

# HB581 3<sup>rd</sup> Public Hearing

February 24, 2025

## Property Tax Implications and HB581 Impact

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&  
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# Understanding Millage Rates: How Property Taxes Are Calculated

A **mill** is a unit used in property taxation, equal to **one-thousandth of a dollar** or **\$1 of tax per \$1,000 of assessed value**.

**How It Works in Stonecrest:**

- **Millage Rate:** **1.257 mills**
- **Assessment Ratio:** **40%** of the total property value

**Example Calculation:**

If a home in Stonecrest has a **total appraised value of \$300,000**:

1. **Assessed Value** = 40% of \$300,000 = \$120,000
2. **Tax Owed** =  $(\$120,000 \times 1.257) \div 1,000 = \$150.84$

This means the homeowner would owe **\$150.84 in city property taxes** based on Stonecrest's millage rate.



# 2024 DEKALB COUNTY REAL ESTATE TAX STATEMENT

IRVIN J. JOHNSON TAX COMMISSIONER

PAY ONLINE OR SIGN UP FOR PAPERLESS BILLING AT [www.dekalbtax.org](http://www.dekalbtax.org)

## APPRAISAL VALUES AND EXEMPTION INFORMATION

TOTAL APPRAISAL	300,700	EXEMPTION CODE	H1F
40% ASSESSMENT	120,280	BASE ASSESSMENT FRZ	61,960
APPEAL ASSESSMENT	0	NET FROZEN EXEMPTION	58,320

TAX DISTRICT **80 STONECREST**

The 2024 tax bill includes a county Equalized Homestead Option Sales Tax (EHOST) credit. Application of the EHOST credit will reduce the gross ad valorem tax amount paid by qualified homeowners. O.C.G.A. §48-8-109.5 (d) (Provided by the Office of the DeKalb County CEO).

County Government Taxes are levied by the Board of Commissioners and represent 15.47% of your tax statement  
Board of Education School Taxes are levied by the Board of Education and represent 70.97% of your tax statement  
State & City Taxes and other charges are levied as applicable by State, City, or County authorities and represent 13.56% of your tax statement

TAXING AUTHORITIES	TAXABLE ASSESSMENT	MILLAGE	GROSS TAX AMOUNT	FROZEN EXEMPTION	CONST-HMST EXEMPTION	EHOST CREDIT	NET TAX DUE
COUNTY OPNS	120,280	.0094960	1,142.18	553.81	94.96	493.41	0.00
HOSPITALS	120,280	.0005060	60.86	29.51	5.06	26.29	0.00
COUNTY BONDS	120,280	.0000000	0.00	0.00	0.00	0.00	0.00
UNINC BONDS	120,280	.0004650	55.93	27.13	0.00	0.00	28.80
FIRE	120,280	.0028650	344.60	167.07	28.65	0.00	148.88
STCST TAXDIST	120,280	.0004800	57.73	27.99	4.80	0.00	24.94
POLICE SERVC	120,280	.0064440	775.08	375.80	64.44	0.00	334.84
COUNTY SUBTOTAL							537.46
SCHOOL OPNS	120,280	.0228800	2,752.01	0.00	286.01	0.00	2,466.00
SCHOOL SUBTOTAL							2,466.00
STATE TAXES	120,280	.0000000	0.00	0.00	0.00	0.00	0.00
CITY TAXES	120,280	.0012570	151.19	0.00	132.85	0.00	18.34
DEKALB SANI	1 UNIT(S)	315	315.00	0.00	0.00	0.00	315.00
STREET LIGHT	75 UNIT(S)	.4	30.00	0.00	0.00	0.00	30.00
STORM WATER	1 UNIT(S)	108	108.00	0.00	0.00	0.00	108.00
OTHER SUBTOTAL							471.34
2024 PROPERTY TAXES		TOTAL MILLAGE	GROSS TAX AMOUNT	FROZEN EXEMPTION	CONST-HMST EXEMPTION	EHOST CREDIT	NET TAX DUE
		0.044393	5,792.58	1,181.31	616.77	519.70	3,474.80

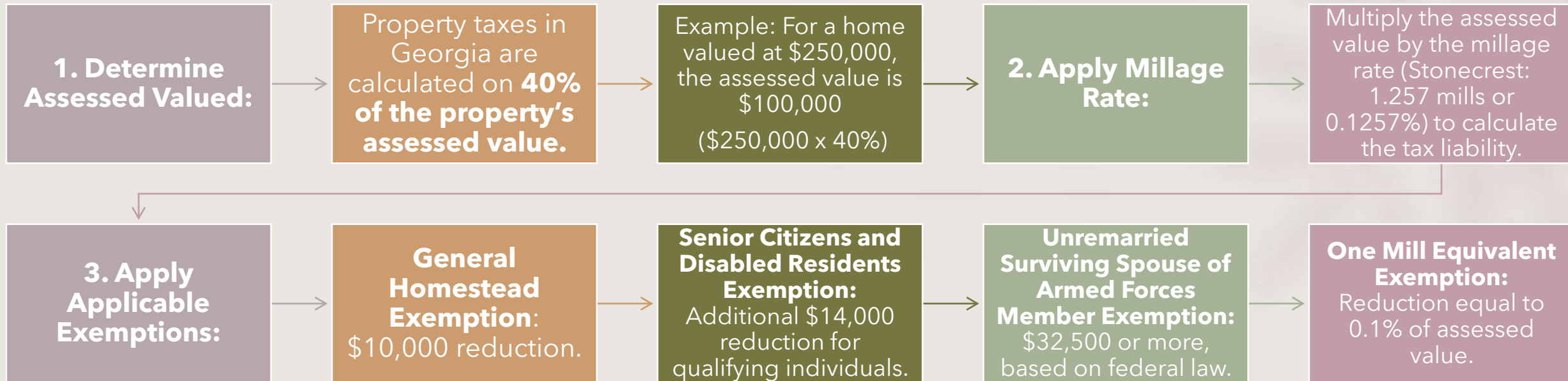
# Understanding the Floating Homestead Exemption (HB581)

- **HB581 limits property value increases for homestead properties to the inflation rate as measured by the consumer price index.**
- **Example:** If a **\$100,000** property's value rises to **\$110,000**, but **inflation** is **2%**, **the taxable value can only increase \$102,000**. The exemption covers the remaining **\$8,000.**





# Step-by Step: How Property Taxes are Calculated in Georgia





## Example 1- \$250,000 Home (City of Stonecrest)

- **Home Value:** \$250,000
- **Assessed Value (40%):** \$100,000
- **Millage Rate: 1.257 mills**
- **Tax Before Exemptions:** \$126
- **Exemptions Applied:**
- **General Homestead Exemption:** -\$10,000  
assessed value
- **Adjusted Value:** \$90,000
- **One Mill Equivalent Exemption:** -\$90 x
- **Final Property Tax:** \$23.13



## Example 2- \$500,000 Home (City of Stonecrest)

- **Home Value:** \$500,000
- **Assessed Value(40%):** \$200,000
- **Millage Rate:** 1.257 mills
- **Tax Before Exemptions:** \$251
- **Exemptions Applied:**
- **General Homestead Exemption:** -\$10,000 assessed value
- **Adjusted Assessed Value:** \$190,000
- **One Mill Equivalent Exemption:** -\$190
- **Final Property Tax:** \$48.83



## Example 3: \$1,000,000 Home (City of Stonecrest)

- **Home Value:** \$1,000,000
- **Assessed Value (40%):** \$400,000
- **Millage Rate:** 1.257 mills
- **Tax Before Exemptions:** \$503
- **Exemptions Applied:**
  - **General Homestead Exemption:** -\$10,000 assessed value
  - **Adjusted Assessed Value:** \$390,000
  - **One Mill Equivalent Exemption:** -\$390
- **Final Property Tax:** \$100.23



# Effect of HB581 on Final Property Tax

Base Year Value (\$)	Increased Market Value (10%)	Inflation Limit Value (3%)	Difference in Values	Final Property Tax Without HB581	Final Property Tax With HB581	Tax Savings Due to HB581
\$250,000	\$275,000	\$257,500	<u><b>\$17,500</b></u>	\$22	\$20	\$2
\$500,000	\$550,000	\$515,000	<u><b>\$35,000</b></u>	\$50	\$47	\$4
\$1,000,000	\$1,100,000	\$1,030,000	<u><b>\$70,000</b></u>	\$107	\$100	\$7

NOTE: Doesn't include the following exemption

1. **Unremarried Surviving Spouse of Armed Forces Member Exemption:** An exemption for the unremarried surviving spouse of a member of the armed forces killed in action, equal to the greater of \$32,500 or the maximum amount allowed under federal law.

# Illustrative Analysis of HB581: Property Tax Impact Across Valuations & Millage Adjustments for Police Services

Base Year Value	Fair Market Value Without HB581 (10%)	Fair Market Value With HB581 Cap (3%)	Millage Rate	Final Property Tax Without HB581	Property Tax With HB581	Tax Savings Due to HB581
\$250,000	\$275,000	\$257,500	1.257	\$22	\$20	\$2
\$250,000	\$275,000	\$257,500	3.85	\$245	\$225	\$20
\$250,000	\$275,000	\$257,500	7.701	\$576	\$529	\$47
\$500,000	\$550,000	\$515,000	1.257	\$50	\$47	\$4
\$500,000	\$550,000	\$515,000	3.85	\$559	\$519	\$40
\$500,000	\$550,000	\$515,000	7.701	\$1,313	\$1,220	\$94
\$750,000	\$825,000	\$772,500	1.257	\$79	\$73	\$5
\$750,000	\$825,000	\$772,500	3.85	\$872	\$812	\$60
\$750,000	\$825,000	\$772,500	7.701	\$2,051	\$1,910	\$141

White - 1.257 Mills

Yellow - 3.85 Mills

Blue - 7.701 mills

**NOTE**- Applied exemptions: General \$10,000, Senior Citizen \$14,000 and One Mill Equivalent

Assumption: In five years, Stonecrest will assume responsibility for police service, which are currently provided by DeKalb County. At present, DeKalb County levies 6.444 mills for this service.

# Why Opting Out of HB581 is the Best Choice for Stonecrest



**Minimal Financial Impact:** Stonecrest exemptions already provide significant relief, reducing the need for additional measures under HB581.



**Equity and Fairness:** Opting out protects residents from potential tax disparities and unnecessary administrative complexity.



**Local Control:** Ensures Stonecrest maintains authority over its own exemptions and taxation process.

# Questions?

