

House Bill 1271 (AS PASSED HOUSE AND SENATE)

By: Representatives Hawkins of the 27th, Dunahoo of the 31st, Dubnik of the 29th, McCollum of the 30th, Clark of the 100th, and others

A BILL TO BE ENTITLED
AN ACT

1 To provide for a new homestead exemption from City of Gainesville independent school
2 district ad valorem taxes for educational purposes in an amount equal to the amount by which
3 the current year assessed value of a homestead exceeds the adjusted base year assessed value
4 of such homestead; to provide for definitions; to specify the terms and conditions of the
5 exemption and the procedures relating thereto; to provide for applicability; to provide for
6 compliance with constitutional requirements; to provide for a referendum, effective dates,
7 and automatic repeal; to provide for mandatory execution of election and judicial remedies
8 regarding failure to comply; 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 City of Gainesville independent
14 school district, except for any ad valorem taxes levied to pay interest on and to retire
15 bonded indebtedness.

16 (2) "Adjusted base year assessed value" means the sum of:

- 17 (A) The previous adjusted base year assessed value;
- 18 (B) An amount equal to the difference between the current year assessed value of the
19 homestead and the base year assessed value of the homestead, provided that such
20 amount shall not exceed 3 percent of the previous adjusted base year assessed value of
21 the homestead; and
- 22 (C) The value of any substantial property change, provided that no such value added
23 improvements to the homestead shall be duplicated as to the same addition or
24 improvement.
- 25 (3) "Base year assessed value" means:
- 26 (A) With respect to an exemption under this section which is first granted to a person
27 on such person's homestead for the 2025 taxable year, the assessed value for taxable
28 year 2023, including any final determination of value on appeal pursuant to Code
29 Section 48-5-311, of the homestead; or
- 30 (B) In all other cases, the assessed value, including any final determination of value on
31 appeal pursuant to Code Section 48-5-311, of the homestead from the taxable year
32 immediately preceding the taxable year in which the exemption under this section is
33 first granted to the applicant.
- 34 (4) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 of
35 the O.C.G.A., as amended.
- 36 (5) "Previous adjusted base year assessed value" means:
- 37 (A) With respect to the year for which the exemption under this section is first granted
38 to a person on such person's homestead, the base year assessed value; or
- 39 (B) In all other cases, the adjusted base year assessed value of the homestead as
40 calculated in the taxable year immediately preceding the current year, including any
41 final determination of value on appeal pursuant to Code Section 48-5-311.
- 42 (6) "Substantial property change" means any increase or decrease in the assessed value
43 of a homestead derived from additions or improvements to, or the removal of real

44 property from, the homestead which occurred after the year in which the base year
45 assessed value is determined for the homestead. The assessed value of the substantial
46 property changes shall be established following any final determination of value on
47 appeal pursuant to Code Section 48-5-311.

48 (b)(1) Each resident of the City of Gainesville independent school district is granted an
49 exemption on that person's homestead from City of Gainesville independent school
50 district ad valorem taxes for educational purposes in an amount equal to the amount by
51 which the current year assessed value of that homestead, including any final
52 determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A.,
53 exceeds its previous adjusted base year assessed value.

54 (2) Except as provided for in subsection (c) of this section, no exemption provided for
55 in this subsection shall transfer to any subsequent owner of the property, and the assessed
56 value of the property shall be as provided by law.

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

61 (d) A person shall not receive the homestead exemption granted by subsection (b) of this
62 section unless such person or person's agent files an application with the governing
63 authority of the City of Gainesville or the designee thereof giving such information relative
64 to receiving such exemption as will enable the governing authority of the City of
65 Gainesville or the designee thereof to make a determination regarding the initial and
66 continuing eligibility of such person for such exemption or such person has already filed
67 for and is receiving a homestead exemption and such existing application provides
68 sufficient information to make such determination of eligibility. The governing authority
69 of the City of Gainesville or the designee thereof shall provide application forms for this
70 purpose.

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

80 (f)(1) The exemption granted by subsection (b) of this section shall not apply to or affect
81 state or county ad valorem taxes, county school district ad valorem taxes for educational
82 purposes, or municipal ad valorem taxes for municipal purposes.

83 (2) Except as otherwise provided in paragraph (3) of this subsection, the homestead
84 exemption granted by subsection (b) of this section shall be in addition to and not in lieu
85 of any other homestead exemption applicable to ad valorem taxes.

86 (3) The homestead exemption granted by subsection (b) of this section shall be in lieu
87 of and not in addition to any other base year value or adjusted base year value homestead
88 exemption provided by local Act which is applicable to City of Gainesville independent
89 school district ad valorem taxes for educational purposes.

90 (g) The exemption granted by this Act shall be applicable to all taxable years beginning
91 on or after January 1, 2025.

92 **SECTION 2.**

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

SECTION 3.

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

105 "() YES Shall the Act be approved which provides a homestead exemption from City
 106 of Gainesville independent school district ad valorem taxes for educational
 107 () NO purposes in an amount equal to the amount by which the current year assessed
 108 value of a homestead exceeds its base year assessed value, provided that the
 109 base year assessed value of such homestead shall be subject to annual
 110 increases of up to 3 percent?"

111 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
 112 desiring to vote for rejection of the Act shall vote "No."

113 (b) If more than one-half of the votes cast on such question are for approval of the Act,
 114 Section 1 of this Act shall become of full force and effect on January 1, 2025. If the Act
 115 is not so approved or if the election is not conducted as provided in this section, Section 1
 116 of this Act shall not become effective and this Act shall be automatically repealed on the
 117 first day of July immediately following that election date.

118 (c) The expense of such election shall be borne by the City of Gainesville. It shall be the
 119 municipal election superintendent's duty to certify the result thereof to the Secretary of
 120 State.

121 (d) The provisions of this section shall be mandatory upon the municipal election
 122 superintendent and are not intended as directory. If the municipal election superintendent

123 fails or refuses to comply with this section, any elector of the City of Gainesville
124 independent school district may apply for a writ of mandamus to compel the election
125 superintendent to perform his or her duties under this section. If the court finds that the
126 municipal election superintendent has not complied with this section, the court shall
127 fashion appropriate relief requiring the municipal election superintendent to call and
128 conduct such election on the date required by this section or on the next date authorized for
129 special 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.