



UNDERSTANDING GEORGIA HB 92 AND ITS IMPACT ON FULTON COUNTY PROPERTY AND SALES TAXES

Overview

In 2025, Georgia passed House Bill 92 (HB 92), which makes several changes to the property and sales tax laws that were originally set out in House Bill 581 (HB 581) from 2024. These laws were designed to help control rapid increases in property taxes and provide tax relief to homeowners. HB 92 fine-tunes some of the provisions in HB 581, and this memo will explain how these changes will affect property owners in Fulton County.

Key Changes in HB 92

1. Changes to the Floating Homestead Exemption

- **What is the Floating Homestead Exemption?**

- With this new change, the floating homestead exemption helps prevent your property taxes from increasing too quickly. Instead of your home's value being assessed at whatever the current market rate is, the exemption limits the taxable value increase to the rate of inflation from the previous year. Fulton County has had a floating homestead exemption for 20+ years. With the new bill, property owners will automatically receive either the old floating homestead or the new one – whichever one is most beneficial.

- **Limits on the Land Eligible for Exemption**

- Under HB 92, the floating homestead exemption will now apply only to your home and up to five acres of the surrounding land. If your property is part of a special conservation program, like Conservation Use (CUVA) or Forestland Protection (FLPA), the exemption will apply to your home and a smaller portion of land based on local zoning rules. Most homeowners in Fulton County will not be affected by this change, but if you own a larger property, it's something to be aware of.

- **Surviving Spouse Benefit**

- If your spouse passed away, you can continue to receive the floating homestead exemption without needing to reapply. This provides stability and support for surviving spouses in Fulton County.

2. New Rules for Property Tax Rollback Rates

- **What is the Rollback Rate?**

- The rollback rate is the property tax rate that helps offset increases in your property's value. This ensures your taxes don't increase dramatically due to rising property values.
 - Example: Let's say your house was worth \$250,000 last year and now it's worth \$275,000. That's a big increase—but thanks to HB 92, your taxes only go up by the rate of inflation, not the full amount. So even though your house is worth \$25,000 more, you only pay taxes on a small part of that increase.

- **New Deadline for Submitting Rollback Rates**

- HB 92 requires local governments like Fulton County to submit their estimated rollback rate to the tax office 15 days before the notices of assessment are mailed out, which will be June 17th. If this submission is late, your tax notice will be based on the previous year's tax rate, instead of reflecting any changes. This is mainly an administrative change that helps make the process more transparent. This deadline is specifically for the County, not a homeowner.
 - Fulton County approved an estimated rollback rate of 8.87 on February 19th, 2025

3. IMPORTANT: New Extended Application Window for Homestead Exemption

- **More Time to Apply**

- HB 92 gives property owners more time to apply for the homestead exemption. You can now apply for this exemption up until the end of the 45-day window for appealing your property's assessed value. This provides homeowners in Fulton County with additional time to apply and make sure they receive the property tax relief they are eligible for.

4. Changes to Sales Tax Rules

- **Sales Tax for Education and Property Tax Relief**

- The law also makes changes to how local sales taxes work, particularly for the Education Special Purpose Local Option Sales Tax (ESPLOST), which helps fund school projects. It introduces a tax exemption for ESPLOST funds used on certain education-related projects, but only for areas with a floating or frozen homestead exemption. This will not significantly affect the services Fulton County residents rely on, this will solely impact the tax exemption on school projects.

- **Smaller Cities and Sales Tax Agreements**

- In Fulton County, some smaller cities may no longer be required to participate in intergovernmental agreements to share in the local sales taxes that are used to fund various services. This could change how revenue is shared across the county, but for most residents, it will not significantly affect the services they rely on.

What Does This Mean for You?

HB 92 is designed to provide more stability for homeowners by limiting how much your property taxes can increase and giving you more time to apply for exemptions. Here are some things you can expect:

- **More Time to Apply for Tax Relief:** You now have a longer period to apply for the homestead exemption, making it easier to get the tax relief you're entitled to.
- **Property Tax Stability:** The floating exemption continues to help stabilize property tax rates by limiting increases to the rate of inflation, which can help reduce the burden of rising property values.
- **Tax Simplicity:** With changes to the rollback rate process and the extended application window, the system should be easier to navigate, making it simpler for you to understand your property tax bills.
- **Sales Tax Adjustments:** Changes to local sales tax rules may affect how education projects are funded and how sales tax revenues are shared. However, these changes will not likely impact most residents directly.

Conclusion

HB 92 brings important adjustments to the property and sales tax system that will impact homeowners in Fulton County. By giving more time to apply for homestead exemptions and ensuring that property taxes remain stable, this law is designed to help homeowners manage their tax bills and avoid sudden increases in property taxes. While most of the changes are administrative, they should provide you with more clarity and flexibility when it comes to your taxes. If you have any questions or need assistance applying for exemptions, be sure to contact Fulton County's Tax Assessor's Office for guidance.