

House Bill 726

By: Representatives Jones of the 47<sup>th</sup>, Martin of the 49<sup>th</sup>, Price of the 48<sup>th</sup>, Silcox of the 52<sup>nd</sup>, Willard of the 51<sup>st</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To provide for a new homestead exemption from Fulton 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 related matters; to provide for  
6 applicability; to provide for a referendum, effective dates, and automatic repeal; to repeal  
7 conflicting laws; and for other purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

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

11 (1) "Property taxes for educational purposes" means all ad valorem taxes for educational  
12 purposes levied by, for, or on behalf of the Fulton County school district, but excluding  
13 any ad valorem taxes to pay interest on and to retire educational bonded indebtedness.

14 (2) "Base year" means:

15 (A) The 2016 taxable year with respect to an exemption under this Act which is first  
16 granted to a person on that person's homestead in the 2019 taxable year or who  
17 reapplies for and is granted such exemption in the 2020 taxable year solely because of  
18 a change in ownership to a joint tenancy with right of survival; or

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

22 provided, however, that the tax commissioner shall adjust the base year assessed value  
23 annually by the lesser of 3 percent or the percentage increase, if any, in the Consumer  
24 Price Index for all urban consumers, U.S. City Average, all items 1967-100, or a  
25 successor index as reported by the United States Department of Labor Bureau of Labor  
26 Statistics.

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

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

34 (b) Each resident of the Fulton County school district is granted an exemption on that  
35 person's homestead from Fulton County school district property taxes for educational  
36 purposes in an amount equal to the amount by which the current year assessed value of that  
37 homestead exceeds the adjusted base year assessed value, including any final determination  
38 of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of the  
39 homestead. This exemption shall not apply to taxes assessed on improvements to the  
40 homestead or additional land that is added to the homestead after January 1 of the base year.  
41 If any real property is removed from the homestead, the base year assessed value, including  
42 any final determination of value on appeal pursuant to Code Section 48-5-311 of the  
43 O.C.G.A., as amended, shall be adjusted to reflect such removal and the exemption shall be  
44 recalculated accordingly. The value of that property in excess of such exempted amount  
45 shall remain subject to taxation.

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

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

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

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

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

71 **SECTION 2.**

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

80 " YES Do you approve the Act which provides a new homestead exemption from  
 81 Fulton County school district property taxes for educational purposes in the  
 82  NO amount of the difference between the current year assessed value of a home  
 83 and its 2016 base year assessed value, provided the base year assessed value  
 84 shall be adjusted each year by the lesser of 3 percent or any percentage  
 85 increase in the inflation rate?"

86 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons  
 87 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes  
 88 cast on such question are for approval of the Act, Section 1 of this Act shall become of full  
 89 force and effect on January 1, 2019. If the Act is not so approved or if the election is not  
 90 conducted as provided in this section, Section 1 of this Act shall not become effective and  
 91 this Act shall be automatically repealed on the first day of January immediately following  
 92 that election date. The expense of such election shall be borne by the Fulton County school  
 93 district. It shall be the county election superintendent's duty to certify the result thereof to  
 94 the Secretary of State.

95 **SECTION 3.**

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

98

**SECTION 4.**

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