

House Bill 870 (AS PASSED HOUSE AND SENATE)

By: Representatives Neal of the 79th, Bell of the 75th, Scott of the 76th, Douglas of the 78th,
Flournoy of the 74th, and others

A BILL TO BE ENTITLED
AN ACT

1 To provide a homestead exemption from Clayton County ad valorem taxes for county
2 purposes in an amount equal to the amount by which the current year assessed value of a
3 homestead exceeds the base year assessed value of such homestead for residents of that
4 county who are disabled veterans, senior citizens, unremarried surviving spouses of a peace
5 officer or firefighter killed in the line of duty, or 100 percent disabled; to provide for
6 definitions; to specify the terms and conditions of the exemption and the procedures relating
7 thereto; to provide for applicability and a sunset; to provide for compliance with
8 constitutional requirements; to provide for a referendum, effective dates, automatic repeal,
9 mandatory execution of election, and judicial remedies regarding failure to comply; to
10 provide for related matters; to repeal conflicting laws; and for other purposes.

11 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

12 **SECTION 1.**

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

14 (1) "Ad valorem taxes for county purposes" means all ad valorem taxes for county
15 purposes levied by, for, or on behalf of Clayton County, except for any ad valorem taxes
16 to pay interest on and to retire county bonded indebtedness.

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

18 (A) The previous adjusted base year assessed value;

19 (B) An amount equal to the difference between the current year assessed value of the
20 homestead and the base year assessed value of the homestead, provided that such
21 amount shall not exceed the total of the previous adjusted base year assessed value of
22 the homestead multiplied by the inflation rate for the prior year; and

23 (C) The value of any substantial property change, provided that no such value added
24 improvements to the homestead shall be duplicated as to the same addition or
25 improvement.

26 (3) "Base year assessed value" means:

27 (A) With respect to an exemption under this Act which is first granted to a person on
28 such person's homestead for the 2026 taxable year, the assessed value for taxable year
29 2025, including any final determination of value on appeal pursuant to Code Section
30 48-5-311 of the O.C.G.A., as amended, of the homestead; or

31 (B) In all other cases, the assessed value, including any final determination of value on
32 appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, of the
33 homestead from the taxable year immediately preceding the taxable year in which the
34 exemption under this Act is first granted to the applicant.

35 (4) "Homestead" means homestead as defined and qualified in Code Section 48-5-40 of
36 the O.C.G.A., as amended, with the additional qualification that it shall include not more
37 than five contiguous acres of homestead property.

38 (5) "Inflation rate" means the annual inflationary index rate as determined for a given
39 year by the commissioner of revenue in accordance with subsection (f) of this section.

40 (6) "Previous adjusted base year assessed value" means:

41 (A) With respect to the year for which the exemption under this Act is first granted to
42 a person on such person's homestead, the base year assessed value; or

(B) In all other cases, the adjusted base year assessed value of the homestead as calculated in the taxable year immediately preceding the current year, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended.

(7) "Substantial property change" means any increase or decrease in the assessed value of a homestead derived from additions or improvements to, or the removal of real property from, the homestead which occurred after the year in which the base year assessed value is determined for the homestead. The assessed value of the substantial property changes shall be established following any final determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended.

(b)(1) Subject to the limitations provided in this Act, each resident of Clayton County who meets the terms for an exemption pursuant to Code Section 48-5-48, 48-5-48.3, or 48-5-48.4 of the O.C.G.A., as amended, or who is 100 percent disabled is granted an exemption on that person's homestead from ad valorem taxes in an amount equal to the amount by which the current year assessed value of that homestead, including any final determination of value on appeal pursuant to Code Section 48-5-311 of the O.C.G.A., as amended, exceeds its previous adjusted base year assessed value.

(2) Except as provided for in subsection (b.1) of this section, no exemption provided for in this subsection shall transfer to any subsequent owner of the property, and the assessed value of the property shall be as provided by law.

(b.1) 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 such surviving spouse continues to occupy the residence as a homestead.

(c)(1) In order to qualify for the exemption provided for in subsection (b) of this section as being 100 percent disabled, the person claiming such exemption shall be required to obtain a certificate from not more than three physicians licensed to practice medicine

under Chapter 34 of Title 43 of the O.C.G.A., as amended, certifying that in the opinion of such physician or physicians, such person is mentally or physically incapacitated to the extent that such person is unable to be gainfully employed and that such incapacity is likely to be permanent. Such certificate or certificates shall constitute part of and be submitted with the application provided for in paragraph (2) of this subsection.

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

(d) 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 person granted the homestead exemption under subsection (b) of this section occupies the residence as a homestead. After such person has filed the proper application as provided in subsection (c) of this section, it shall not be necessary to make application thereafter for any year, and such exemption shall continue to be allowed to such person. It shall be the duty of any such person granted the homestead exemption under subsection (b) of this section to notify the tax commissioner of Clayton County in the event that such person for any reason becomes ineligible for such exemption.

(e) The exemption granted by subsection (b) of this section shall not apply to or affect any state ad valorem taxes, county or independent school district ad valorem taxes for educational purposes, or municipal ad valorem taxes for municipal purposes.

(e.1)(1) Except as otherwise provided in paragraph (2) of this subsection, 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 ad valorem taxes.

(2) The homestead exemption granted by subsection (b) of this section shall not be applied in addition to any other base year value homestead exemption provided by law with respect to Clayton County. In any such event, the tax commissioner of Clayton County shall apply only the base year value homestead exemption that is larger or more beneficial for the taxpayer to which more than one base year value homestead exemption applies.

(f) For the purposes of this section, the commissioner of revenue shall promulgate a standardized method for determining annual inflationary index rates which reflect the effects of inflation and deflation on the cost of living for residents of this state for a given calendar year. Such method may utilize the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States Department of Labor or any other similar index established by the federal government if the commissioner of revenue determines that such federal index fairly reflects the effects of inflation and deflation on residents of this state.

(g) The exemption granted by subsection (b) of this section shall apply to all taxable years beginning on or after January 1, 2026, and shall end on December 31, 2030.

SECTION 2.

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

SECTION 3.

The election superintendent of Clayton County shall call and conduct an election as provided in this section for the purpose of submitting this Act to the electors of Clayton County for approval or rejection. The election superintendent shall conduct that election on the Tuesday following the first Monday in November of 2025 and shall issue the call and conduct that election as provided by general law. The 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 Clayton County. The ballot shall have written or printed thereon the words:

"() YES Shall the Act be approved which provides a homestead exemption from Clayton County ad valorem taxes for disabled veterans, senior citizens, () NO unremarried surviving spouses of a peace officer or firefighter killed in the line of duty, and 100 percent disabled residents, to begin on January 1, 2026, and end on December 31, 2030?"

All persons desiring to vote for approval of the Act shall vote "Yes," and all persons desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes cast on such question are for approval of the Act, Section 1 of this Act shall become of full force and effect on January 1, 2026. If the Act is not so approved or if the election is not conducted as provided in this section, Section 1 of this Act shall not become effective, and this Act shall be automatically repealed on the 365th calendar day following the election date provided for in this section. The expense of such election shall be borne by Clayton County. It shall be the election superintendent's duty to certify the result thereof to the Secretary of State. The provisions of this section shall be mandatory upon the election superintendent and are not intended as directory. If the election superintendent fails or refuses to comply with this section, any elector of Clayton County may apply for a writ of mandamus to compel the election superintendent to perform his or her duties under this section. If the court finds that the election superintendent has not complied with this section, the court shall fashion appropriate relief requiring the election superintendent to call and conduct such election on the date required by this section or on the next date authorized for special elections provided for in Code Section 21-2-540 of the O.C.G.A.

146 **SECTION 4.**

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

149 **SECTION 5.**

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