



State of Georgia
Department of Revenue
Local Government Services Division

Information
Memorandum

To: Chairman, Board of Tax Assessors
Tax Commissioner

From: Sha P. Hester, Director

Date: December 5, 2006

Re: New Homestead Exemptions and Codes for Digest Submission

Two referendums were ratified by the voters during the November 7, 2006 general election approving new homestead exemptions for senior citizens and certain surviving spouses. These new exemptions become effective beginning with tax year 2007. A description of these new homestead exemptions is shown below. On the following page is a chart showing the new codes, the effect on existing codes, and the amount of exemption for each. Please contact your service bureau or in-house DP Department to ensure that these new homestead exemption codes are used to properly reflect the qualifications and amounts, as well as being included on the consolidation sheets when submitting the annual property tax digest to the Department. Failure to do so may delay receiving an Order authorizing the billing and collection of taxes.

1. House Bill 848, passed in the 2006 General Assembly session, approved an exemption from all state property taxes for persons age 65 or older. The exemption is equal to the amount of state tax levy for the residence and up to 10 acres of land surrounding the residence. This exemption is in addition to any existing exemption. **See Codes SC, S4, SD, SE, and S9.**
2. House Bill 81, passed in the 2006 General Assembly session, approved an exemption from state, county, county school, independent school, municipal, and bond taxes for unmarried surviving spouses of police officers and firefighters killed in the line of duty. This exemption is in lieu of any existing exemptions. **See Code SG.**

The Department is also implementing a new homestead exemption application that will replace all existing homestead applications; one application should make it easier for county officials, less costly for the state, and will allow taxpayers to answer a series of questions to determine if they may qualify for increased homestead exemptions based on their age, income, or spousal situation. The new application will be sent to you in the coming weeks and will be available on our website for ordering as you have in the past. The old homestead exemption application cards will cease to be available at the time the new application becomes effective.

The Department has presented these new codes and proposed homestead exemption application to the Georgia Association of Tax Officials, the Georgia Association of Assessing Officers, and several vendors. The recommendations and concerns of these groups have been carefully reviewed, considered and incorporated into the new code designations and design of the homestead application.

If you have any questions, please do not hesitate to contact us.

CODE	DESCRIPTION QUALIFICATIONS	STATE TAX	COUNTY M&O TAX	COUNTY BOND TAX	SCHOOL M&O TAX	SCHOOL BOND TAX
S1	Regular – Owner Occupied Principal Residence	\$2,000	\$2,000	0	\$2,000	0
SC	Age 65	100% on home and up to 10 contiguous acres of land AND \$2,000 on balance of value	\$2,000	0	\$2,000	0
S3	Age 62 – Net Income of Applicant & Spouse is less than \$10,000	\$2,000	\$2,000	0	\$10,000	\$10,000
S4	Age 65 – Net Income of Applicant & Spouse is less than \$10,000	100% on home and up to 10 contiguous acres of land AND \$4,000 on balance of value	\$4,000	\$4,000	\$10,000	\$10,000
S5	100% Disabled Veteran; Unremarried Surviving Spouse of Disabled Veteran	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
SD	Age 65 - 100% Disabled Veteran; Unremarried Surviving Spouse of Disabled Veteran	100% on home and up to 10 contiguous acres of land AND \$50,000 on balance of value	\$50,000	\$50,000	\$50,000	\$50,000
SS	Unremarried Surviving Spouse of US Service Member killed in action	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
SE	Age 65 - Unremarried Surviving Spouse of US Service Member killed in action	100% on home and up to 10 contiguous acres of land AND \$50,000 on balance of value	\$50,000	\$50,000	\$50,000	\$50,000
SG	Unremarried Surviving Spouse of a Firefighter or Peace Officer killed in the line of duty	100%	100%	100%	100%	100%
S6	Age 62 – Federal Adjusted Gross Income of Applicant and all other persons residing in the home is less than \$30,000	Floating on home and up to 5 acres of land	Floating on home and up to 5 acres of land	0	\$2,000	0
S8	Age 62 – Federal Adjusted Gross Income of Applicant and all other persons residing in the home is less than \$30,000 AND net income of Applicant and Spouse is less than \$10,000	Floating on home and up to 5 acres of land	Floating on home and up to 5 acres of land	0	\$10,000	\$10,000
S9	Age 65 – Federal Adjusted Gross Income of Applicant and all other persons residing in the home is less than \$30,000 AND net income of Applicant and Spouse is less than \$10,000	100% on home and up to 10 acres of land	Floating on home and up to 5 acres of land	\$4,000	\$10,000	\$10,000

