

House Resolution 1276 (AS PASSED HOUSE AND SENATE)

By: Representatives Royal of the 171<sup>st</sup>, Roberts of the 154<sup>th</sup>, Keen of the 179<sup>th</sup>, Porter of the 143<sup>rd</sup>, Cole of the 125<sup>th</sup>, and others

## A RESOLUTION

1 Proposing an amendment to the Constitution so as to provide for the special assessment and  
 2 taxation of forest land conservation use property; to provide for local government assistance  
 3 grants; to provide for definitions, procedures, conditions, and limitations; to provide for the  
 4 submission of this amendment for ratification or rejection; and for other purposes.

5 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

### 6 SECTION 1.

7 Article VII, Section I, Paragraph III of the Constitution is amended by revising subparagraph  
 8 (a) as follows:

9 "(a) All taxes shall be levied and collected under general laws and for public purposes  
 10 only. Except as otherwise provided in subparagraphs (b), (c), (d), ~~and (e)~~, and (f) of this  
 11 Paragraph, all taxation shall be uniform upon the same class of subjects within the  
 12 territorial limits of the authority levying the tax."

### 13 SECTION 2.

14 Said Paragraph of the Constitution is further amended by revising subparagraph (f) as  
 15 follows:

16 "(f)(1) The General Assembly shall provide by general law for the definition and  
 17 methods of assessment and taxation, such methods to include a formula based on current  
 18 use, annual productivity, and real property sales data, of 'forest land conservation use  
 19 property' to include only forest land each tract of which exceeds 200 acres of a qualified  
 20 owner. Such methods of assessment and taxation shall be subject to the following  
 21 conditions:

22 (A) A qualified owner shall consist of any individual or individuals or any entity  
 23 registered to do business in this state;

24 (B) A qualified owner desiring the benefit of such methods of assessment and  
 25 taxation shall be required to enter into a covenant to continue the property in forest land  
 26 use;

1       (C) All contiguous forest land conservation use property of an owner within a county  
 2       for which forest land conservation use assessment is sought under this subparagraph  
 3       shall be in a single covenant;

4       (D) A breach of such covenant within 15 years shall result in a recapture of the tax  
 5       savings resulting from such methods of assessment and taxation and may result in other  
 6       appropriate penalties; and

7       (E) The General Assembly may provide by general law for a limited exception to the  
 8       200 acre requirement in the case of a transfer of ownership of all or a part of the forest  
 9       land conservation use property during a covenant period to another owner qualified to  
 10       enter into an original forest land conservation use covenant if the original covenant is  
 11       continued by both such acquiring owner and the transferor for the remainder of the  
 12       term, in which event no breach of the covenant shall be deemed to have occurred even  
 13       if the total size of a tract from which the transfer was made is reduced below 200 acres.

14       (2) No portion of an otherwise eligible tract of forest land conservation use property  
 15       shall be entitled to receive simultaneously special assessment and taxation under this  
 16       subparagraph and either subparagraph (c) or (e) of this Paragraph.

17       (3)(A) The General Assembly shall appropriate an amount for assistance grants to  
 18       counties, municipalities, and county and independent school districts to offset revenue  
 19       loss attributable to the implementation of this subparagraph. Such grants shall be made  
 20       in such manner and shall be subject to such procedures as may be specified by general  
 21       law.

22       (B) If the forest land conservation use property is located in a county, municipality,  
 23       or county or independent school district where forest land conservation use value  
 24       causes an ad valorem tax revenue reduction of 3 percent or less due to the  
 25       implementation of this subparagraph, in each taxable year in which such reduction  
 26       occurs, the assistance grants to the county, each municipality located therein, and the  
 27       county or independent school districts located therein shall be in an amount equal to 50  
 28       percent of the amount of such reduction.

29       (C) If the forest land conservation use property is located in a county, municipality,  
 30       or county or independent school district where forest land conservation use value  
 31       causes an ad valorem tax revenue reduction of more than 3 percent due to the  
 32       implementation of this subparagraph, in each taxable year in which such reduction  
 33       occurs, the assistance grants to the county, each municipality located therein, and the  
 34       county or independent school districts located therein shall be as follows:

35       (i) For the first 3 percent of such reduction amount, in an amount equal to 50  
 36       percent of the amount of such reduction; and

1 (ii) For the remainder of such reduction amount, in an amount equal to 100 percent  
 2 of the amount of such remaining reduction amount.

3 (4) Such revenue reduction shall be calculated by utilizing forest land fair market  
 4 value. For purposes of this subparagraph, forest land fair market value means the 2008  
 5 fair market value of the forest land. Such 2008 valuation may increase from one taxable  
 6 year to the next by a rate equal to the percentage change in the price index for gross  
 7 output of state and local government from the prior year to the current year as defined by  
 8 the National Income and Product Accounts and determined by the United States Bureau  
 9 of Economic Analysis and indicated by the Price Index for Government Consumption  
 10 Expenditures and General Government Gross Output (Table 3.10.4). Such revenue  
 11 reduction shall be determined by subtracting the aggregate forest land conservation use  
 12 value of qualified properties from the aggregate forest land fair market value of qualified  
 13 properties for the applicable tax year and the resulting amount shall be multiplied by the  
 14 millage rate of the county, municipality, or county or independent school district.

15 (5) For purposes of this subparagraph, the forest land conservation use value shall not  
 16 include the value of the standing timber located on forest land conservation use property.

17 (g) The General Assembly may provide for a different method and time of returns,  
 18 assessments, payment, and collection of ad valorem taxes of public utilities, but not on a  
 19 greater assessed percentage of value or at a higher rate of taxation than other properties,  
 20 except that property provided for in subparagraph (c), (d), or (e), or (f) of this Paragraph."

### 21 SECTION 3.

22 The above proposed amendment to the Constitution shall be published and submitted as  
 23 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the  
 24 above proposed amendment shall have written or printed thereon the following:

25 "( ) YES Shall the Constitution of Georgia be amended so as to provide that the  
 26 General Assembly by general law shall encourage the preservation,  
 27 ( ) NO conservation, and protection of the state's forests through the special  
 28 assessment and taxation of certain forest lands and assistance grants to local  
 29 government?"

30 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."  
 31 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If  
 32 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall  
 33 become a part of the Constitution of this state.