



# DOAA

Georgia Department  
of Audits & Accounts

**Greg S. Griffin**  
State Auditor

February 5, 2025

Honorable Chuck Hufstetler  
Chairman, Senate Finance Committee  
121-C State Capitol  
Atlanta, Georgia 30334

SUBJECT: Fiscal Note  
Senate Bill 52 (LC 50 0970)

Dear Chairman Hufstetler:

This bill would provide temporary tax relief on standing timber in FEMA-declared disaster counties due to Hurricane Helene. Local governments could choose to not collect timber taxes for the entirety of 2025 and refund any timber taxes collected in the last quarter of 2024. The state would offset the revenue losses through grants to participating local governments. These grants will be administered by the Georgia Department of Revenue (DOR), with the amounts determined in consultation with the governing authorities and the Georgia Forestry Commission (GFC). No grant amount can exceed the average of the total timber revenue received by a governing authority in years 2021 through 2023.

Data from DOR indicates that the bill would increase state expenditures by a maximum of \$17.3 million. This is the maximum allowable grant total based on the three-year historic average timber revenues for each impacted county. Neither DOR nor GFC anticipate new administrative costs from implementing this legislation.

Estimated costs of the bill used the assumptions below.

- In all 93 affected counties, all local governments qualified to participate in the tax relief on timber elect to do so.
- Lines 42-44 of the bill mentions a disaster area designated for “public assistance or individual and public assistance.” We assume this language excludes counties labeled as “no designation” and “individual assistance” on FEMA’s Georgia Declaration map as of November 4, 2024.

There are factors that could result in lower participation by local governments, which would lower the cost to the state.

- The Department of Community Affairs (DCA) separately estimated the total local government revenue loss in all counties at approximately \$26.2 million across all five quarters. The total grant maximum of \$17.3 million is approximately \$9 million lower than the estimated revenue loss.
- The tax relief could incentivize larger timber harvests than usual in 2025, resulting in larger local government revenue losses relative to grant amounts. This possibility could discourage local governing authority participation, which would affect the cost estimate.

Respectfully,



Greg S. Griffin  
State Auditor



Richard Dunn, Director  
Office of Planning and Budget

GSG/RD/rg