Est 1834
CANTON
GEORGIA

Action Requested/Required:

- ☑ Vote/Action Requested
- ☐ Discussion or Presentation Only
- ☐ Public Hearing

Report Date: ___________
Hearing Date: ___________
Voting Date: ___________

Department: Administration **Presenter(s) & Title:** Billy Peppers, City Manager

Agenda Item Title:

Discussion and Possible Action on a Memorandum of Understanding between the City of Canton and the Cherokee County Board of Tax Assessors to Implement Procedural Property Tax Changes Outlined in HB581

Summary:

Upon the approval of a constitutional amendment by Georgia Citizens in November 2024, the implementation of HB581 institutes a property assessment cap program for homesteaded properties. This MOU outlines the procedures for the provision of an estimated rollback millage rate by the City of Canton to the Board a Tax Assessors by April 15 annually as well as the BTA's procedures if the City fails to provide that estimate. The agreement was drafted by the Cherokee County Board of Commissioner's Staff Attorney and will be executed by all taxing bodies in Cherokee County.

Budget Implications:

Budgeted? ☐ Yes ☐ No ☑ **N/A**

Total Cost of Project: ______ Check if Estimated ☐

Fund Source: General Fund ☐ Water & Sewer ☐ Sales Tax ☐ Other: ______

Staff Recommendations:

Motion to Approve an MOU with the Cherokee County Board of Tax Assessors to Implement Procedural Property Tax Changes Outlined in HB581 and to instruct the Mayor to sign said MOU

Reviews:

Has this been reviewed by Management and Legal Counsel, if required? ☑ Yes ☐ No

Attachments:

MOU with Cherokee County Board of Tax Assessors

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CANTON, GEORGIA AND THE CHEROKEE COUNTY BOARD OF TAX ASSESSORS TO IMPLEMENT PROCEDURAL PROPERTY TAX CHANGES OUTLINED IN HB581

THIS MEMORANDUM OF UNDERSTANDING, made this 6th day of March, 2025 by and between the City of Canton, Georgia, a municipal corporation of the State of Georgia (hereinafter referred to as "the City"), and the CHEROKEE COUNTY BOARD OF TAX ASSESSORS, by and through its duly appointed Board of Directors (hereinafter referred to as "the BTA").

W I T N E S S E T H:

WHEREAS, the City and the BTA intend to comply with the various provisions of the Ga. L. 2024, p. 20, § 4-1/HB581, as amended, and

WHEREAS, the City and the BTA seek to comply with the amendments outlined in O.C.G.A. §§ 48-5-2 and 48-5-306, and

WHEREAS, the City and the BTA intend to cooperate to ensure procedural property tax changes identified in HB581 are implemented, and

WHEREAS, the City and the BTA acknowledge that HB581 created an estimated roll-back rate which is certified to the tax commissioner by local governments and is required to be included on assessment notices replacing the previous year's millage rate, and

WHEREAS, the implementation of this Memorandum of Understanding will streamline and prevent delay in mailing of annual notices of assessments; and,

BE IT, THEREFORE, RESOLVED THAT for the mutual promises exchanged between the parties hereto and in consideration of said promises and in compliance with the above-stated laws of the State of Georgia pertaining to the subject hereto, the City and the BTA doe hereby agree to implement the mandates of HB581 as follows:

1.

The BTA shall provide the City with an estimate of digest inflation on or before April 1st of each year.

2.

The City shall provide to the BTA and the Cherokee County Tax Commissioner an estimated rollback millage rate on or before April 15th of each year consistent with O.C.G.A. §§ 48-5-2.1 and 48-5-306(b)(1)(l). The City shall direct the annual estimated rollback millage rate to the Chief Appraiser at sswindell@cherokeecountyga.gov and the Tax Commissioner at dbmastroserio@cherokeecountyga.gov .

3.

If the City fails to submit to the BTA the City's estimated rollback millage rate on or before April 15th of any given year, then the City authorizes the BTA to use the City's prior year millage rate on the current year notice of assessment.

4.

The City and BTA agree that the foregoing agreement promotes the efficient, effective and responsible procedural property tax changes outlined in HB581, and we have executed this Agreement in duplicate as of the date first above written.

5.

This Memorandum of Understanding may not be modified, amended, or terminated without the prior written consent of the City and BTA.

6.

This Memorandum of Understanding shall be governed, construed, and enforced in accordance with the laws of the State of Georgia.

IN WITNESS WHEREOF, the City and the BTA have caused this Memorandum of Understanding to be executed as of the date and year first above set forth.

CITY OF CANTON, GEORGIA

By:____________________________

Mayor Bill Grant

Attest:__________________________

Annie Fortner, City Clerk

BOARD OF TAX ASSESSORS

By:____________________________

Attest:__________________________