

HOUSE BILL 581

Public Hearings

Chris Griner, CPA
Chief Financial Officer



Clarke County
School District
Better Together

House Bill 581

- House Bill 581 passed on November 5th.
- Homestead - primary residence of home owner
- House Bill 581 (HB 581) establishes a statewide floating homestead exemption that limits the annual increase in property tax assessments on homesteaded properties to the inflation rate of the previous year.
 - If a home increases in value by 5% but the previous year inflation rate is 2%, the home will only be valued at 2% more.
- Exemption SC - At the age of 65, homeowners in Clarke County may apply for an exemption that freezes the assessed value of their property. Thus, HB 581 will not apply to this group of homeowners.
- All existing exemptions would remain the same.
- School systems have ONE opportunity to opt out.



School System Finances

- Property taxes account for 57% of general fund revenue
- 2025 budget = \$135 million = 18.80 mills
- One mill of tax is equivalent to \$7,180,850



Pros of HB 581

- Reduces the tax burden for homeowners who do not already qualify for Exemption SC.



Pros of Opting Out of HB 581

- Local Control - Clarke County School District would maintain local control over property tax policies and would have the ability to tailor tax rates and exemptions to our specific community needs and fiscal conditions.
- Potentially avoid millage rate increase to make up for lost property tax revenue that would shift the tax burden to businesses and rental properties/renters.



Other Considerations

- Potential further health insurance cost increases
- Additional future property tax legislation
- Additional reductions in federal funding
- Potential impacts of Georgia Promise Scholarship Program



Next Steps

- Board Meeting: Thursday February 13th 7:00 P.M
- Resolution and supporting documentation due to Secretary of State by March 1, 2025.

