

Policy for Administering State Local Floating Exemption

- I. **GENERAL.** House Bill 581, a taxpayer who qualifies for State Homestead exemptions as defined in O.C.G.A. 48-5-40 will also qualify for a state homestead exemption for county and school purposes in an amount equal to the amount by which the current year assessed value of a homestead exceeds the adjusted base year assessed value of such homestead.
 1. Includes interest on and to retire county and school bonded indebtedness.
 2. The exemption is in addition to and not in lieu of any other exemption to which the homeowner may be entitled.
 3. The homestead exemption granted shall not be applied in addition to any other base year value homestead exemption provided by law with respect to the given tax jurisdictions.
 4. The larger or more beneficial base year value homestead exemption would be utilized for the taxpayer.

- II. **BASE YEAR.** Taxpayers receiving a homestead exemption on January 1, 2025; the base year is the 2024 taxable year; persons applying for homestead exemption on and after January 1, 2025, mean the tax year they first receive homestead exemption.
 1. Includes the primary residence, accessory improvements and not more than 5 contiguous acres of land immediately surrounding the residence.
 2. The base year only changes if a substantial property change is added or removed. The base year is then adjusted by the inflationary index rate determined by the Revenue Commissioner.
 3. Any unremarried surviving spouse of the deceased spouse who has been granted the exemption continues to receive the exemption so long as the unremarried surviving spouse continues to occupy the homes as a residence and homestead. 48-5-48; 48-5-48.4; 48-5-52.1 This applies to spouses of 100% disabled veterans; surviving spouse of a US service member killed in action; surviving spouse of a firefighter or peace officer killed in the line of duty.
 4. The exemption is automatically renewed each year. The exemption is claimed and returned the same as homes exemptions granted in O.C.G.A. 48-5-44; 48-5-47; 48-5-47.1; 48-5-48; 48-5-48.3; 48-5-48.4; 48-5-49 and 48-5-52; 48-5-52.1; these are homestead exemption laws for regular, income based and age 62 and up. The taxpayer must file by April 1 to receive the exemption for the current digest year. Applications received after April 1 will be applied to the next digest year.

- III. **ELIGIBILITY.** Applies to property valued for ad valorem taxes for county, county bond, school, and school bond purposes using appraisal methods as defined in 560-11-10 Appraisal Procedure Manual.
 1. Land receiving a special assessment as defined in 48-5-7.1 preferential tax assessment; 48-5-7.2 Rehabilitated Historical property; 48-5-7.3 Landmark Historic property; 48-5-7.4 Conservation use valuation assessment; 48-5-7.6 Brownfield property; 48-5-7.7 Forest Land Protection Act **only** qualifies for one acre of the land immediately surrounding the primary residence, the primary residence and accessory improvements.
 2. Base year value for property where the land receives a special assessment is the value of the primary residence, accessory improvements and one acre of land immediately surrounding the primary residence. Taxpayers receiving a homestead exemption on January 1, 2025, meaning the base year is

the 2024 taxable year; persons applying for homestead exemption on and after January 1, 2025, mean the tax year they first receive homestead exemption.

Office Procedure for Administering State Local Floating Exemption

1. Taxpayers receiving homestead exemption on January 1, 2025, base year is the 2024 final value for the 2024 Digest.
2. Taxpayers applying for homestead exemption on and after January 1, 2025, base year will be the final value as submitted to the Georgia Department of Revenue for the first tax year homestead exemption is applied.
 - The base year value includes the primary residence, accessory improvements and not more than 5 contiguous acres of land immediately surrounding the residence. If the property is greater than 5 acres the total land value is divided by the total acres for the land value per acre. That value is multiplied by 5 to establish the land value for the base year.
3. Upon approval of the base year value:
 - the base value is changed if an improvement – primary residence or accessory improvement is added to or removed from the property. The base year value is adjusted by adding or removing value from the original base year.
4. The base year is changed upon approval of the Board of Tax Assessors. The base year is adjusted by the inflationary index rate determined by the Revenue Commissioner.
5. The base year value applies to property valued for ad valorem tax purposes as defined in the Rules and Regulations of the State of Georgia Local Governmental Services Division Subject 560-11-10 APPRAISAL PROCEDURES MANUAL Appraisal Procedure Manual. The Appraisal Procedure Manual directs the Board of Tax Assessors on how real and personal property is valued for tax purposes.
6. Taxpayers who receive a Specialized Assessment under 48-5-7.2 Rehabilitated Historical Assessment; 48-5-7.3 Landmark Historic property; 48-5-7.4 Residential Transitional property; 48-5-7.6 Landmark Historical property are not eligible for the local floating exemption. (Values are frozen the digest year the specialized assessment is applied for the ten year covenant)
7. Taxpayers who receive a Specialized Assessment under 48-5-7.4 Conservation Use property; 48-5-7.1 Preferential Assessment property; 48-5-7.7 Forest Land Protection Act are eligible for the local floating exemption on the entire value of the primary residence and one acre of the land immediately surrounding the residence. The base year value will include the value of the primary residence, accessory improvements and one acre of the current land value immediately surrounding the residence. If more than one improvement is on the property, the county appraised value will be applied to one acre of land immediately surrounding the residence. It will not qualify for the local floating exemption as the exemption only applies to the primary residence.
8. The current year value will be updated each year before the Notice of Assessment is mailed to all property owners to establish an estimated tax which is printed on the Notice of Assessment. The difference in the base year value and the current year value is the exemption applied to property receiving homestead exemption. This exemption is in addition and not in lieu of any other homestead exemption applicable to county and school ad valorem taxes.
 - the base value is changed if an improvement – primary residence or accessory improvement is added to or removed from the property