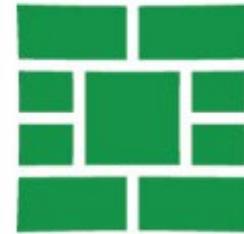


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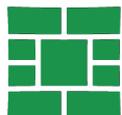


HB 581
PUBLIC HEARING

February 4, 2025

Homestead Exemptions and Terms to Know

- **Homestead Exemption** homestead exemption is a legal provision that helps to reduce the amount of property taxes on owner-occupied homes. The home must be your primary residence.
- **Stephens Day Exemption**- Is a Homestead exemption passed in a state local law for Chatham County residents only that equals the difference between the current year fair market value and the adjusted base year or base tax year.
- **Base Tax Year or Adjusted Base Year**- the year in which you qualify for your homestead tax exemption. Your home value is typically frozen at this Base Tax Year.
- **Floating Inflation-Proof Exemption** – This exemption is called a floating exemption because the amount of the exemption increases as the value of the homestead property is increased.
- **Fair Market Value**-Fair market value (FMV) is the price at which a willing buyer and seller would exchange a property or asset in an open market. It's a legal term that's used to determine the fairness of assessments.



What is Georgia's HB 581?

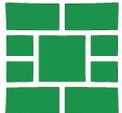
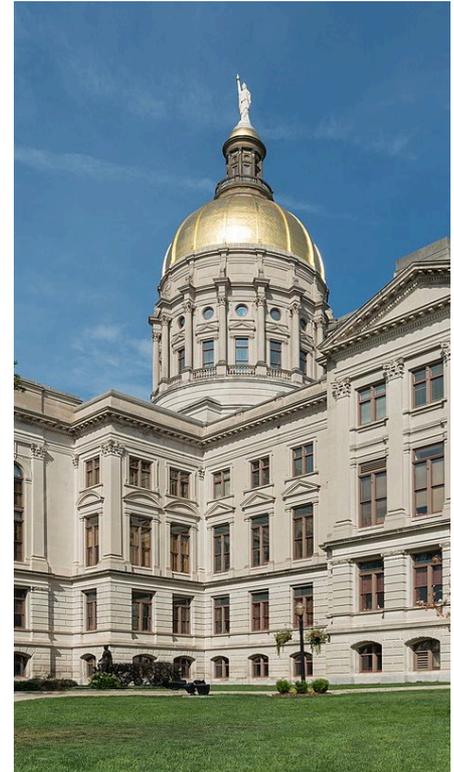
- Georgia HB 581 aims to provide homestead tax relief to homeowners across the state, not just Chatham County
- HB 581 was passed by the Georgia Legislators in 2024 and approved by voters in November 2024
- HB 581 is a statewide exemption that mirrors Chatham County's 1999 Stephens-Days Exemption
- Local Governments must 'Opt-In' or 'Opt-out' of HB 581 by March 1, 2025

What are Homestead Tax Exemptions?

- They help prevent large increasing property tax assessment due to growth and help control rapid increases in property assessments.

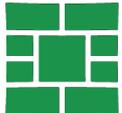
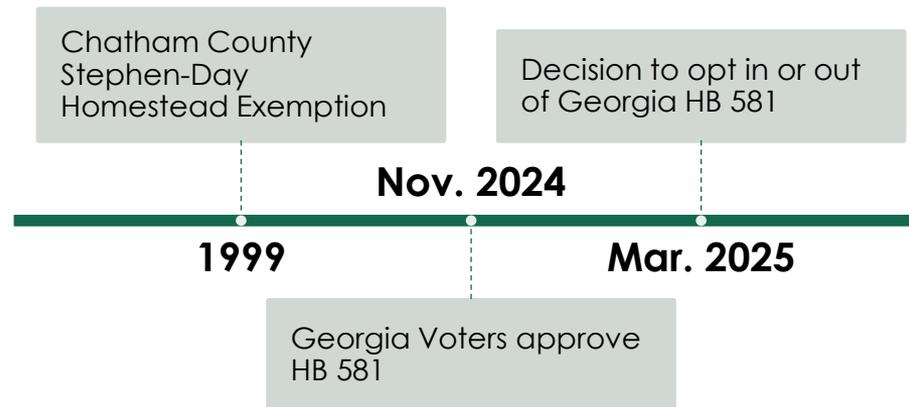
How will HB 581 impact my taxes or my base tax-year?

- Opting in or out WILL NOT change your base tax- year if you are currently under Stephens-Day.
- Base tax years only change when you sell, transfer, or improve your property
- HB 581 states in Counties with multiple exemptions, the taxpayer shall receive the one will the greatest tax reduction



Does Chatham County already have an exemption?

- Chatham County has the first Homestead Exemption ever passed in Georgia
- Stephens-Day is a local homestead tax exemption in existence since 1999, widely considered the best in GA.
- Stephens-Day has been ligated, amended, and improved throughout its 25 years
- HB 581 is new and will require adjustments.



What does Stephens-Day do?

- **Property Value Freeze**

- The Stephens-Day Exemption freezes your home value to the base year value, providing stability.
- This allows for gradually increases in home-value based on inflation in some cases.
- This also instructs that the base year value is frozen and does not increase in some cases (eg Chatham County property tax)

- **Protection from Tax Increases**

- This exemption protects homeowners from sudden and rapid increases in property taxes, promoting affordability.

- **25 Years of Stability**

- Stephens- Day has been litigated and amended throughout its 25 years of existence and is considered the best homestead exemption in the State of Georgia.



What to consider?

For the majority of Chatham County Homeowners HB 581 will not impact your property taxes because Stephen's Day already provides either as good of or better exemption. Opting in or Opting out WILL NOT reset your base tax year value.

Pros for Opting in

- HB 581 benefits property owners in Counties that do not already have a Homestead Exemption
- Low risk because Georgia Law states that taxpayer shall receive the exemption that provides them the greatest benefit.
- No major financial impact on City of Savannah



Cons for Opting in

- Inefficient spending of public funds: additional Chatham County Staff time required to track new values, without producing much public benefit because Stephen's Day already provides the most relief for taxpayers.
- Potential confusion on exemption process and tax digest
- Complications and potential mistakes for Chatham County Tax Tracking Software

