

Proposed Constitutional Amendments and Referendum

Amendment 1: Statewide Homestead Exemption

"Shall the Constitution of Georgia be amended so as to authorize the General Assembly to provide by general law for a state-wide homestead exemption that serves to limit increases in the assessed value of homesteads, but which any county, consolidated government, municipality, or local school system may opt out of upon the completion of certain procedures?"

Assessment: This amendment proposes capping property tax increases through a statewide homestead exemption, with an option for local governments to opt out.

Pros:

- **Tax Relief for Homeowners:** Limits how much property taxes can increase for homeowners, helping to keep housing costs more predictable and affordable.
- **Protection from Rapidly Rising Taxes:** Especially beneficial in areas experiencing rapid property value increases, as it offers relief from potentially burdensome tax hikes.

Cons:

- **Reduced Local Revenue:** Limiting property tax increases could reduce funds for essential services like schools, public safety, and infrastructure. Local governments could face **budget shortfalls** that affect community services.
- **Disproportionate Impact:** Wealthier homeowners with higher property values might benefit more from the exemption, while those in lower-income brackets see less significant savings. This could widen economic disparities.

Amendment 2: Georgia Tax Court

"Shall the Constitution of Georgia be amended so as to provide for the Georgia Tax Court to be vested with the judicial power of the state and to have venue, judges, and jurisdiction concurrent with superior courts?"

Assessment: This amendment would create a statewide Georgia Tax Court, with judges appointed by the governor.

Pros:

- **Efficient Resolution of Tax Disputes:** A dedicated tax court could streamline the process for resolving tax-related cases, potentially reducing the backlog in superior courts.
- **Specialization:** Judges in a tax court would be specialists in tax law, leading to more informed and fair rulings in complicated tax cases.

Cons:

- **Governor's Power:** The Republican governor appoints the tax court judges, raising concerns about **political bias**. There is a risk that appointments could favor corporate interests over average citizens.

- **Reduced Local Control:** By shifting tax cases from locally elected judges to appointed tax court judges, there is less local oversight and potential disconnection from the specific needs of local communities.

Referendum A: Tangible Personal Property Tax Exemption

"Do you approve the Act that increases an exemption from property tax for all tangible personal property from \$7,500.00 to \$20,000.00?"

Assessment: This referendum increases the exemption for tangible personal property, such as business equipment, from \$7,500 to \$20,000.

Pros:

- **Business Tax Relief:** This exemption increase would reduce the tax burden on businesses, particularly small businesses that own property like equipment and machinery.
- **Encouragement for Economic Growth:** By lowering taxes on tangible property, this referendum could help businesses grow and expand, which could lead to job creation and investment in local economies.

Cons:

- **Reduced Revenue for Local Governments:** Increasing the exemption would result in less tax revenue for cities and counties. This could negatively affect funding for public services like schools, libraries, and emergency services.
- **Benefit Larger Businesses:** While small businesses might see some relief, larger businesses with more expensive assets are likely to benefit the most, potentially creating a **disparity** between small and large business owners.

Local Ballot Measures

Transportation Special Purpose Local Option Sales and Use Tax (TSPLOST)

"Shall a special one percent sales and use tax be imposed in the special district consisting of Hall County for a period of time not to exceed six years and for the raising of an estimated amount of \$390,000,000 for transportation purposes?"

Assessment: This tax, if approved, would generate \$390 million over six years to fund transportation improvements, including roads, bridges, and public transit. About **80% of the funds** would go toward countywide projects, while **20%** would be distributed to cities and unincorporated areas based on population.

Pros:

- **Improves Transportation Infrastructure:** The \$390 million raised by TSPLOST would fund essential transportation projects, including road improvements, bridges, and public transit, benefiting the entire community.

- **Economic Growth:** Better transportation infrastructure could lead to economic growth by improving connectivity and making Hall County more attractive for businesses and residents.

Cons:

- **Increased Sales Tax:** The additional 1% sales tax may disproportionately impact low-income residents, as sales taxes are **regressive** and take a larger percentage of income from those with less. On average, lower-income residents spend a larger portion of their income on taxable goods. Additionally, how the funds are allocated and managed will require close scrutiny to ensure transparency.
- **Potential Misallocation of Funds:** Voters will need to trust that the funds are used effectively for the projects listed, and oversight will be important to prevent waste or mismanagement.

HB 1269: City of Gainesville Homestead Exemption

"Shall the Act be approved which provides a homestead exemption from City of Gainesville ad valorem taxes for municipal purposes in an amount equal to the amount by which the current year assessed value of a homestead exceeds its base year assessed value, provided that the base year assessed value of such homestead shall be subject to annual increases of up to 3 percent?"

Assessment: This homestead exemption limits the increase in assessed home values for tax purposes to 3% per year.

Pros:

- **Predictable Tax Increases:** Homeowners will benefit from capped tax increases, helping them better plan for future tax bills.
- **Protects Against Large Tax Hikes:** Especially helpful for homeowners on fixed incomes, preventing large, unexpected increases in their property taxes.

Cons:

- **Reduced City Revenue:** Limiting tax increases to 3% could reduce the city's ability to raise sufficient funds for services and infrastructure, potentially leading to budget gaps.

HB 1271: Gainesville School District Homestead Exemption

"Shall the Act be approved which provides a homestead exemption from City of Gainesville independent school district ad valorem taxes for educational purposes in an amount equal to the amount by which the current year assessed value of a homestead exceeds its base year assessed value, provided that the base year assessed value of such homestead shall be subject to annual increases of up to 3 percent?"

Assessment: This measure is similar to HB 1269 but specifically applies to property taxes used to fund the Gainesville school district.

Pros:

- **Tax Stability for Homeowners:** Limits the increase in school-related property taxes, providing stability for homeowners.

- **Helps Those on Fixed Incomes:** Homeowners, especially retirees, will benefit from capped increases, making taxes more manageable.

Cons:

- **Potential Impact on School Funding:** Limiting the amount that property taxes can increase may reduce the amount of funding available for local schools, which could negatively affect the quality of education.