

House Bill 635 (AS PASSED HOUSE AND SENATE)

By: Representatives Cannon of the 58th, Dreyer of the 59th, Gardner of the 57th, Thomas of the 56th, Schofield of the 60th, and others

A BILL TO BE ENTITLED
AN ACT

1 To provide for a new homestead exemption from City of Atlanta ad valorem taxes for
2 municipal purposes in the amount of \$30,000.00 for each resident of the City of Atlanta who
3 holds real property subject to a written lease having an initial term of not less than 99 years
4 with a landlord that is an entity exempt from taxation under Section 501(c)(3) of the federal
5 Internal Revenue Code and who owns all improvements located on the real property; to
6 provide for definitions; to specify the terms and conditions of the exemption and the
7 procedures relating thereto; to provide for applicability; to provide for related matters; to
8 provide for compliance with constitutional requirements; to provide for a referendum,
9 effective dates, and automatic repeal; to repeal conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

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

13 (1) "Property taxes for city purposes" means all ad valorem taxes for municipal purposes
14 levied by, for, or on behalf of the City of Atlanta, but excluding any ad valorem taxes to
15 pay interest on and to retire municipal bonded indebtedness.

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

20 (b) Each resident of the City of Atlanta who holds real property subject to a written lease
21 having an initial term of not less than 99 years with a landlord that is an entity exempt from
22 taxation under Section 501(c)(3) of the federal Internal Revenue Code and who owns all
23 improvements located on the real property is granted an exemption on that person's
24 homestead from City of Atlanta ad valorem taxes for municipal purposes in the amount of
25 \$30,000.00 of the assessed value of that homestead. The value of such property in excess
26 of such exempted amount shall remain subject to taxation.

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

30 (d) A person shall not receive the homestead exemption granted by subsection (b) of this
 31 section unless the person or person's agent files an application with the governing authority,
 32 or its designee, of the City of Atlanta giving such information relative to receiving such
 33 exemption as will enable the governing authority, or its designee, to make a determination
 34 regarding the initial and continuing eligibility of such owner for such exemption. The
 35 governing authority, or its designee, of the City of Atlanta shall provide application forms
 36 for this purpose.

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

46 (f) The exemption granted by subsection (b) of this section shall not apply to or affect state
 47 ad valorem taxes, county or independent school district ad valorem taxes for educational
 48 purposes, or county ad valorem taxes for county purposes. The homestead exemption
 49 granted by subsection (b) of this section shall be in addition to and not in lieu of any other
 50 homestead exemption applicable to property taxes for city purposes.

51 (g) The exemption granted by subsection (b) of this section shall apply to all taxable years
 52 beginning on or after January 1, 2020.

53 **SECTION 2.**

54 In accordance with the requirements of Article VII, Section II, Paragraph II(a)(1) of the
 55 Constitution of the State of Georgia, this Act shall not become law unless it receives the
 56 requisite two-thirds' majority vote in both the Senate and the House of Representatives.

57 **SECTION 3.**

58 The municipal election superintendent of the City of Atlanta shall call and conduct an
 59 election as provided in this section for the purpose of submitting this Act to the electors of
 60 the City of Atlanta for approval or rejection. The municipal election superintendent shall
 61 conduct that election on the date of the state-wide general election on the Tuesday after the

62 first Monday in November, 2019, and shall issue the call and conduct such election as
 63 provided by general law. The municipal election superintendent shall cause the date and
 64 purpose of the election to be published once a week for two weeks immediately preceding
 65 the date thereof in the official organ of the City of Atlanta. The ballot shall have written or
 66 printed thereon the words:

67 " YES Shall the Act be approved which provides a new homestead exemption from
 68 City of Atlanta ad valorem taxes for municipal purposes in the amount of
 69 NO \$30,000.00 for each resident of the City of Atlanta who holds real property
 70 subject to a written lease having an initial term of not less than 99 years
 71 with a landlord that is an entity exempt from taxation under Section
 72 501(c)(3) of the federal Internal Revenue Code and who owns all
 73 improvements located on the real property?"

74 All persons desiring to vote for approval of the Act shall vote "Yes," and those persons
 75 desiring to vote for rejection of the Act shall vote "No." If more than one-half of the votes
 76 cast on such question are for approval of the Act, Section 1 of this Act shall become of full
 77 force and effect on January 1, 2020. If the Act is not so approved or if the election is not
 78 conducted as provided in this section, Section 1 of this Act shall not become effective and
 79 this Act shall be automatically repealed on the first day of January immediately following
 80 that election date. The expense of such election shall be borne by the City of Atlanta. It
 81 shall be the municipal election superintendent's duty to certify the result thereof to the
 82 Secretary of State.

83 **SECTION 4.**

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

86 **SECTION 5.**

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