

House Bill 1362

By: Representatives Bonner of the 73rd and Mathiak of the 74th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 20-2-164 of the Official Code of Georgia Annotated, relating to
2 local five mill share funds, so as to provide for a new deduction to be included in the
3 calculation of the amount of each local school system's five mill share based on certain
4 homestead exemptions provided by local Act; to provide for an effective date; to provide for
5 applicability; to provide for related matters; to repeal conflicting laws; and for other
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Code Section 20-2-164 of the Official Code of Georgia Annotated, relating to local five mill
10 share funds, is amended by striking "and" at the end of paragraph (4) of subsection (g),
11 striking the period at the end of paragraph (5) of subsection (g) and inserting "; and" in lieu
12 thereof, and adding a new paragraph to read as follows:

13 "(6)(A) As used in this paragraph, the term 'local floating exemption' means a
14 homestead exemption provided by local Act for residents of the local school system
15 from ad valorem taxes for educational purposes, the value of which is subject to change
16 from year to year based on the difference between the homestead's assessed value and

17 its adjusted based year value, as determined pursuant to such local Act; provided,
18 however, that such local Act shall require an annual adjustment of such adjusted base
19 year value by no less than the lesser of 3 percent or the inflation rate.
20 (B) The product which results from multiplying by one an amount equal to the
21 difference calculated by subtracting the sum of the adjusted base year values, as
22 determined pursuant to such local Act, of all homesteads which have been granted a
23 local floating exemption for the current year from the sum of assessed values of such
24 homesteads for the current year; provided, however, that, if such difference is an
25 amount less than zero, such product shall be zero for purposes of this paragraph."

26 **SECTION 2.**

27 This Act shall become effective on July 1, 2024, and shall apply to all taxable years
28 beginning on or after January 1, 2025.

29 **SECTION 3.**

30 All laws and parts of laws in conflict with this Act are repealed.