first Monday in November, 2024, and shall issue the
 99 call and conduct such election as provided by general law. The election superintendent shall
 100 cause the date and purpose of the election to be published once a week for two weeks
 101 immediately preceding the date thereof in the official organ of Paulding County. The ballot
 102 shall have written or printed thereon the words:

103 "() YES Shall the Act be approved which provides a homestead exemption from
 104 () NO Paulding County school district ad valorem taxes for educational purposes
 105 in an amount equal to the amount by which the current year assessed value,
 106 including any final determination of value on appeal pursuant to Code
 107 Section 48-5-311 of the O.C.G.A., as amended, of a homestead exceeds its
 108 adjusted base year assessed value, with the initial base year being the lowest
 109 assessed value between the 2020 and 2021 taxable years, provided that the
 110 base year assessed value, including any final determination of value on
 111 appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of
 112 such homestead shall be adjusted annually by no greater than 50 percent of
 113 the annual inflationary index rate determined by the tax commissioner?"

114 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
 115 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes
 116 cast on such question are for approval of the Act, Section 1 of this Act shall become of full
 117 force and effect on January 1, 2025. If the Act is not so approved or if the election is not
 118 conducted as provided in this section, Section 1 of this Act shall not become effective, and
 119 this Act shall be automatically repealed on the first day of January immediately following
 120 that election date. The expense of such election shall be borne by Paulding County. It shall

121 be the election superintendent's duty to certify the result thereof to the Secretary of State.
122 The provisions of this section shall be mandatory upon the election superintendent and are
123 not intended as directory. If the election superintendent fails or refuses to comply with this
124 section, any elector of the Paulding County school district may apply for a writ of mandamus
125 to compel the election superintendent to perform his or her duties under this section. If the
126 court finds that the election superintendent has not complied with this section, the court shall
127 fashion appropriate relief requiring the election superintendent to call and conduct such
128 election on the date required by this section or on the next date authorized for special
129 elections provided for in Code Section 21-2-540 of the O.C.G.A.

130 **SECTION 4.**

131 Except as otherwise provided in Section 3 of this Act, this Act shall become effective upon
132 its approval by the Governor or upon its becoming law without such approval.

133 **SECTION 5.**

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