

The Senate Committee on Finance offered the following substitute to HR 96:

A RESOLUTION

1 Proposing an amendment to the Constitution so as to provide that using property for solar
2 generation of energy for sale or lease is a breach of a bona fide conservation use covenant
3 or bona fide residential transitional use covenant; to provide for a reduction in the rate of the
4 ad valorem tax assessment of certain timber at sale or harvest; to provide for related matters;
5 to provide for the submission of this amendment for ratification or rejection; and for other
6 purposes.

7 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 SECTION 1.

9 Article VII, Section I, Paragraph III of the Constitution is amended by revising paragraph (e)
10 as follows:

11 "(e) The General Assembly shall provide by general law:

12 (1) For the definition and methods of assessment and taxation, such methods to include
13 a formula based on current use, annual productivity, and real property sales data, of: 'bona
14 fide conservation use property' to include bona fide agricultural and timber land not to
15 exceed 2,000 acres of a single owner; and 'bona fide residential transitional property,' to
16 include private single-family residential owner occupied property located in transitional

17 developing areas not to exceed five acres of any single owner. Such methods of
18 assessment and taxation shall be subject to the following conditions:

19 (A) A property owner desiring the benefit of such methods of assessment and
20 taxation shall be required to enter into a covenant to continue the property in bona fide
21 conservation use or bona fide residential transitional use; and

22 (B) A breach of such covenant, which, on or after January 1, 2028, shall include, but
23 not be limited to, using any portion of such property for solar generation of energy for
24 sale or lease, within ten years shall result in a recapture of the tax savings resulting from
25 such methods of assessment and taxation and may result in other appropriate penalties;
26 and

27 (2)(A) That standing timber shall be assessed only once, and such assessment shall
28 be made following its harvest or sale and on the basis of its fair market value at the time
29 of harvest or sale. Said assessment shall be two and one-half times the assessed
30 percentage of value fixed by law for other real property taxed under the uniformity
31 provisions of subparagraph (a) of this Paragraph but in no event greater than its fair
32 market value; and for a method of temporary supplementation of the property tax digest
33 of any county if the implementation of this method of taxing timber reduces the tax
34 digest by more than 20 percent, such supplemental assessed value to be assigned to the
35 properties otherwise benefiting from such method of taxing timber; and

36 (B) On and after January 1, 2025, for the timber that has a fair market value at the
37 time of harvest or sale of \$500,000.00 or less per taxpayer per year, that standing timber
38 shall be assessed only once, and such assessment shall be made following its harvest
39 or sale and on the basis of its fair market value at the time of harvest or sale. Said
40 assessment shall be at the same percentage of value fixed by law for other real property
41 taxed under the uniformity provisions of subparagraph (a) of this Paragraph and for a
42 method of temporary supplementation of the property tax digest of any county if the
43 implementation of this method of taxing timber reduces the tax digest by more than 20

44 percent, such supplemental assessed value to be assigned to the properties otherwise
45 benefiting from such method of taxing timber."

46 **SECTION 2.**

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

50 "() YES Shall the Constitution of Georgia be amended so as to:

51 () NO (a) Provide that, on or after January 1, 2028, using property for solar
52 generation of energy for sale or lease is a breach of a bona fide conservation
53 use covenant or bona fide residential transitional use covenant; and

54 (b) Reduce the rate of the ad valorem tax assessment of timber at sale or
55 harvest that was harvested from bona fide conservation use property?"

56 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes."

57 All persons desiring to vote against ratifying the proposed amendment shall vote "No." If
58 such amendment shall be ratified as provided in said Paragraph of the Constitution, it shall
59 become a part of the Constitution of this state.