



GEORGIA
DEPARTMENT *of*
REVENUE

DOR LGS 2026 LEGISLATIVE UPDATE

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CAVEAT

Tuesday, May 19, 2026

Agenda

- 1 **SB33**: “Homeownership Opportunity and Market Equalization (HOME) Act of 2026” and PTRLOST Guidance for 2026 Digest Submission Cycle
- 2 **SB566**: Notice of Assessment Structure and Content Update
- 3 **HB445**: Private Water Systems (>10K) as Public Utility
- 4 **SB306**: CUVA Covenant Expiration and Combination
- 5 Financial Bills: **HB439** (Local Homestead Incentive Grants); **HB974** (Appropriations/HTRG)
Operational Bills: **HB165** (Manufactured Home Exemption); **HB244** (State/County Official Cooperation); **HB413** (Transfer-on-Death Deeds); **HB1261** (Electric Utilities Freeport Exemption); **HB1344** (Judges’ PII); **SB285** (POABF Increases); **SB447** (Local Government Building Permit Website)
- 6
- 7 Other LGS Bills: **SB403** (Unclaimed Property Updates)



SB33: “Homeownership Opportunity and Market Equalization (HOME) Act of 2026”

- Amended to include Local Homestead Option Sales Tax (LHOST)
 - Requires Local Act of General Assembly for Local Homestead
 - Exempt from 2% sales tax cap
 - Municipalities must have imposed millage in previous year to be eligible recipient of funds
 - Municipalities with MOST are not eligible to benefit
 - Up to 10 years, renewable by referendum
 - Situs (point of sale) requirement for distribution purposes
 - DOR distribution to counties in stand-alone interest-bearing account
 - Payment to eligible local governments within 30 days of jurisdictions’ tax bill being mailed
 - Property tax bills require gross tax savings from LHOST



PTRLOST (HB581) v. LHOST (SB33)

- PTRLOST/FLOST
 - “Across the board” benefit across all property types
 - 35 counties currently collecting
 - July 1-June 30 collections considered in rollback (differs from LOST/Insurance Premium)
- LHOST
 - Requires Local Act *and* Referendum
 - Limited referendum dates (March/November)
 - Primarily for benefit of eligible homestead properties
 - Equal benefit to other property types if/when all jurisdictions’ homesteads receive 100% benefit and funds remain
 - Proceeds available as of August 1
 - Millages *must* be adopted by September 1 for eligible LG consideration
 - Otherwise, 90% of prior year net millage
 - Lesser of 90% previous year or adopted rate



2026 PTRLOST/FLOST Guidance

- LOST/Insurance Premiums
 - January 1-December 31 distributions considered in PT35 calculations
 - All 159 counties affected
 - Continuation of county-level totals published to LGS website (2025 aggregate distributions available now)
- PTRLOST/FLOST
 - July 1-June 30 collections considered in PT32.1 calculations
 - 35 counties currently collecting
 - Affected counties will receive memo from LGS with total distributions on/about July 1, 2026
 - Included in 2026 Digest Submission to LGS



SB33: “Homeownership Opportunity and Market Equalization (HOME) Act of 2026” I

- HB581 opt-out removed
 - Homestead Exemption date is January 1 of each year
 - Statewide FLOAT applicable January 1, **2027**
 - Baseline of 2026 values
 - Will transition from “L” Exemption to “S” Exemption in 2027
- Increases limit on school system reserve funds from 15% to 25%



SB33: “Homeownership Opportunity and Market Equalization (HOME) Act of 2026” II

- “...each municipal official responsible for collecting municipal ad valorem property taxes, and each school official responsible for collecting ad valorem property taxes for a local school system shall complete its revision and assessment of the returns of taxpayers in its respective jurisdiction by July 15 of each year...”
- Preserves municipal and school district authority to manage their own collection, if not in agreement with Tax Commissioner for service provision



SB566: NOA Updates I

- Format and content of Notice of Assessment
 - Additional/standardized elements
 - A) Detailed information regarding exemptions, credits, and preferential assessment for properties; b) estimated tax savings calculated based on all applicable jurisdictions' previous year millage rate; c) specific guidance information for the appeals process (including identification of specific point-of-contact rather than office address or general email account); d) description of changes to taxable assessed value; e) explicit reference to 'fair market' value; f) assertion of the ability to apply for homestead exemption during the 45-day appeal window; and g) directive to property owners to notify local tax officials of ineligibility for homestead exemption.
 - Creation of "Homestead Registry"
 - Part of digest submission package to DOR, including approved *and* denied applications
 - In development and required for 2026 submission cycle – will be searchable
 - Homestead ineligibility
 - Ineligibility should be reported by taxpayer by final day of appeal period – tax obligation and 50% penalty accompanies property, not taxpayer



SB566: NOA Updates II

- Raised questions/concerns
 - Municipal Exemptions Credits on County NOA
 - Independent Municipal Administration Implications
 - Appeal contact information (particularly in high-volume jurisdictions)
 - “The name, phone number, and contact information of the person in the assessors' office who is administratively responsible for the handling of the appeal and who the taxpayer may contact if the taxpayer has questions about the reasons for the assessment change or the appeals process;” (SB 566 As Passed, Lines 198-201)
 - Confer with County Attorney
 - W&M/Finance Committee Review
 - “Such other details as may be required by the department [of Revenue] after consultation with the chairpersons of the House Committee on Ways and Means and the Senate Finance Committee.”
 - Vendor Engagement
 - DOR/LGS staff have engaged with contracted software providers used statewide to ease implementation
 - County-level Review
 - Confer and consult with County Attorney for their interpretation and recommendations on County-specific needs and considerations
 - Estimated Rollback Rate Language repealed by legislation, no longer required for inclusion
 - Anticipated HTRG *not* included in credits/exemptions



HB445: Central Assessment of Private Water Providers/Hearing Officers I

- Adds “private water systems and sewage systems with at least 10,000 connections for services” to public utilities centrally assessed by DOR
 - System permit data from EPD/DNR being evaluated
 - *Anticipated* impact is 2-3 system owners/operators with properties in 30-35 counties
 - Does *not* impact local assessment of exempt *public* systems (municipal, county, water authority, etc.)
- Transition and rollout being developed
 - Affected County BOA and TC will be notified by LGS



HB445: Central Assessment of Private Water Providers/Hearing Officers II

- Modifications to Hearing Officer Roles/Responsibilities
 - May hear personal property accounts other than wireless with FMV >\$200,000
 - Allows any Appraiser IV or Chief Appraiser to apply to be a hearing officer
 - Cannot hear any cases in a county where they have served as Appraiser IV or Chief Appraiser



SB306: Conservation Covenant Combination I

- Allows property owners to combine multiple CUVA covenants into a single new ten-year covenant
 - Resets existing parcel covenants that are part of the succeeding combined covenant
 - Doesn't allow for *removal* of any portion of property from existing covenant
 - Doesn't allow for combination of any parcels with delinquent tax obligations
 - Doesn't allow for *new* parcels, only combination of existing covenant parcels
 - Standards for qualified properties and qualified use do not change
 - Properties *may* concurrently be used for carbon sequestration
- New application process from DOR introduced to accommodate



SB306: Conservation Covenant Combination III

Section 1 on bill

(a)(1)(F)

"The primary purpose described in this paragraph includes land conservation and ecological forest management in which commercial production of wood and wood fiber products may be undertaken primarily for conservation and restoration purposes rather than financial gain. Such property may, in addition, have as a secondary use carbon sequestration in accordance with the Georgia Carbon Sequestration Registry or a carbon sequestration program; "



SB306: Conservation Covenant Combination IV

“(d) At least 60 days prior to the expiration date of the covenant, the county board of tax assessors shall send by first-class mail written notification of such impending expiration; provided, however, that the county board of tax assessors shall send such written notification by certified mail, if requested by the taxpayer. Additionally, the county board of tax assessors shall send an electronic copy of such notification to the taxpayer if the taxpayer has submitted a current email address and requested such electronic notification”.



SB306: Conservation Covenant Combination V

(d.1)(1) This subsection shall apply in the case of any property:

- (A) For which the covenant required under subsection (d) of this Code section expired during the two years immediately preceding July 1, 2025; and
- (B) That, during the period after the expiration of the covenant required under subsection (d) of this Code section, continued to qualify for current use assessment under this Code section; and



SB306: Conservation Covenant Combination VI

(d.1)(1) This subsection shall apply in the case of any property:

(A) For which the covenant required under subsection (d) of this Code section expired during the two years immediately preceding July 1, 2025; and

(B) That, during the period after the expiration of the covenant required under subsection (d) of this Code section, continued to qualify for current use assessment under this Code section; and

(C) The owner of such property can demonstrate by sworn affidavit from the designated mail carrier that the mailbox was inoperable or unavailable at the time such notice of expiration should have been delivered.



SB306: Conservation Covenant Combination VII

(2) Notwithstanding any other provision of this chapter to the contrary, for a property that meets the requirements of paragraph (1) of this subsection the covenant required under subsection (d) of this Code section shall be deemed to be reinstated and the owner of the property shall only be liable for the taxes that would have been imposed if such covenant had not expired.

(3) Notwithstanding the procedures and requirements for appeals provided in this chapter to the contrary, the owner of any property that meets the requirements of paragraph (1) of this subsection may appeal the assessment of such property for the time period stated in subparagraph (A) of paragraph (1) of this subsection. The county board of tax commissioners shall refund to the owner any amount of



SB306: Conservation Covenant Combination VIII

(d.1.3) con't

taxes paid in excess of such amount, and no other costs, fees, or interest shall be imposed on such owner in relation to such appeal."



SB306: Conservation Covenant Combination IX

“(e.1)(1) A single owner, as described in subparagraph (a)(1)(C) of this Code section, who has multiple parcels of bona fide conservation use property that are collectively subject to more than one valid covenant under this Code section may combine such covenants in whole under a single, new, ten-year covenant for bona fide conservation use without constituting a breach of any of the covenants, provided that all such property would be otherwise eligible to be placed under a renewal covenant under this Code section by the owner upon the natural expiration of the original covenant.”



SB306: Conservation Covenant Combination X

(2) The provisions of this subsection shall not be permitted or be construed to:

(A) Allow any portion of property held under a covenant to be removed from the covenant without being combined into the new covenant;

(B) Change any requirements for what constitutes qualified property; or

(C) Change any requirements for what constitutes qualifying use for purposes of this Code section.



SB306: Conservation Covenant Combination XI

(e.1)(3) A single owner, as described in subparagraph (a)(1)(C) of this Code section, desiring to proceed with combining covenants pursuant to paragraph (1) of this subsection shall first file a real property tax return with the appropriate board of tax assessors on or before the deadline to file such return.

(4) Parcels on which delinquent taxes are owed shall not be eligible to be combined pursuant to paragraph (1) of this subsection."



SB306: Conservation Covenant Combination XII

Section 2 on bill

Said article is further amended in Code Section 48-5-7.7, relation to preferential assessment for forest land conservation use property, by revising subsection (f) as follows:

(3) A qualified owner under this Code section may obtain ownership of property receiving preferential assessment under Code Section 48-5-7.1 or current use assessment under Code Section 48-5-7.4 and have 180 days from the time ownership is acquired to change from such covenant and place under a covenant under this Code section if it is otherwise qualified and would not constitute a breach thereof even if the qualified owner does not qualify for the preferential assessment under Code Section 48-5-7.1 or current use assessment under Code Section 48-5-7.4."



SB306: Conservation Covenant Combination XIII

Section 3 on bill

Code Section 48-7-29.6 of the Official Code of Georgia Annotated, relating to tax credits for qualified low-income buildings, is amended by revising paragraph (5) of subsection (b) as follows:

"(5) The ~~aggregate~~ annual amount of tax credits ~~allowed~~ initially awarded pursuant to this Code section shall not exceed \$100 million for each of the taxable years 2026 through 2028."



SB306: Conservation Covenant Combination XIV

SECTION 4.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval, and Sections 1 and 2 of this Act shall be applicable to all taxable years beginning on or after January 1, 2027.



HB439: Homeowner's Incentive Adjustment Grant Program

- Allows local governments to create funds for jurisdiction-specific property tax relief
 - Benefit limited to qualified homesteads
- Subject to voter referendum at county *or* municipal level
 - Standing referendum – no sunset/expiration
 - Can be ended through referendum
- Funded locally through excess funds, investments, dividend growth, or other legal revenue generation
 - Actual revenues exceeding estimated revenues from adopted budget ordinance in previous FY
- Dollar-for dollar reduction on eligible homestead tax burden for that particular taxing jurisdiction



HB974: Appropriations - HTRG

- \$850M in funding for Homeowner Tax Relief Grants (HTRG)
- Application to be included in digest submission package
 - Continuation of \$18,000 per eligible homestead
 - County and Municipal Governments apply independently
- Funds available until depletion, anticipation of exhausting funds



Tax Administration and Operations Bills

HB165: Manufactured Home Exemption

- Exempts 50% of local sales/use tax for manufactured home
 - Must be de-titled within 30 days of purchase
- If mobile home is transferred to corporate entity and meets requirements otherwise laid out in statute, half of local sales/use tax is payable to Tax Commissioner



HB244: County/State Official Cooperation

- Changes threshold of audit-required local governments jurisdictions to expenditures of \$2.5M
 - Previously Population of 1,500 *or* expenditures of \$550K
- Requires county and state officials to cooperate in preparation of financial statements/audit reports by state auditor
- If county officials fail/refuse to cooperate, 50% of their compensation shall be withheld until they comply



HB413: Transfer-on-Death Deeds

- Designated beneficiaries have right to death certificate
- TOD deeds take priority over unsecured debts as protection mechanism for beneficiaries
- Revocation requirement reduced from two to one witness
- Transfer tax declaration not required at recording
 - No PT-61 form needs to be filed when recording the TOD deed, only when beneficiary records acceptance affidavit



HB1261: Freeport 1 Exemptions

- Provides Freeport 1 exemption for electric utilities for qualifying personal property
 - Previous limits were manufacturers, warehouses, fulfillment centers
- Extensive inventory coverage
 - Motors, turbines, boilers, regulators, steel, concrete, masonry, conductors, cable, poles, transformers, capacitors, circuit breakers, fuses, insulators, switchgears, other capital
- Exclusion of installed equipment
 - Subject to normal ad valorem tax after installation



HB1344: PII of Judges/Spouses

- Home addresses, parcel numbers, and personal telephone numbers from current and former judges, and their spouses, are not provided in public records
- Information to be provided to limited county-level record holders by Administrative Office of the Courts



SB285: Peace Officers Annuity and Benefit Fund

- Allows POABF to issue increases in annuities and benefits
 - Sole support for Fund
 - Exempt from other state lapsing fund rules
- Additional funding from 1.5% of funds from insurance premium tax of counties and a match from the state at 0.5%, effective 2027
- Benefit multiplier authorized to increase up to \$35/year of creditable service starting July 1, 2027



SB447: Local Building Permit Website

- Local governing authorities (county commissions, city councils, etc.) that issue building permits must maintain website with key information
- Publicly accessible website with real-time information must be live by January 1, 2028
- Including a) permit application number, b) date of submission, c) property address/parcel number, d) type of permit, e) permit status and date of status change, and additional elements
- Local government may link to third-party permitting/records management system to meet requirements



HR32: CUVA Acreage Amendment

- November 2026 Constitutional Amendment (statewide vote)
- Increase of Conservation Use Valuation Act (CUVA) maximum from 2,000 acres to 4,000 acres



SB403: Unclaimed Property

- Affidavit Option
 - Distribution of deceased person properties by affidavit (not probate) if a) under \$7,500, and b) all heirs agree and sign
 - Prepared and available through DOR
- “Exact Match” Distribution
 - Matching unclaimed property records against existing Georgia DOR tax records for identification of owner and distribution
 - Guidelines and processes in development



Upcoming R&R Additions/Updates

- In response to new legislation and evolving needs in LGS, Agency Rules and Regulations will be reviewed and updated, as necessary
- These processes include review and feedback period, which will be communicated to local assessment and taxing officials
- Potential R&R Additions/Updates
 - Elimination of HB581 Opt-Out/Statewide Exemption Code
 - Property Class/Strata Updates
 - Introduction of LHOST
 - Local-to-Central Assessment Transition Protocol
 - CUVA Covenant Management Updates





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ADDITIONAL QUESTIONS AND FURTHER DISCUSSION